

# Does the Kansas Retirement Investment and Savings Plan (SB282) Meet Retirement Best Practices?



Gold Standard	Senate Bill 282 (2025)
<b>Defined Plan Objectives</b> <i>Ensures plan objectives are defined in writing as part of a comprehensive benefits policy statement.</i>	YES
<b>Communication and Education</b> <i>Ensures members are educated on the available choices and have all relevant information to make competent retirement choices.</i>	YES
<b>Auto Enrollment</b> <i>Enrolls new employees into the Kansas Retirement Investment and Savings Plan (KRISP) by default.</i>	YES
<b>Adequate Contributions</b> <i>Replaces approximately 80% of a worker's final salary.</i>	YES
<b>Retirement Specific Portfolio Design</b> <i>Offers "one-touch" investment options for employees who are not sophisticated investors and do not want to avail themselves of in-plan investment advice.</i>	YES
<b>Benefit Portability</b> <i>Safeguards the ability to recruit highly mobile 21<sup>st</sup> Century employees.</i>	YES (BUT COULD IMPROVE W/ SHORTER VESTING PERIOD)
<b>Offer Distribution Options</b> <i>Provides members with a variety of asset distribution methods while limiting borrowing.</i>	YES
<b>Disability Coverage</b> <i>Offers a separate disability insurance benefit from a quality insurer.</i>	YES

Objective	Gold Standard	Senate Bill 282 (2025)
<b>Defined Plan Objectives</b>	Defines objectives in writing as part of a comprehensive “benefits policy statement” or at least within a “retirement plan policy statement.”	<i>Senate Bill 282 would provide a formal statement of legislative intent and plan objective that is consistent with best practices: “The plan and related trust shall be established with the primary objective of providing a share of the retirement income needed to replace a member’s preretirement standard of living throughout retirement following a full career of employment and to meet participating employers’ objectives for recruiting and retaining qualified employees.”</i>
<b>Communication and Education</b>	Educates members on the available choices and relevant information needed to make competent retirement decisions.	<i>The current communication and education offerings from the Kansas Public Employees Retirement System (KPERS) are solid and consistent with best practices. Changes would be needed to reflect the new retirement-income-focused objective of SB282 and the portability features of the KRISP, but if current standards are continued, members should be provided with the most timely and pertinent information.</i>
<b>Auto Enrollment</b>	Defaults members into a defined contribution retirement plan.	<i>After July 2027, new hires would be auto-enrolled into the new Senate Bill 282-created Retirement Investment and Savings Plan. Active employees would have a 30-day option to transfer assets from the current retirement plan to the new KRISP.</i>
<b>Adequate Contributions</b>	Replaces approximately 80% of a worker’s final salary.	<i>Retirement experts agree that a total contribution rate of between 10% and 15% is necessary over a career to adequately fund retirement when combined with Social Security and personal savings. The KRISP contribution design of 10% (6% employee/4% employer) with potential additional contributions and matching through the deferred compensation option would meet these best practice contribution standards.</i>
<b>Retirement Specific Portfolio Design</b>	Offers “one-touch” investment options for employees who are not sophisticated investors and do not want to avail themselves of in-plan investment advice.	<i>Senate Bill 282 would provide substantial guidelines by authorizing the use of a wide variety of investments under the plan, including annuities, mutual funds and other similar investment products and professionally managed portfolio options.</i>
<b>Benefit Portability</b>	Safeguards the ability to recruit highly mobile 21st Century employees.	<i>Employer contributions into the Kansas Retirement Investment and Savings Plan would fully vest after five (5) years of service. While the five-year vesting parallels the vesting period for the state’s cash balance plan, a shorter requirement would make this new plan more useful to modern employees. Full and immediate vesting would be preferred.</i>
<b>Offer Distribution Options</b>	Provides members with a variety of asset distribution methods while limiting borrowing.	<i>The distribution methods offered under the KRISP would depend on the vendor but would generally include a wide variety of options that will meet best practice standards, including annuities, full or partial lump-sum withdrawals, and periodic payments.</i>
<b>Disability Coverage</b>	Offers a separate disability insurance benefit from a quality insurer.	<i>Disability coverage in the KRISP would mirror the current coverage of the current retirement plan. Employers are required to make separate contributions to help fund the benefit, in line with best practices.</i>