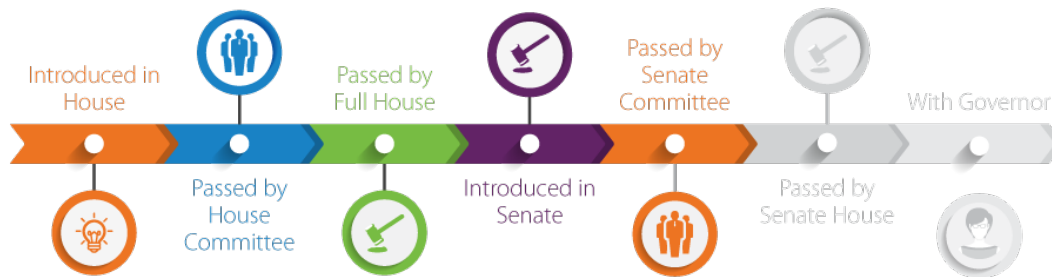


## 2023 Legislative Session | KPERS Bill Recap

### House Bill 2196: KP&F DROP Expansion

#### Where It's At



#### Quick Look

HB 2196 expands the existing Deferred Retirement Option Program (DROP) from the current pilot group of employers to all KP&F employers.

#### Hearings

February 20 – House Financial Institutions and Pensions

February 20 – Passed House Committee

February 23 – Passed Full House 120-1

March 9 – Senate Financial Institutions and Insurance

March 15 – Passed Senate Committee

#### The Fine Print

The KP&F Deferred Retirement Option Plan (DROP) is a plan design feature where a member, with approval of their employer, initiates the calculation of a retirement benefit, but continues working for 3-5 years (the DROP period).

During the DROP period, both the member and the employer continue making regular contributions. The member's monthly retirement benefit accumulates in a DROP account. The DROP account may earn interest depending on annual investment returns. Members receive the DROP balance in a lump sum or a rollover to another qualified account at the end of the DROP period.

The 2015 Legislature created a pilot DROP from 2016 to 2020 for the Kansas Highway Patrol. The 2019 Legislature extended the pilot to 2025 and expanded it to include the Kansas Bureau of Investigation.

HB 2196 expands the DROP to all KP&F employers and members but maintains the sunset date of January 1, 2025.