



## KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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March 21, 2022

Ms. Katie Carney  
Office of Fiscal Statement Review  
Legislative Research Commission  
Capitol Annex, Room 104  
Frankfort, KY 40601

**RE: House Bill 606 (22 RS BR 1000) – GA Version  
AA Statement Required by KRS 6.350  
AA Statement 1 and 2 of 5**

Dear Ms. Carney:

The Kentucky Public Pensions Authority (KPPA) had previously provided an Actuarial Analysis of House Bill 606 (22 RS BR 1000) via letter dated March 4, 2022. We have now examined the GA Version of House Bill 606 (22 RS BR 1000).

We have determined that the GA Version of House Bill 606 (22 RS BR 1000) would not impact the previous actuarial statement provided for this legislation. Therefore, the Actuarial Analysis of House Bill 606 (22 RS BR 1000), dated March 4, 2022, is applicable to House Bill 606 (22 RS BR 1000) – GA Version.

We have not requested any further actuarial analysis of House Bill 606(22 RS BR 1000) – GA Version by the Authority's independent actuary. Please let me know if you have any questions regarding our analysis of House Bill 606 (22 RS BR 1000) – GA Version.

Sincerely,

A handwritten signature in black ink that reads "David Eager".

David L. Eager  
Executive Director  
Kentucky Public Pensions Authority



# KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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March 4, 2022

Ms. Katie Carney  
Office of Fiscal Statement Review  
Legislative Research Commission  
Capital Annex, Room 104  
Frankfort, KY 40601

RE: House Bill 606 (2022 RS BR 1000)  
AA Statement Required by KRS 6.350  
AA Statement 1 and 2 of 5

Ms. Carney:

House Bill 606 (2022 RS BR 1000) proposes to create a new Kentucky Revised Statute Chapter 239A that would, in pertinent part for Kentucky Public Pensions Authority, establish a wagering administration fund within the State Treasury. The bill states that amounts deposited in the wagering administration fund in excess of oversight costs would be allocated to the Kentucky permanent pension fund established in KRS 42.205. The bill does not specify an end date for the funds to cease being deposited into the Kentucky permanent pension fund, so for the purposes of this Actuarial Analysis it is assumed the revenue will continue to be deposited in perpetuity. Kentucky Public Pensions Authority (KPPA) staff members have examined House Bill 606 (2022 RS BR 1000). We have determined that the bill will not increase or decrease benefits or the participation in benefits in any of the retirement systems administered by KPPA. House Bill 606 (2022 RS BR 1000) could potentially reduce the unfunded actuarial liability of the pension plans administered by KPPA, as passage of the bill would create a new revenue stream for the Kentucky permanent pension fund that could be allocated to the pension plans administered by KPPA.

In accordance with KRS 6.350(2)(c), Kentucky Public Pensions Authority certifies the following:

1. The estimated number of individuals affected as of June 30, 2021 are 123,809 active members, 155,506 inactive members, and 121,728 retired members in the plans administered by KPPA;
2. There is no estimated change in benefit payments;

3. The additional revenue generated by House Bill 606 (2022 RS BR 1000) could reduce employer costs only if the money were allocated to the systems operated by KPPA;
4. There is no estimated changes in administrative expenses.

We have not requested any further actuarial analysis of House Bill 606 (2022 RS BR 1000) by the Authority's independent actuary.  
Please let me know if you have any questions regarding our analysis of House Bill 606 (2022 RS BR 1000).

Sincerely,



Dave L. Eager  
Executive Director  
Kentucky Public Pensions Authority



# JUDICIAL FORM RETIREMENT SYSTEM

JUDICIAL RETIREMENT PLAN | LEGISLATORS RETIREMENT PLAN

John R. Grise, Chairman  
Board of Trustees

Bo Cracraft  
Executive Director

March 23, 2022

Ms. Katie Carney  
Director's Office  
Legislative Research Commission  
Capitol Annex, Room 104  
Frankfort, KY 40601

**RE: HB 606 GA - AN ACT relating to wagering and making an appropriation therefor.  
AA Statement 3 and 4 of 5**

Dear Ms. Carney:

Judicial Form Retirement System (JFRS) staff have reviewed **HB 606 GA**, which proposes to create a new Kentucky Revised Statute Chapter 239 that would establish a wagering administration fund within the State Treasury. The legislation provides that a portion of any excess funds remaining in the administration fund, after oversight costs, are allocated to the Kentucky permanent pension fund established in KRS 42.205.

Staff have determined **HB 606 GA** would not increase or decrease benefits, or increase or decrease participation in benefits, or change the current actuarial liability of either plan administered by JFRS. The legislation, if passed, would appear to create an additional source of revenue, which could be used to address unfunded actuarial liabilities.

In compliance with KRS 6.350(2)(c), the Judicial Form Retirement Systems (the agency in charge with the administration of JRP and LRP) certifies the following:

1. There has no individuals affected. As of June 30, 2021, there were a total of 601 individuals participating in JRP and 393 individuals participating in LRP.
2. There is no change in benefits.
3. There is no change to current employer costs. Additional revenue could reduce future employer costs depending on allocation process and amount of funds received.
4. There is no estimated change to administrative expenses.

We have not requested any further actuarial analysis of HB 606 (BR 1000) by the Systems' independent actuary. Please let me know if you have any questions regarding this analysis.

Sincerely,

Bo Cracraft  
Executive Director