

SESSION OF 2007

SUPPLEMENTAL NOTE ON SENATE BILL NO. 232

As Amended by Senate Committee on
Ways and Means

Brief*

SB 232, as amended, would allow a taxing subdivision to create a trust fund to hold or invest assets of postemployment benefits funds. Additionally, the bill would allow the taxing subdivision to participate in a multi-employer trust fund.

The bill would expand the definition of "other postemployment benefits" to include postemployment healthcare, life insurance and other benefits.

The bill would be effective upon publication in the *Kansas Register*.

Background

Proponents of the bill, as introduced, included the cities of Overland Park, Olathe, Lenexa, Topeka, and Shawnee; the League of Kansas Municipalities; and the Kansas Association of Counties. There were no opponents to bill who testified at the Committee hearing.

The Senate Committee on Ways and Means amended the bill to make the funds subject to state budgetary laws until the funds are placed in the trust fund. Other amendments were technical in nature.

Proponents of the bill indicated it was needed to clarify actions that might be taken by the taxing subdivision in

*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>

response to requirements in 2004 Governmental Accounting Standards Board 43 and 45 rulings regarding accounting and financial reporting for other postemployment benefits.

The fiscal note prepared by the Division of the Budget on the original version of the bill indicated that there might be administrative costs incurred by the local governments, which could not be determined.