

## **LEGISLATIVE POLICY**

### **PURPOSE AND BACKGROUND**

- 1) The purpose of the legislative policy is to provide the organization with a broad framework, which it can utilize as a basis for action. The Board is charged with the responsibility of administering the Association in a manner to assure appropriate and prompt delivery of benefits and related services to plan participants and their beneficiaries and of managing the assets in a prudent manner. Legislation affecting the Association must be closely monitored to determine the potential impact on the Association and whether action is necessary.

### **OBJECTIVES**

- 2) The objectives of the Legislative Policy are to:
  - a) Establish a procedure by which the Board of Retirement can adopt an official position on proposed legislation;
  - b) Identify future legislative action in light of the Association's needs;
  - c) Facilitate the timely communication of proposed and enacted legislative changes to the Board and staff;
  - d) Provide guidance in communicating KCERA's official legislative positions to third parties;
  - e) Identify the optimal sources to promote KCERA's official legislative positions.

### **POLICY GUIDELINES**

#### **Roles and Responsibilities**

- 3) The Board will be responsible for:
  - a) Adopting an official position for pertinent legislative proposals affecting the Association;
  - b) Identifying the ongoing needs of KCERA for future legislative proposals;

- c) Analyzing legislative proposals suggested by KCERA's Board members, staff, or interested third parties, and determining appropriate action.
- 4) Staff will be responsible for:
  - a) Analyzing and reporting on proposed legislation affecting KCERA, (and other public pension funds if relevant), at the beginning of each legislative session;
  - b) Monitoring proposed legislation throughout the legislative session and reporting material modifications and their potential impact on KCERA to the Board;
  - c) Monitoring all chaptered legislation and determining the impact on KCERA;
  - d) Reporting the impact of, and, as required, suggesting procedures to implement, all chaptered legislation to the Board and staff;
  - e) Communicating with organizations, active and retired KCERA's members, and/or plan sponsors, as applicable, to inform them of legislative changes affecting KCERA;
  - f) Drafting proposed legislation based upon proposals received from Board members, staff and interested parties, in accordance with SACRS' Legislative Committee, or other appropriate entity, guidelines and presenting the draft legislation to the Board for consideration; and
  - g) Identifying and communicating with elected representatives to serve as authors of KCERA-proposed legislation, when appropriate.

#### Legislative Principles

- 5) The following legislative principles will guide the Board when considering its position on proposed legislation:
  - a) Promote KCERA's legislative position primarily through organizations in which KCERA participates unless proposed legislation has a specific and unique effect on KCERA;
  - b) Support legislative proposals that strengthen the confidentiality protections for member records;
  - c) Support legislative proposals that clarify statutory interpretation of '37 Act provisions unless inconsistent with KCERA's legislative policy;
  - d) Support legislative proposals that strengthen the financial condition of KCERA and promote administrative efficiency;
  - e) Oppose legislative proposals that create the potential for increased unfunded actuarial liability without appropriate funding provisions;

- f) Oppose legislative proposals that compromise or interfere with KCERA's duty to deliver benefits to participants and beneficiaries.



#### **POLICY REVIEW AND HISTORY**

- 6) The Board will review this policy at least every five years to ensure that it remains relevant and appropriate.
- 7) This policy was:
  - a) Adopted by the Board on January 10, 2018.
  - b) Amended by the Board on March 9, 2022.