

Kansas Coalition of Public Retirees



TALKING POINTS 2025

1. Two Basic Facts
 - A. To work for the KPERS-covered positions, the only individuals with an option to participate are the legislators. Everyone else is required to accept KPERS when accepting a job with a KPERS member agency.
 - B. The promise of a KPERS retirement goes along with employment in a KPERS-covered position accepted by the employee.
2. *The legislature enacted the last permanent KPERS benefit in 1998.* This was a 3% annual base increase. KPERS was created based on ad hoc benefit adjustments approved by the legislature, not the premise there would never be adjustments. This premise was demonstrated by the legislature approving adjustments from inception to the last adjustment made in 1998. *From 1972 to 1998, the legislature approved 16 permanent benefit adjustments averaging an adjustment every 1.6 years.* This is a significant precedent and established an expectation for the future.
3. During the entire existence of KPERS, the employees have always contributed the required contribution, and the local KPERS member employers always paid what the legislature directed.
4. Because of underfunding by the legislature, a large UAL occurred.
 - A. When the original Kansas Teachers Retirement System was rolled into KPERS by the legislature (1971), the legislature broke their own requirements by not fully funding it at the time. (Attempts were made to rectify this short funding but were stopped before the fund was made whole.)
 - B. The year 2025 marks only the 5th time that the actuarially calculated amount was contributed by the state legislature. (The actuarial calculated amount or more has been contributed starting in 2020 through the 2025 budget.) Prior to this 'contribution correction', the KPERS Trust Fund had been funded at a 'statutory rate'. This was a percentage determined by the legislature and this pattern of underfunding was carried on for 25 years. [1994-2019 – The 'statutory contribution rate' was determined by K.S.A. 74-4920(8)]
5. Even with these limited improvements in the state contribution, and efforts to make up for the late payments, the fund has not been made whole yet due to the loss of investment income that would have been seen if payments had been made when due.