Good morning Chair Tyson and Members of the Committee. The Kansas Board of Regents (Board) administers a Voluntary 403(b) Retirement Plan for eligible employees of the six state universities and the Board office. This testimony is submitted on behalf of the Board in support of the proposed revocation of its Voluntary Retirement Plan regulations.

Most of the Board’s retirement plan regulations were last amended in the 1980s, and a handful were last amended in the early 1990s. The regulations were not updated in 2005 despite a major revision to the governing statutes, K.S.A. 74-4925 and K.S.A. 74-4925(b). In 2009, the federal law governing 403(b) plans changed to require a written plan document, and the Board has since been operating its Voluntary Retirement Plan pursuant to the authorizing state statute and the written Plan Document. Because of these changes, the regulations have fallen out of use despite remaining on the books.

Revoking the regulations will not impact administration of the Voluntary Plan, but it will protect against confusion by removing obsolete language and clarifying the law for Plan participants and employees at the Board office/state universities charged with managing the retirement plans. The revocations are not anticipated to have an economic impact.

We are seeking revocation now because it coincides with a larger project the Board’s Retirement Plan Committee has undertaken to enhance benefits for Plan participants. By consolidating the number of approved vendors and renegotiating those contracts, the Board is working to reduce expenses; improve fund selection and investment opportunities; simplify Plan administration; provide industry-leading financial education opportunities; and enhance the Board’s oversight.

Thank you for the opportunity to appear before you today, and I will stand for any questions.