KENTUCKY PUBLIC PENSIONS AUTHORITY

Ryan Barrow, Executive Director

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Kentucky Public Pensions Authority

February 20, 2025

AA Statement 1 of 2.

Ms. Maurya Allen
Executive Assistant, Director's Office
Legislative Research Commission
Capitol Annex, Room 186
Frankfort, KY 40601

RE: House Bill 445 (2025 RS BR 1646)
AN ACT relating to membership dates in the Kentucky Employees Retirement System
AA Statement Required by KRS 6.350

Dear Ms. Allen:

The Kentucky Public Pensions Authority (KPPA) staff have reviewed the proposed legislation and certify the following in accordance with KRS 6.350 (2)(c):

1. The estimated number of individuals potentially affected as of June 30, 2024 are 95,373 active and inactive members of the Kentucky Employees Retirement System plans administered by the KPPA;

2. Pension and insurance benefits will increase if the membership date, based on the start date of the educational contract, moves the member into an earlier tier of benefits;

3. Since KPPA cannot quantify the number of members who entered into an educational contract as conditional employees of the Commonwealth of Kentucky, the employer cost for the KERS plan is undeterminable; and

4. There is no estimated change in administrative expenses.

KPPA has not sought further analysis of the proposed legislation from the independent actuary.

Should you have any questions regarding our assessment of the proposed bill, please contact us.

Sincerely,

Ryan Barrow, Executive Director
Kentucky Public Pensions Authority