



KENTUCKY PUBLIC PENSIONS AUTHORITY

Ryan Barrow, Executive Director

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Kentucky Public
Pensions Authority

Actuarial Analysis 1 of 2

February 26, 2026

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

RE: Senate Bill 124 (2026 RS BR 1151) – GA
AN ACT relating to the use of sick leave by school district personnel.
AA Statement Required by KRS 6.350

Dear Ms. Allen:

The Kentucky Public Pensions Authority (KPPA) had previously provided an Actuarial Analysis of Senate Bill 124 (2026 RS BR 1151) via letter dated February 2, 2026. KPPA has now examined the GA for Senate Bill 124 (2026 RS BR 1151).

We have determined that the GA for Senate Bill 124 (2026 RS BR 1151) would not change the previous actuarial impacts provided for this legislation. Therefore, the Actuarial Analysis of Senate Bill 124 (2026 RS BR 1151) dated February 2, 2026, is applicable to the GA for Senate Bill 124 (2026 RS BR 1151).

We have not requested any further actuarial analysis of the GA for Senate Bill 124 (2026 RS BR 1151) by the Authority's independent actuary. Please let me know if you have any questions regarding our analysis of the GA for Senate Bill 124 (2026 RS BR 1151).

Sincerely,

A handwritten signature in purple ink, appearing to read "Ryan Barrow".

Ryan Barrow, Executive Director
Kentucky Public Pensions Authority



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Actuarial Analysis 1 of 2

February 2, 2026

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

RE: Senate Bill 124 (2026 RS BR 1151)
AN ACT relating to the use of sick leave by school district personnel.
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, 2025, are 47,081 classified school board employees and members of the County Employees Retirement System administered by KPPA;
2. There is no estimated change in benefit payments as the bill states that compensation paid for unused sick leave prior to retirement is explicitly excluded from creditable compensation;
3. There is no estimated change in employer costs; and
4. There is no estimated change in administrative expenses.

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

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

Sincerely,

A handwritten signature in purple ink, appearing to read "Ryan Barrow".

Ryan Barrow, Executive Director
Kentucky Public Pensions Authority



TEACHERS' RETIREMENT SYSTEM

of the State of Kentucky

GARY L. HARBIN, CPA
Executive Secretary

ROBERT B. BARNES, JD
Deputy Executive Secretary
Operations and General Counsel

J. ERIC WAMPLER, JD
Deputy Executive Secretary
Finance and Administration

March 5, 2026

Actuarial Analysis 2 of 2

Maurya Allen
Office of the Deputy Director
Legislative Research Commission
Capitol Annex, Room 186
Frankfort, KY 40601

RE: Senate Bill 124 / GA (2026 RS BR 1151)

Dear Ms. Allen:

26 RS SB 124 / GA would amend KRS 161.155 to allow school district employees to use sick leave for observance of religious holidays not otherwise included on the school's calendar if the employee submits a personal statement verifying the observance and gives advance notice to the district; permit local school districts to compensate teachers and employees prior to retirement for accrued accumulated sick leave above 15 days at up to 30% of the teacher's or employee's daily wage; provide that compensation for sick leave compensated prior to retirement shall not impact retirement benefits or contributions to the Teachers' Retirement System or County Employees Retirement System and shall be considered as payment for services rendered; require the Kentucky Department of Education to annually report to the Legislative Research Commission on school districts who have established a program to compensate unused sick leave prior to retirement; amend KRS 78.616 and 161.220 to conform and to make technical amendments.

26 RS SB 124 / GA would not increase or decrease retirement benefits or participation in benefits, nor will it materially impact the actuarial liability of the system. For members still eligible to have sick leave applied to final average salaries for retirement calculation purposes (i.e., TRS 1-3, those individuals who became members of TRS prior to January 1, 2022), who chose to be compensated for sick leave prior to retirement, there would be some savings as those sick leave days would not be applied to final average salary.

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

1. There are approximately 140,000 members of TRS, of which approximately 58,000 are retirees.
2. There is no material increase or decrease in benefits, or participation in benefits.
3. There is no estimated increase in employer cost.
4. There is no estimated 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