

Approved January 20, 1987
Date

MINUTES OF THE HOUSE COMMITTEE ON PENSIONS, INVESTMENTS AND BENEFITS

The meeting was called to order by REPRESENTATIVE VERNON WILLIAMS at
Chairperson

9:00 a.m. on Tuesday, January 20, 1987 in room 527-S of the Capitol.

All members were present except:

Introductory meeting - no roll call was taken

Committee staff present:

Conferees appearing before the committee: - None.

The meeting was called to order by Representative Williams, Chairman, to introduce committee members to one another.

The Chairman briefly discussed committee procedures and bills in the committee.

Several members and the Chairman referred to the investigation by the Attorney General's office of the KPERS fund and the letter the Chairman had previously sent to the Attorney General. Attachment 1. The Chairman said the Attorney General would complete the investigation within two weeks.

Tomorrow the committee will meet at 9:00 a.m. in Room 527-S for the introduction of staff.

The meeting adjourned at 9:20 a.m.





TOPEKA

HOUSE OF
REPRESENTATIVES

January 14, 1987

Robert T. Stephan, Attorney General
Judicial Center
Second Floor
Topeka, Kansas 66612

You are investigating possible conflicts of interest and questions raised about the relationship between Michael K. Russell, Chairman of the KPERS investment board and real estate developer Frank Morgan and others as first reported in a Kansas City newspaper last December with respect to certain investments from the KPERS trust fund.

As we are all aware, even a public perception of impropriety can undermine the integrity and credibility of a public trust fund such as KPERS. I have rejected, as totally improper, a suggestion that the House Pensions, Investments and Benefits Committee hold a public hearing on this matter simultaneous with your office's investigation. We are, however, vitally interested. Particularly, we will want to consider whether statutory changes need to be made to ensure protection of plan participants and beneficiaries interests.

I am, therefore, asking that you will please keep our Committee apprised of ongoing significant developments, findings and conclusions of your investigation insofar as you can do so legally and ethically.

At some subsequent date during this Session, our Committee may request that you or your designate appear before our Committee for our further enlightenment.

May I please hear from you?

Sincerely,

VLW/r

VERNON L. WILLIAMS
Chairman

cc: Rep. J.C. Long,
Vice-Chairman, P,I,&B

Pensions, Investments and Benefits
Committee

Rep. James Braden, Speaker

Marshall Crowther, Executive
Secretary, KPERS

Attachment I