

April 2, 2012

The Honorable Mitch Holmes, Chairperson
House Committee on Pensions and Benefits
Statehouse, Room 166-W
Topeka, Kansas 66612

Dear Representative Mitch Holmes:

SUBJECT: Fiscal Note for HB 2701 by House Committee on Pensions and Benefits

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2701 is respectfully submitted to your committee.

HB 2701 would repeal applicable statutes that allow KPERS members to purchase various types of service credit after July 1, 2013, including the "initial year of service," military service, elected official service, elected official service, and out of state teaching service.

According to KPERS, enactment of HB 2701 would reduce revenues to the KPERS Fund that would have resulted from the purchase of member service credit. However, no actuarial change to the retirement system would occur, as actuarial factors are applied in determining the purchase cost to the member.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Faith Loretto, KPERS