

January 29, 2026

The Honorable Kellie Warren, Chairperson
Senate Committee on Judiciary
300 SW 10th Avenue, Room 346-S
Topeka, Kansas 66612

Dear Senator Warren:

SUBJECT: Fiscal Note for SB 359 by Senate Committee on Judiciary

In accordance with KSA 75-3715a, the following fiscal note concerning SB 359 is respectfully submitted to your committee.

Under current law, for the Judges Retirement System, each judge contributes an employee salary contribution of 6.0 percent. However, after 20 years of service and after the judge reaches the age of 65, the judge's employee contribution reduces to 2.0 percent. When a judge has enough years of service for retirement, the maximum monthly benefit is 70.0 percent of the judge's final average salary. Also, under most conditions, judges are mandated to retire at the age of 75.

SB 359 would make the following changes to the Kansas Judges Retirement System: (1) increase to 30 years of service (from 20 years) when a judge would experience an employee contribution reduction to 2.0 percent; (2) increase the maximum monthly retirement benefit to 80.0 percent (from 70.0 percent) of a judge's final average salary; and (3) increase the mandatory retirement age to 78 (from 75) for any judge whose term of office is four years, with certain exceptions of when the judge's term begins.

According to KPERS, the enactment of SB 359 would require additional administrative costs for updating printed materials and adjustments to the KPERS information technology systems. However, any costs would be negligible and handled within the agency's existing staffing and budget resources.

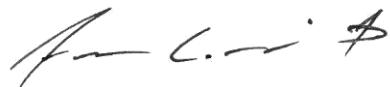
For the actuarial costs, the KPERS actuary estimates that the enactment of the bill would have two costs: (1) an increase to the unfunded actuarial liability (UAL) of the Judges Retirement System; and (2) an increased normal cost of the system from increased benefits.

The KPERS actuary estimates the enactment of the bill would increase the UAL by \$6.7 million because of the increase of judges' maximum benefit from 70.0 percent to 80.0 percent of the final average salary. This additional UAL cost could be paid by a one-time appropriation from the State General Fund to KPERS or can be amortized over 20 years through increased annual employer contributions, of which in FY 2027 would increase by 1.93 percent, with the first year's cost of approximately \$720,000.

For the increased normal costs (increased benefits), the KPERS actuary estimates that the bill would increase the employer contribution rate by 0.83 percent in the first year, with additional contributions totaling approximately \$310,000 in FY 2027. This net increase includes judges contributing an additional 0.31 percent in employee contributions, or approximately \$116,000, associated with adding ten years to the period of time that a member would contribute 6.0 percent of pay before the employee contribution rate lowers to 2.0 percent of pay.

KPERS notes that based upon KSA 74-4920, the employer contribution rate increase would be reflected in the FY 2027 rate, increasing from the previously certified rate of 21.29 percent to 22.12 percent. The Division of the Budget notes that any increased employer contribution for judges would be financed from the State General Fund. Any fiscal effect associated with SB 359 is not reflected in *The FY 2027 Governor's Budget Report*.

Sincerely,



Adam C. Proffitt
Director of the Budget

cc: Trisha Morrow, Judiciary
Jarod Waltner, KPERS