

MINUTES OF THE HOUSE PENSIONS AND BENEFITS COMMITTEE

The meeting was called to order by Chairperson Steven Johnson at 9:00am on Monday, February 15, 2016, 152-S of the Capitol.

All members were present except:

Representative Erin Davis – Excused

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:

David Wiese, Assistant Revisor Kansas Office of Revisor Statutes

Ed Klumpp, Legislative Liaison Kansas Association of Chiefs of Police

Alan Conroy, Executive Director KPERS

Brock Ingmire, League of Kansas Municipalities

Dennis Phillips, Kansas State Council of Firefighters

Terry Forsyth, Director, Political Action KNEA

G.A. Buie, Executive Director, USA/Kansas and KSSA

Diane Gjerstad, Lobbyist, Wichita Public Schools USD259

Tom Krebs, Kansas Association of School Boards

Others in attendance:

[See Attached List](#)

Hearing on: HB2653 — Striking sunset to KPERS school working after retirement exception and extending certain working after retirement exceptions upon submission of an assurance protocol and allowing retirants to return to work for a different participating employer when such employer pays a 30% contribution rate.

Chairman Johnson opened the hearing on **HB2653**. David Wiese, Assistant Revisor of Statutes, provided an overview on **HB2653** and the amended provisions to working after retirement for KPERS retirants ([Attachment 1](#)). David Wiese also presented proposed balloon amendments for **HB2653** discussed by Working after Retirement Subcommittee ([Attachment 2](#)). Mr. Wiese stood for questions from the Committee.

The Committee had questions regarding 30% employer contribution for retirees returning to work for different employer and the 3-year limit for different employer exemption.

Chairman Johnson recognized Ed Klumpp, Legislative Liaison Kansas Association of Chiefs of Police

CONTINUATION SHEET

MINUTES of the Committee on Pensions and Benefits at 9:00am on Monday, February 15, 2016 in Room 152-S of the Capitol.

proposed the Committee consider increasing the earnings limitation on KP&F retirees from \$15,000 to \$25,000 per year. Hiring back retired law enforcement officers allows them to work in areas such as the impound lot, records and the property room. The experienced uniform law officers then can be placed on the streets which is beneficial and a cost savings to law enforcement. Mr. Klumpp stood for questions from the Committee.

Chairman Johnson advised the Committee to consider the following key items:

- 1) Is there a cost.
- 2) Is it consistent with the IRS ruling and tax law.
- 3) Is there a concern with flexibility to hire people required for hard-to-fill positions.

Alan Conroy provided a cost study on **HB2653** prepared by KPERS which outlines the background of the bill and indicates there would be no fiscal effect on state revenues or expenditures ([Attachment 3](#)). Mr. Conroy stood for Committee questions.

Mr Conroy answered Committee questions regarding cost to the general fund and if there is any possible impact on the liability and changing costs to KPERS.

Alan Conroy presented the following memorandums regarding **HB2653**, Exemption for retirees Working for a different employer with a potential balloon amendment to permit periodic review and adjustment of the 30% employer contribution rate ([Attachment 4](#)), Assurance Protocols and Extension of Grandfather Status ([Attachment 5](#)) and Age Information on Current Retirees Working in Licensed Positions ([Attachment 6](#)).

Brock Ingmire, Research Associate, League of Kansas Municipalities testified as a proponent for **HB2653** ([Attachment 7](#)). Mr. Ingmire stood for questions from the Committee.

Dennis Phillips, Kansas State Council of Fire Fighters testified as a proponent for **HB2653** ([Attachment 8](#)).

Mr. Phillips stood for questions from the Committee.

Chairman Johnson invited comments from Representative Edmonds regarding IRS Private Letter Ruling and tax law.

Terry Forsyth, Director, Political Action KNEA testified as neutral to **HB2653**. No testimony provided. Mr. Forsyth stood for questions from the Committee.

Chairman Johnson invited comments from G.A. Buie, Executive Director USA/Kansas and KSSA, Diane Gjerstad, Lobbyist Wichita Public Schools, USD259 and Tom Kerbs, Kansas Association of School Boards regarding potential changes to **HB2653**.

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 Monday, February 15, 2016 in Room 152-S of the Capitol.

There being no other proponents, opponents and neutral conferees, Chairman Johnson closed the hearing on **HB2653**

Hearing on: HB2656 — Providing a working after retirement exception for KPERS school members who retire at age 62 or later.

Representative Trimmer provided an overview on a cost study prepared by KPERS for **HB2656** ([Attachment 9](#)).

Due to time constraints, the hearing for **HB2656** will continue Wednesday, February 17, 2016.

Meeting adjourned at 10:30 a.m. Next meeting scheduled Wednesday, February 17, 2016.