

**FINANCE AND ADMINISTRATION CABINET  
KENTUCKY TEACHERS' RETIREMENT SYSTEM  
(Amendment)**

**102 KAR 1:195. Employer ~~{Payroll}~~ reports.**

RELATES TO: KRS 161.560, 161.643.

STATUTORY AUTHORITY: KRS 161.310

CERTIFICATION STATEMENT:

NECESSITY, FUNCTION, AND CONFORMITY: KRS 161.560 provides that employers shall submit payroll reports, contribution lists, and other data as may be required by administrative regulation of the board of trustees. KRS 161.643 provides that employers shall submit an annual summary report of days employed, compensation paid, and other data as required by administrative regulation of the board of trustees. This administrative regulation sets out the procedures to be followed and data to be provided by employers in ~~their forwarding payroll~~ reports to the Teachers' Retirement System.

Section 1. Employers shall submit a complete report of all member contributions to the Teachers' Retirement System at the close of each fiscal year. These reports must be received by the Teachers' Retirement System no later than August 1 of each year. The Teachers' Retirement System shall determine the information required in the reports.

Section 2. Employers shall provide to the Teachers' Retirement System, upon request, information relating to the dates that the members are paid and other information related to the payroll deduction of member contributions to the Teachers' Retirement System.

Section 3. The Teachers' Retirement System may require special reports of all member contributions to the system at the times it is deemed necessary and in the best interest of the system.

Section 4. School districts and education cooperatives shall provide to Teachers' Retirement System no later than August 1 of each year the following:

(1) The total accumulated sick leave days as of June 30 for all employees participating in Teachers' Retirement System in a covered position;

(2) A copy of all leave policies; and

(3) A copy of all salary schedules for which an employee participating in Teachers' Retirement System receives compensation and from which retirement contributions are withheld.

(8 Ky.R. 784; eff. 3-1-1982; 17 Ky.R. 2483; eff. 4-5-1991; Crt eff. 7-3-2019; 51 Ky.R. 961; eff. 5-6-2025.)

*BRENDA MCGOWAN, Chairperson*

APPROVED BY AGENCY: September 16, 2024

FILED WITH LRC: September 26, 2024 at 11:45 a.m.

PUBLIC HEARING AND COMMENT PERIOD: A public hearing on this administrative regulation shall be held on 23 December 2024, at 9:00 a.m. Eastern Time at the offices of the retirement system at 479 Versailles Road, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency in writing by five (5) workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be cancelled. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comment shall be accepted through 31

December 2024. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Robert B. Barnes, Deputy Executive Secretary of Operations and General Counsel, Kentucky Teachers' Retirement System, 479 Versailles Road, Frankfort, Kentucky 40601, telephone (502) 848-8508, facsimile (502) 573-0199, email at [Beau.Barnes@trs.ky.gov](mailto:Beau.Barnes@trs.ky.gov).

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

**Contact Person: Robert B. Barnes**

**(1) Provide a brief summary of:**

**(a) What this administrative regulation does:**

It provides guidelines for submission of employer data to TRS.

**(b) The necessity of this administrative regulation:**

Certain employer data is required for the maintenance of retirement accounts and processing of retirements and this regulation provides in-law guidelines for the submission of that data.

**(c) How this administrative regulation conforms to the content of the authorizing statutes:**

The statute requires the submission of specific and general data from employers to TRS.

**(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:**

This regulation provides further guidelines for the statutorily required submission of data from employers to TRS.

**(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:**

**(a) How the amendment will change this existing administrative regulation:**

This amendment will add to the reporting requirements of the reporting of the following: the total accumulated sick leave days accrued annually by TRS members employed by the employer; the employers' sick leave policies; and, the employers' certified salary schedules.

**(b) The necessity of the amendment to this administrative regulation:**

The amendment will provide for the reporting of additional data to help the TRS actuary assess the sick leave liability and calculate retirement allowances.

**(c) How the amendment conforms to the content of the authorizing statutes:**

The statute contemplates the reporting of retirement-related data by employers to TRS, including "data as required by administrative regulation." (d) How the amendment will assist in the effective administration of the statutes: The amendment specifies additional data to be reported as contemplated by the statutes.

**(d) How the amendment will assist in the effective administration of the statutes:**

No answer provided.

**(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:**

There are 171 school districts that will be required to report this additional data on an annual basis. Many are voluntarily reporting this data now.

**(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:**

**(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment:**

Employers will add the additional data to their annual reporting.

**(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):**

Employers already collect the additional data and many are already including it in their annual reports to TRS. Reports are submitted electronically so there would be little to no additional cost in submitting the additional data.

**(c) As a result of compliance, what benefits will accrue to the entities identified in question (3):**

Employers have an interest in assisting TRS with administering and providing an integral part of the compensation plan for their employees.

**(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:**

**(a) Initially:**

There is no cost to implement this regulation.

**(b) On a continuing basis:**

There is no continuing cost.

**(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation:**

Administrative expenses of the retirement system are paid by trust and agency funds.

**(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:**

There is no increase in fees or funding required.

**(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:**

This regulation does not establish any fees or directly or indirectly increase any fees.

**(9) TIERING: Is tiering applied?**

Tiering is not applied, as all employers and members are treated equally.

## FISCAL IMPACT STATEMENT

**(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation.**

KRS 161.310, 161.560 and 161.643.

**(2) Identify the promulgating agency and any other affected state units, parts, or divisions:**

Teachers' Retirement System of the State of Kentucky

**(a) Estimate the following for the first year:**

**Expenditures:None**

**Revenues:None**

**Cost Savings:None**

**(b) How will expenditures, revenues, or cost savings differ in subsequent years?**

None of these will change.

**(3) Identify affected local entities (for example: cities, counties, fire departments, school districts):**

**(a) Estimate the following for the first year:**

**Expenditures:None.**

**Revenues:None.**

**Cost Savings:None.**

**(b) How will expenditures, revenues, or cost savings differ in subsequent years?**

None of these will change.

**(4) Identify additional regulated entities not listed in questions (2) or (3):**

There are none.

**(a) Estimate the following for the first year:**

**Expenditures:None.**

**Revenues:None.**

**Cost Savings:None.**

**(b) How will expenditures, revenues, or cost savings differ in subsequent years?**

None of these will change.

**(5) Provide a narrative to explain the:**

**(a) Fiscal impact of this administrative regulation:**

There is no fiscal impact.

**(b) Methodology and resources used to determine the fiscal impact:**

None are required as there is no fiscal impact.

**(6) Explain:**

**(a) Whether this administrative regulation will have an overall negative or adverse major economic impact to the entities identified in questions (2) - (4). (\$500,000 or more, in aggregate)**

There is no overall negative or adverse major economic impact.

**(b) The methodology and resources used to reach this conclusion:**

None needed since there is no overall negative or adverse major impact.