

MEMORANDUM

To: House Legislative Modernization Committee

From: Alan D. Conroy

Date: February 2, 2026

Subject: HB 2574 Neutral Testimony; Amendment Request

Thank you for the opportunity to provide testimony on House Bill 2574. While KPERS is neutral on the overall policy of HB 2574, **we respectfully request an amendment to the bill to expressly exclude KPERS from the cybersecurity consolidation provisions contained in section 15.**

Cybersecurity Consolidation

As introduced, Section 15 of HB 2574 requires all cybersecurity employees in the executive branch to work at the direction of the executive brand Chief Information Technology Officer and Chief Information Security Officer. This would effectively consolidate KPERS cybersecurity functions within the executive branch. KPERS has two full-time information security officer positions and additional positions with partial responsibilities related to information security.

KPERS Governance Structure

KPERS is governed by a Board of Trustees with fiduciary responsibility to protect the retirement assets and sensitive data of more than 350,000 members, including 117,000 retirees.

Cybersecurity oversight is a core component of that fiduciary duty and is directly tied to the Board's statutory responsibility for system administration, staffing, and risk management. Consolidating KPERS cybersecurity personnel under executive branch authority would weaken the Board's ability to exercise direct oversight over a critical fiduciary risk area.

National Institute of Standards and Technology (NIST) Standards

KPERS maintains an independent cybersecurity program that has been evaluated through an external, third-party assessment using the National Institute of Standards and Technology (NIST) Cybersecurity Framework.

Using the auditor's scoring methodology, **KPERS was found to already align with NIST Cybersecurity Framework Tier 3**, or "Repeatable," meaning that cybersecurity



risk management practices are formally documented, consistently implemented, and regularly reviewed, with identified gaps subject to ongoing remediation.

This level of performance demonstrates that KPERS has an established, functioning, and independently validated cybersecurity program that is already operating at a mature level appropriate to our risk profile and fiduciary responsibilities.

Conclusion

Requiring consolidation under executive branch direction would not enhance cybersecurity outcomes for KPERS and could instead introduce governance ambiguity, slower response times, and dilute accountability for a system that operates under the fiduciary framework of a Trust Fund.

For these reasons, **KPERS respectfully requests that HB 2574 be amended to expressly exempt KPERS from the cybersecurity consolidation language in section 15**, consistent with the cybersecurity exclusion already provided elsewhere in the bill.

KPERS can work with Revisor of Statutes on appropriate clarifying language at the appropriate time.

Thank you for your time and consideration.