

Senate Select Committee on KPERS

Testimony on SB 299

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on behalf of
United School Administrators of Kansas
The Kansas School Superintendents' Association
The Kansas Association of Special Education Administrators

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Thank you for the opportunity to appear before the committee on SB 299, a bill that extends special employment after retirement provisions under KPERS for educators and establishes additional requirements for working after retirement. USA|Kansas, the Kansas School Superintendents' Association and the Kansas Association of Special Education Administrators have consistently supported the ability of districts to employ individuals who have already retired.

Administrators recognize there is interest in adopting a more long-term policy related to working after retirement – one that complies with IRS requirements and does not create an additional liability for the KPERS system. We are committed to working with you to address those issues, while ensuring we have access to high quality education professionals to work with students.

Current law provides an exemption to allow teachers and other licensed professionals who retire with KPERS benefits to return to work without an earnings cap. SB 299 extends the sunset date from July 1, 2015 to July 1, 2016. It also retains the 60-day break in service and includes clarifying language about prearrangements. **These provisions are consistent with our positions on working after retirement, though we supported the 3-year extension, as it was initially introduced in HB 2253 in the House Pensions and Benefits Committee.**

As we consider other changes proposed in SB 299, we are concerned about unintended consequences. There was very little time to solicit feedback from our members and evaluate how this might impact a district's ability to recruit and retain teachers and other licensed personnel returning to work after retirement.

The current exemption provides districts with one more resource or "tool" to recruit or hire qualified individuals to work with students. Often, districts hire retired individuals for one of the following reasons:

- High demand and/or shortage in special education,
- Shortage in a particular discipline like math, science or fine arts, or
- Unanticipated staffing needs.

The demand for individuals in shortage or high demand areas may be exacerbated by geography.

Special education districts, cooperatives and interlocals work to secure high quality, experienced professionals to work with our most vulnerable students and those with extraordinary needs. In an area with high attrition and growing demand, many of our special education programs struggle to recruit enough individuals to fill vacancies. In certain areas, districts may have to contract with private companies or hospitals at higher costs.

School districts may also encounter situations whereby a position needs to be filled immediately. In those cases, the most immediate and viable solution may be a retired individual who has the requisite experience and who is readily available.

One of the new provisions in the bill appears to allow retirants to return to work and collect a salary, but would also require that KPERS payments be placed into an account instead of being paid to the individual during the period of re-employment for those individuals earning more than \$20,000 annually. The account seems to be structured in such a way to allow for a reduction in overall KPERS liability and provide some interest on the amount being held. While this may be attractive to some individuals, the accrual of interest may not be enough to offset the loss of monthly income for individuals during their period of re-employment. Again, there was little time to solicit feedback on how this might practically impact school recruitment and retention of retirants.

As you consider SB 299, we encourage you to **extend the current sunset** and allow the opportunity for further study about the impact of any proposed changes.