



# TEACHERS' RETIREMENT SYSTEM

## of the State of Kentucky

**GARY L. HARBIN, CPA**  
*Executive Secretary*

**ROBERT B. BARNES, JD**  
*Deputy Executive Secretary*  
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*Deputy Executive Secretary*  
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March 28, 2024

Katie Carney  
Office of Special Projects  
Legislative Research Commission  
Capitol Annex, Room 39  
Frankfort, KY 40601

RE: 24 RS HB 742 HCS/BR 2324  
AA Statement 1 of 5

Dear Ms. Carney:

24 RS HB 742 HCS, an Act relating to the fiduciary duties owed state-administered retirement systems, would, in part, amend KRS 21.450, 61.650, 78.790, and 161.430 relating to the fiduciary duties owed to the state-administered retirement systems to define "shareholder-sponsored proposal" and "economic analysis"; require a proxy adviser under contract with a state-administered retirement system to conduct and document an economic analysis prior to voting on or recommending a vote on a shareholder-sponsored proposal that is inconsistent with the recommendation of the board of directors of the issuer of shares in order to demonstrate that a vote against management's recommendation is solely in the interest of the retirement plan members and beneficiaries; make technical corrections.

24 RS HB 742 HCS would not increase or decrease retirement benefits or increase or decrease participation in benefits. 24 RS HB 742 HCS should not negatively impact the actuarial liability of the system as the system.

TRS certifies, in compliance with KRS 6.350(2)(c), as follows:

1. There are approximately 133,000 members of TRS, of which approximately 58,000 are retirees.
2. There would be no increase or decrease in benefits, or participation in benefits.
3. There would be no increase in employer cost.
4. There would be no increase in administrative costs.

Please let me know if you have any questions regarding this analysis.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. Barnes', with a long horizontal flourish extending to the right.

Robert B. Barnes

Deputy Executive Secretary and  
General Counsel