



KENTUCKY PUBLIC PENSIONS AUTHORITY

David L. Eager, Executive Director

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February 27, 2023

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

RE: Senate Bill 121 (2023 RS BR 494)
AA Statement Required by KRS 6.350
AA Statement 1 of 2

Ms. Carney:

Senate Bill 121 (2023 RS BR 494) creates a new section of KRS Chapter 39G to attach the Kentucky Fire Commission to the Office of Homeland Security for administrative purposes; creates a new section of KRS Chapter 95A to transfer employees of the Kentucky Community and Technical College System (KCTCS) engaged in the full-time provision of instructional and support services for the mission of the Kentucky Fire Commission to the Office of Homeland Security; sets forth provisions for transfer of salaries, leave balances, and other benefits; and amends various statutes to conform.

Kentucky Public Pensions Authority (KPPA) staff members reviewed Senate Bill 121 (2023 RS BR 494). We have determined that the bill will not increase or decrease benefits. There may be an increase in participation of benefits due to the proposed legislation requiring those Kentucky Fire Commission employees who currently participate in the KCTCS 403(b) plan, or new employees hired on or after July 1, 2023, to participate in the Kentucky Employees Retirement System (KERS). However, the number of new participations will be minimal and will not have a material impact on the KERS plan or any of the 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, 2022, are 138,486 members in the Kentucky Employees Retirement System administered by the Kentucky Public Pensions Authority. According to the Kentucky Community and Technical College System's website, there are approximately 25 staff members engaged in instructional and support services for the Kentucky Fire Commission.
2. There is no estimated change in benefit payments.
3. There is no estimated change in employer expenses.
4. There is no estimated change in administrative expenses.

We have not requested any further actuarial analysis of Senate Bill 121 (2022 RS BR 494) by the Authority's independent actuary.

Please let me know if you have any questions regarding our analysis of Senate Bill 121 (2023 RS BR 494).

Sincerely,

A handwritten signature in black ink that reads "David Eager". The signature is written in a cursive, flowing style.

David L. Eager
Executive Director
Kentucky Public Pensions Authority