

MINUTES OF THE HOUSE PENSIONS AND BENEFITS COMMITTEE

The meeting was called to order by Chairperson Steven Johnson at 9:00am on Wednesday, February 03, 2016, 152-S of the Capitol.

All members were present

Committee staff present:

David Wiese, Office of Revisor of Statutes
Gordon Self, Office of Revisor of Statutes
Reed Holwegner, Legislative Research Department
Lea Gerard, Kansas Legislative Committee Assistant
Mark Dapp, Legislative Research Department

Conferees appearing before the Committee:

Representative Shannon Francis, District 125
David Wiese, Assistant Revisor
Alan Conroy, Executive Director KPERS
Faith Loretto, KPERS 457 Plan Manager
Brock Ingmire, Research Associate, Kansas League of Kansas Municipalities
Dennis Phillips, KSCFF

Others in attendance:

[See Attached List](#)

Bill Introduction:

Representative Francis requested a bill be introduced regarding working after retirement for health care professionals in county hospitals. With no objections from the members, the Committee consented to introduce the bill.

Hearing on: HB2541 — Sharing of account information, tax treatment and local governmental unit plan option under Kansas public employees deferred compensation act.

Chairperson Johnson recognized David Wiese, Assistant Revisor who provided an overview on **HB2541 (Attachment 1)**. The bill requested by the KPERS Board of Trustees concerns sharing information of a retirees retirement account with the 457 administrator who will provide retirement income planning for the participant. It will also provide state tax treatment for the Roth 457 plans which would be the same as federal tax law. Mr. Wiese answered questions from the Committee.

Alan Conroy, Executive Director KPERS reminded the Committee **HB2541** is a request made from the KPERS Board and there is no fiscal impact. Logistically the bill makes amendments to the KPERS 457 Plan.

CONTINUATION SHEET

MINUTES of the Committee on Pensions and Benefits at 9:00am on Wednesday, February 03, 2016 in Room 152-S of the Capitol.

Faith Loretto, KPERS 457 Plan Manager, provided an overview on **HB2541** to the Committee January 27, 2016 ([Attachment 2](#)). There are three basic components to clarify amendments for the KPERS 457 deferred compensation plan. Ms. Loretto answered questions from the Committee.

Proponents:

Written only testimony in support of **HB2541** was presented from Brock Ingmire, Research Associate, Kansas League of Kansas Municipalities ([Attachment 3](#)).

There being no other proponents, opponents and neutral conferees, Chairman Johnson closed the hearing on **HB2541**.

Chairman Johnson advised an option for the Committee is to work **HB2489**, a technical bill heard previously and to consider amending the contents of **HB2541** into **HB2489**.

Hearing on: HB2488 — Allowing retirants who retire from two plans under KPERS to receive an additional lump-sum death benefit.

Chairman Johnson recognized David Wiese, Assistant Revisor who provided an overview on **HB2488** ([Attachment 4](#)).

Alan Conroy, Executive Director, KPERS, provided background information for **HB2488** ([Attachment 5](#)). The bill would allow for a retirant's beneficiary to receive two \$4,000 death benefits when the retirant is vested in more than one plan (KPERS, KP&F, and judges). Mr. Conroy answered questions from the Committee.

Proponents:

Dennis Phillips, KSCFF, testified as a proponent on behalf of Jerry Marlatt for **HB2488**. Mr. Phillips answered questions from the Committee ([Attachment 6](#)).

Written only testimony in support of **HB2488** was presented by Ed Klumpp, Legislative Liaison for Kansas Association of Chiefs of Police ([Attachment 7](#)).

There being no other proponents, opponents and neutral conferees, Chairman Johnson closed the hearing on **HB2488**.

Possible action on bills previously heard

Chairman Johnson advised he will be putting together a subcommittee to have discussion on the topic of working after retirement in preparation for the February 10 meeting. In the next couple of weeks the bills the Committee will work are **HB2287** the Iran divestment bill, **HB2250** the COLA bill and address some concerns regarding working after retirement.

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections.

CONTINUATION SHEET

MINUTES of the Committee on Pensions and Benefits at 9:00am on Wednesday, February 03, 2016 in Room 152-S of the Capitol.

David Wiese, Assistant Revisor provided a brief overview on **HB2489** which is a technical bill requested by the KPERS Board. The bill provides a moratorium on KPERS death and disability contributions for a portion of FY2016 and 2017, and applies accidental death benefits and annuity interest rates for members under the KPERS Act of 2015. Mr. Wiese explained to the Committee the balloon amendment for **HB2489** strikes old dates in K.S.A. 74-4927 ([Attachment 8](#)).

Representative Peck moved, seconded by Representative Hutchins, the bill be amended as explained in Attachment 8. The motion carried.

*Representative Edmonds made a motion to amend the contents of **HB2541 - Sharing of account information, tax treatment and local governmental unit plan option under Kansas public employees deferred compensation act into HB2489** without disturbing any of the existing contents, seconded by Representative Billinger. The motion carried.*

*Representative Edmonds moved, seconded by Representative Billinger, to amend the contents of **HB2541 - Sharing of account information, tax treatment and local governmental unit plan option under Kansas public employees deferred compensation act into HB2489**. The motion carried.*

*Representative Edmonds moved, seconded by Representative Hill, **HB2489** be passed as amended. The motion carried.*

Representative Billinger moved, seconded by Representative Trimmer to approve minutes for January 13, January 20 and January 27, 2016. The motion carried.

Chairman Johnson appointed Representatives Edmonds, Trimmer and Kelly to the working after retirement subcommittee.

Next meeting scheduled is Wednesday, February 10, 2016.

Meeting adjourned at 10:00 a.m.