Approved: May 06, 2015

MINUTES OF THE SENATE SELECT COMMITTEE ON KPERS

The meeting was called to order by Chairperson Jeff King at 1:07pm on Wednesday, April 29, 2015, 118-N of the Capitol.

All members were present

Committee staff present:

Reed Holwegner, Legislative Research Department

Suzanne Nelson, Kansas Legislative Committee Assistant

Daniel Yoza, Office of Revisor of Statutes

Gordon Self, Office of Revisor of Statutes

Mark Dapp, Legislative Research Department

Conferees appearing before the Committee:

Alan Conroy, Executive Director, KPERS;

Terry Forsyth, Kansas National Education Association (KNEA);

Tom Krebs, Kansas Association of School Boards (KASB);

Kenneth Kramer, School Board President, USD 283, Elk Valley Schools, Longton, KS;

Diana Stroble, Teacher, Elk Valley Schools, USD 283, Longton, KS;

June Kramer, FACS Teacher/Library Media Specialist, Elk Valley USD 283, Longton, KS;

Diane Gjerstad, Wichita, KS Public Schools;

Others in attendance:

See Attached List

Hearing continuation on: SB299 — Providing working after retirement requirements for certain KPERS retirants who return to work with covered employers including benefit and contribution provisions while extending current sunset for teachers to July 1, 2016.

Chairperson King briefly outlined the agenda and summarized prior discussions on **SB299** that have led to today's meeting. He then reconvened the hearing on **SB299**.

Informational briefing:

Mr. Conroy presented a briefing on the issue of Working After Retirement (WAR) using a series of charts, diagrams, and documents as follows:

- Recap of Actuarial Impact (Attachment 1)
- Working After Retirement with \$20,000 Earnings Limitation (Page 1) (Attachment 2)
- Working After Retirement with No Earnings Limitation (Page 2) (Attachment 2)
- Summary of Working After Retirement (Attachment 3)
- Working After Retirement Flowchart (Attachment 4)

Chair King asked for questions or comments for Mr. Conroy. Seeing none, he turned the Committee's attention to the testimony on the proposal. There was no proponent or opponent testimony submitted.

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

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The following neutral testimony was presented:

Terry Forsyth, KNEA presented comments, concerns and ideas for improving the proposal. He asked the committee to give adequate time for all to read the bill and any amendments prior to taking action. (Attachment 5)

Tom Krebs, KASB, announced that they are joined in their testimony by the United School Administrators and also the Kansas Association of Special Education Administrators. KASB opposes making KPERS a non-contributory system; further, that the Legislature should make changes to the KPERS system to reduce the need for state general fund support and yet provide benefits that remain appropriate to attract and retain qualified employees. KASB recommends that the actuarial rate and penalty on special education teachers be repealed, given the absolute necessity of having these teachers and the mandates of IDEA. (Attachment 6)

Kenneth Kramer testified about the hardship the proposed changes would create in his school district, citing that a majority of his teachers are already working retirees and making it more difficult to recruit and retain young college graduates. (Attachment 7)

Diana Stroble related that other schools in remote parts of Kansas, such as the Elk Valley Schools, experience a difficult time finding quality employees. Many of their younger employees drive 120 miles or more round trip to work in Elk Valley because they do not want to live there due to the lack of social opportunities and night life. (Attachment 8)

June Kramer related that she has been retired for six years, while continuing to teach school for 43 years. Mrs. Kramer stressed how difficult it is to find a full-time librarian since the state now requires those individuals to have Masters Degrees. Their district can't afford to hire a full time librarian who would command a larger salary because of the degree requirement. She further related that they have 11 other retirement age teachers out of a total of 19 faculty members. (Attachment 9)

Diane Gjerstad commented on the importance of the working after retirement provision as a recruiting and retention tool. She also noted that the proposal contains some unfavorable aspects. The Wichita district has had a very difficult time hiring a qualified visually impaired (VI) teacher. This position has been open for two years. Ms. Gjerstad related that there are only three university programs in the area for VI. Nebraska closed its program last year, Missouri has a restricted license which Kansas does not recognize, and Texas, where their graduating students can start at a higher salary. (Attachment 10)

CONTINUATION SHEET

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Neutral written-only testimony was submitted as follows:

Nicole Proulx Aiken, Legal Counsel, League of Kansas Municipalities (Attachment 11)
Jason Crawford, Superintendent USD 283 Elk Valley, Longton, KS (Attachment 12)
Debra Kill, 1st Grade Teacher, Elk Valley USD 283 (Attachment 13)
Ed Klumpp, Associations of Chiefs of Police, Sheriffs, and KS Peace Officers (Attachment 14)
Geneva Hare, Teacher, Elk Valley Schools, USD 283, Longton, KS (Attachment 15)

There was discussion and questions were addressed by the members and some of the conferees. The hearing was closed.

The meeting adjourned at 2:00 pm.

The next meeting will be on Monday, May 4, 2015, at 11:45 am.