

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2024 REGULAR SESSION**

MEASURE

2024 BR NUMBER 424

HOUSE BILL NUMBER 277

TITLE AN ACT relating to the public defender system and declaring an emergency.

SPONSOR Representative Jason Nemes

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Public Advocacy

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2023-2024	2024-2025	2025-2026	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES				
EXPENDITURES		Less than \$10,084,300		
NET EFFECT		(Less than \$10,084,300)		

() indicates a decrease/negative

PURPOSE OF MEASURE: This measure transfers employees of the Louisville and Jefferson County Public Defender Corporation to the Department of Public Advocacy in the state personnel system to provide employment and retirement benefits based on their service with the Corporation.

FISCAL EXPLANATION: According to the Kentucky Public Pensions System’s actuary, providing retirement benefits to transferring employees would cost up to \$10,084,300. The total cost is contingent upon 1) funding in the Executive Branch budget and 2) these employees opting into the Kentucky Employees Retirement System (KERS) Nonhazardous duty retirement plan. HB 277 requires any transitioning employee to offset the cost of the transition into KERS Nonhazardous using the balance of their current retirement account from the Louisville and Jefferson County Public Defender Corporation.

DATA SOURCE(S): GRS Actuarial Analysis and LRC Staff

PREPARER: Zach Ireland **NOTE NUMBER:** 81 **REVIEW:** JB **DATE:** 2/23/2024