## SESSION OF 2008

## SUPPLEMENTAL NOTE ON SENATE SUBSTITUTE FOR HOUSE BILL NO. 2390

As Recommended by Senate Committee on Federal and State Affairs

## Brief\*

Senate Sub. for HB 2390 would authorize a one-time postretirement payment of \$300 to all Kansas Public Employees Retirement System (KPERS) retirees, beneficiaries, and disabled members who have at least 10 years of service credit and retired or became disabled on or before July 1, 1998.

The bill would authorize payments to retirees and beneficiaries of local KPERS participating employers, with an increase in the employer contribution rate, beginning January 1, 2009, to amortize the cost over 10 years. The bill also would authorize payments to disabled members from the Insured Disability Benefit Fund.

The \$300 payments authorized in the bill would be subject to appropriation, such as an item in the 2008 Omnibus bill that pertains to the funding for the benefit.

## **Background**

Section 18(d)(3) of the 2008 HB 2946 (the Omnibus bill) would lapse the \$7.06 million appropriated from the State General Fund for the \$300 payment if the Director of the Budget certifies that no transfers will be made in FY 2009 from the Expanded Lottery Act Revenues Fund to the State General Fund for the purpose making a partial reimbursement of expenditures that are made for the principal and interest of the

<sup>\*</sup>Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org

pension obligation bonds.

Senate Sub. for HB 2390 is a trailer bill to the 2008 Omnibus bill that appropriates \$7.06 million from the State General Fund in FY 2009 for repaying the KPERS Trust Fund for the state and school groups' members who will receive \$300 payments.

The fiscal note for the bill including the \$300 one-time payment estimates total costs of \$9.42 million, of which \$7.06 million is for the state and school groups (23,528 eligible members), \$2.1 million is for the local group (6,989 eligible members), and \$260,000 is for the disabled group (874 eligible members). The post-retirement benefit would be received by a total of 31,391 eligible members on or after October 1, 2008.

All other provisions in the Senate Sub. for HB 2390 were deleted by the amendment.