

2019 Legislative Session | KPERS Bill Recap

Senate Bill 9: \$115 million transfer to KPERS

Where It's At



Quick Look

Transfer \$115 million from the State General Fund to the KPERS Trust Fund for KPERS school employer contributions. The transfer is a payment for reduced employer contributions in prior fiscal years.

Hearings

- January 22 – Bill hearing in Senate Ways and Means
- January 30 – Senate Ways and Means recommended the bill be passed
- February 4 – Full Senate debate
- February 5 – Senate Final Action; Passed 40-0
- February 12 – Bill hearing in House Appropriations

The Fine Print

The 2016 Legislature approved special allotment authority that allowed the Governor to reduce KPERS employer contributions if the ending balance of the State General Fund was less than \$100M. Separate legislation called for the repayment of any allotted contributions, plus interest, by the end of FY18.

This special allotment ultimately reduced employer contributions by \$97M. The estimated amount needed to fully pay the FY16 contribution, plus interest, on June 30, 2018, was \$115M. However, the 2017 Legislature removed the statutory provision to pay the FY16 employer contributions. Those unpaid contributions were then added to KPERS' unfunded actuarial liability.

Although not specified in the bill, it is KPERS' understanding that SB 9 will make the FY16 employer contribution and interest payment as originally laid out in statute.

Updated February 5, 2019