

February 14, 2014

The Honorable Steven Johnson, Chairperson  
House Committee on Pensions and Benefits  
Statehouse, Room 286-N  
Topeka, Kansas 66612

Dear Representative Johnson:

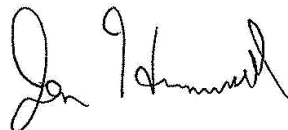
**SUBJECT:** Fiscal Note for HB 2602 by House Committee on Pensions and Benefits

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2602 is respectfully submitted to your committee.

Under current law, no more than 25.0 percent of the officers and employees at the Kansas Public Employee Retirement System (KPERS) may be in the unclassified service. HB 2602 would increase the limitation to 50.0 percent.

To the extent new unclassified positions are added or existing classified positions are converted to unclassified positions, HB 2602 could have a fiscal effect on KPERS operations if the salaries and wages costs for the unclassified positions differ from the classified position salary and wage costs. However, KPERS does not anticipate increasing the number of positions and HB 2602 would not require an increase to the agency's operating limitation established for FY 2015. In the Governor's budget, the FY 2015 limitation for KPERS administrative expenses is \$11,643,066 and does not include funding from the State General Fund. Any fiscal effect associated with HB 2602 is not reflected in *The FY 2015 Governor's Budget Report*.

Sincerely,



Jon Hummell,  
Interim Director of the Budget

cc: Faith Loretto, KPERS