

MINUTES OF THE HOUSE PENSIONS AND BENEFITS COMMITTEE

The meeting was called to order by Chairperson Steven Johnson at 9:00am on Monday, February 23, 2015, 152-S of the Capitol.

All members were present except:

Representative Virgil Peck – Excused

Representative John Edmonds – Excused

Committee staff present:

Reed Holwegner, Legislative Research Department

David Wiese, Office of Revisor of Statutes

Gordon Self, Office of Revisor of Statutes

Lea Gerard, Kansas Legislative Committee Assistant

Conferees appearing before the Committee:

Dr. Harvey Ludwick, Kansas Association of Retired School Personnel, Proponent HB2250

Bill Layes, Human Resources Department of Labor (Retired) Proponent HB2250

Ernie Claudel, Kansas Coalition of Public Retirees, Proponent of HB2250

Marc Galbraith, State Employee Association of Kansas, Proponent HB2250

Jerry Marlatt, Kansas State Council of Fire Fighters, Proponent HB2250

Alan Conroy, Executive Director, KPERS

Others in attendance:

[See Attached List](#)

Hearing on: HB2250 — KPERS retirant cost of living increase.

Chairperson Johnson opened the hearing on **HB2250** and asked David Wiese, Assistant Revisor to brief the committee on **HB2250** ([Attachment 1](#)). The bill provides for a one-time cost of living adjustment beginning July 1, 2015, to KPERS members who retired on or before July 01, 2009. Members who have earlier retirement dates will receive a small increase. The COLA includes KPERS, KP&F, the state school retirement system and the retirement system for judges. The COLA will apply to any joint annuitant or beneficiary based on the date of retirement for that member.

Proponents:

Dr. Harvey Ludwick, Kansas Association of Retired School Personnel, testified as a proponent of **HB2250** ([Attachment 2](#)). Dr. Ludwick stood for questions from the committee.

Bill Layes, Human Resources Department of Labor (Retired), testified as a proponent of **HB2250** ([Attachment 3](#)). Mr. Layes stood for questions from the committee.

Ernie Claudel, Kansas Coalition of Public Retirees, testified as a proponent of **HB2250** ([Attachment 4](#)). Mr. Claudel stood for questions from the committee.

Marc Galbraith, State Employee Association of Kansas, testified as a proponent of **HB2250** ([Attachment 5](#)). Mr. Galbraith stood for questions from the committee.

CONTINUATION SHEET

MINUTES of the Committee on Pensions and Benefits at 9:00am on Monday, February 23, 2015, 152-S of the Capitol.

Jerry Marlatt, Kansas State Council of Fire Fighters, testified as a proponent of **HB2250** ([Attachment 6](#)). Mr. Marlatt stood for questions from the committee.

Written only testimony in support of **HB2250** was presented by Ed Klumpp, Legislative Liaison for Kansas Association of Chiefs of Police ([Attachment 7](#)).

Written only testimony in support of **HB2250** was presented from Gerald Schmitt, Lead Volunteer for AARP Kansas ([Attachment 8](#)).

Alan Conroy, Executive Director, KPERS, presented an actuarial cost study to estimate cost impact on **HB2250** by Cavanaugh Macdonald Consulting, LLC ([Attachment 9](#)). The bill does not specify the amortization of KPERS obligations within the trust fund. The actuary provided a table of a 15 and 18-year amortization period. Mr. Conroy provided a KPERS History of Post-Retirement Benefit Adjustments ([Attachment 10](#)). Mr. Conroy stood for committee questions.

There being no further conferees, the hearing on **HB2250** was closed by Chairperson Johnson.

Discussion on:

HB2288 Enacting the Kansas deferred option program act.

Alan Conroy, Executive Director, KPERS, presented an actuarial assumptions cost study on **HB2288** requested by the committee at the February 20, 2015 meeting ([Attachment 11](#)). Mr. Conroy stood for committee questions.

Chairperson Johnson directed the committee to go back to the cost study, Page 6, by Cavanaugh Macdonald Consulting, LLC for **HB2288** submitted at the February 20, 2015 meeting ([Attachment 12](#)). The committee discussed the different scenarios on Page 6 regarding UAL payment and total employer contribution.

Representative Ward moved, seconded by Representative Kelly to approve the minutes February 10 and 11. The motion passed.

Meeting adjourned at 10:30 a.m.

Next meeting scheduled February 25, 2015.