



Prichard Committee
for Academic Excellence

**Statement of the Coalition for Sustainable Benefits
on Senate Passage of HB 600 to Modernize Public Pensions**

March 14, 2008

The Coalition for Sustainable Benefits applauds the Kentucky Senate for joining the House of Representatives in working to provide the more sustainable public benefits that the coalition is seeking. The Senate's action on Wednesday (March 12, 2008) in approving House Bill 600 included several positive changes to improve the retirement systems that cover state and local government employees and public school teachers.

The Senate version builds on provisions in the House bill by:

- requiring new employees to work longer before retiring—at least to age 57 with combined age and years of service equaling 87
- providing more funding for the Kentucky Employees Retirement System (KERS)
- creating a new retirement system board that will give local governments greater ability to shape benefits and control costs
- putting legislators and judges into KERS as a way of encouraging sufficient funding
- lowering local government employer contribution costs
- maintaining a substantial defined benefit plan for current and future employees while increasing portability and flexibility for new hires with a retirement savings supplement

The Coalition for Sustainable Benefits was formed in February 2007 by the Kentucky Chamber of Commerce, the Kentucky League of Cities and the Prichard Committee for Academic Excellence to raise awareness of the threat posed by rising retirement and health costs to such vital services as education and public safety.

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