



TEACHERS' RETIREMENT SYSTEM

of the State of Kentucky

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Katie Carney
Office of Special Projects
Legislative Research Commission
Frankfort, KY 40601

RE: 24 RS SB 4 HCS 1/BR 1563
AA Statement 1 of 1

Dear Ms. Carney:

24 RS SB 4 HCS 1, an Act relating to sick leave for the Teachers' Retirement System and declaring an emergency, would, in part, amend KRS 161.155 to require each school district to report for the fiscal year ending June 30, 2024, and each fiscal year thereafter, the sick leave balances of each TRS member the district employs, including the amount of sick leave accrued at the beginning of the year, the amount used during the year, the amount accrued during the year, and the sick leave balance at the end of the year. Districts would also be required to file each year with TRS their sick leave policies, procedures, contract terms and related provisions. This bill would require the annual actuarial valuation by the actuary to specifically detail the full actuarial cost of the sick leave program, including total actuarial liabilities, and the actuarial cost as a percentage of payroll and in a dollar amount.

24 RS SB 4 HCS 1 would not increase or decrease benefits or participation in benefits. It would have no impact on the actuarial liability of the system. Given the foregoing, TRS has not requested a formal actuarial analysis from the independent actuary.

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

1. There are nearly 140,000 members of TRS.
2. There would be no change in benefits.
3. There could be some very slight increase in school district administrative costs to comply with the reporting requirements.
4. There could be some very slight increase in TRS administrative costs.

Sincerely,

Robert B. Barnes
Deputy Executive Secretary and
General Counsel