

Approved March 8, 1989
Date

MINUTES OF THE HOUSE COMMITTEE ON PENSIONS, INVESTMENTS AND BENEFITS

The meeting was called to order by Vernon L. Williams at
Chairperson

8:02 a.m./~~p.m.~~ on March 2, 1989 in room 521-S of the Capitol.

All members were present except:

Barbara Allen - Excused
Bill Wisdom - Excused

Committee staff present:

Alan Conroy
Gordon Self
Richard Ryan
Marshall Crowther
Jack Hawn, Mary Meier

Conferees appearing before the committee:

Eunice Schwemmer, El Dorado, individual
Craig Grant, KNEA
Chuck Stuart, United School Administrators
John Torbet, Association of Counties
Sue Greig, School Food & Nutrition Services
John Koepke, Association of School Boards

Hearing was commenced on HB-2403

Marshall Crowther, KPERS, presented a brief history of the bill, pointing out that it addresses only KPERS participants, and not the KP&F or Judges' Retirement Systems.

Eunice Schwemmer, individual from El Dorado, Kansas was welcomed to the hearing by Chairman Williams. She appeared in support of the bill.

Craig Grant, KNEA, spoke briefly in support of the bill (See Attachment 1).

Chuck Stuart, United School Administrators, spoke briefly in support of the bill (See Attachment 2).

John Torbet, Association of Counties, spoke briefly in support of the bill (See Attachment 3).

Sue Grieg, USD #383, Manhattan, spoke briefly in support of the bill (See Attachment 4), as did Velda Jacobs, USD 345, Seaman Schools (See Attachment 5).

John Koepke, Association of School Boards, appeared in support of the bill.

Chairman Williams noted certain technical discrepancies and stated that they would be corrected.

Chairman Williams declared the hearing on HB-2403 closed.

Minutes for the meetings of January 26 and February 15 were approved unanimously.

Chairman Williams asked for action on HB-2148 and HB-2078

Discussion followed on HB-2078, which was heard on February 15, 1989. Principal change would be to eliminate the 6 months limitation on investment in Treasury bills or notes by governing body.

Rep. Sader MOVED that the bill be reported favorably. Rep. Justice SECONDED the motion.

Discussion followed, indicating opposition to the bill as written.

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 HOUSE COMMITTEE ON PENSIONS, INVESTMENTS AND BENEFITS,
room 521-S, Statehouse, at 8:02 a.m./~~pm~~ on March 2, 19⁸⁹.

Upon voice vote, the motion was DEFEATED.

On HB-2078, a MOTION was made by Rep. Long to recommend the bill adversely, it was SECONDED by Rep. Guldner.

There was no discussion, and on voice vote, the MOTION passed.

Chairman Williams then requested action on HB-2148.

Rep. Hurt made a MOTION to report the bill favorably. Rep. Rezac SECONDED the MOTION.

Discussion followed.

On voice vote the MOTION was defeated. Division was called for. On a show of hands, the MOTION failed on a tie vote. The Chairman did not vote.

Rep. Long made a MOTION that the bill be reported adversely. Rep. Guldner SECONDED the MOTION. Discussion followed.

On voice vote, the MOTION passed to report the bill adversely.

The meeting adjourned at 8:45 a.m.

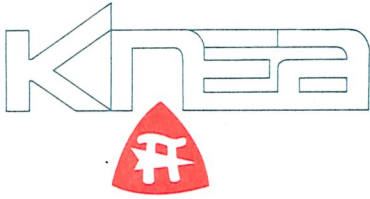


Representative Vernon L. Williams
Chairman

3-2-89

Please PRINT Name, Address, the organization you represent, and the Number of the Bill in which you are interested. Thank you.

NAME	ADDRESS	ORGANIZATION	BILL NO.
Charles L. Stuart	Topeka	USA	2403
John Kieckhefer	Topeka	KASB	2403
PA Mosher	Topeka	League of Women	2403
Basil Covey	Topeka	KRTA	
Harold Pitts	Topeka	KRTA	
Patsy Marney	Auburn	Husband Retired USD 345	2403
Charles Marney	Auburn	Retired USD 345	2403
Velda Jacob	Topeka	USD # 345	2403
Craig Grant	Topeka	IT-WFA	2403
Jerry Sloan	"	OJA	"
Tom Mapp	"	KHP	2403
James A. Ladd	Wichita	KS777	2403



Craig Grant Testimony Before The
House Pensions, Investments & Benefits Committee
Thursday, March 2, 1989

Thank you, Mr. Chairman. I am Craig Grant and I represent Kansas-NEA. I appreciate this opportunity to visit about HB 2403.

Kansas-NEA believes that the dollar limitation as described in lines 62 through lines 70 is the preferred method rather than the 30 day limitation which was passed last year. Our preference would be \$7,500 or reinstate "substitute teachers" in line 84 as exceptions to the provisions. With some districts paying \$70 to \$75 a day for substitutes and the amount increasing, we believe that districts could reach the \$5,000 mark quickly and lose the retired teacher as a possible substitute, which would take away a valuable resource to the district.

Kansas-NEA supports the changes in figuring limitations on work after retirement which are included in HB 2403. We would request the changes as we have suggested above. Thank you for listening to our concerns.

*House P.I.B.
3-2-89
ATTACHMENT #1*



HB 2403

Testimony presented before the House Committee on
Pensions, Investments and Benefits
by Charles L. Stuart, Legislative Liaison
United School Administrators of Kansas

March 2, 1989

Mister Chairman and members of the committee:

The United School Administrators of Kansas supports HB 2403. We are pleased to see a proposed modification of the 1988 legislation which greatly limited employment of KPERS retirees. Any retiree who now works for a KPERS affiliated employer is limited to 30 days annual employment. Employment beyond 30 days makes it necessary for the employer to pay the employees KPERS benefits.

We support the change to a maximum annual salary of \$5,000 for a retiree who returns to the employment of his KPERS affiliate employer of the two years immediately preceding retirement. This should allow food service, custodial or secretarial personnel an opportunity to work part-time after retirement. Since their final average salary and retirement benefits might be lower than professional staff, being able to augment their retirement income seems logical.

We respectfully request reconsideration of the striking of the words "substitute teachers" from line 84 on page 3.

Under ordinary circumstances a retiree who substitutes will not earn \$5,000 per year. There are cases, however, when long term illnesses or disabilities keep regular teachers out of the classroom for an extended period of time.

Many districts increase the substitute teachers salary to the level of a beginning teacher's salary for longer term employment which gives substitute teachers more responsibility for the entire educational process of the pupils. These added responsibilities include planning, testing, evaluating and reporting pupil progress to the school and home. The continuity of this educational process would be disrupted if a change from one substitute teacher to another substitute teacher is required because of the \$5,000 earnings cap.

Allowing staff to accept employment without restriction if not with the employer of the 2 years previous to retirement also makes a great deal of sense. Most superintendents or principals I know have no desire to move to another community and continue in school administration. Some would probably accept a part-term emergency administrative assignment for a district who had lost an administrator. Temporary employment by a Community College, The State Department of Education or other KPERS affiliated employers could be of mutual benefit. HB 2403 would provide that opportunity.

The United School Administrators of Kansas strongly support your favorable consideration of HB 2403.

House P.I.B. CLS/ed
3-2-89
ATTACHMENT #2



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Executive Director

John T. Torbert

Testimony

March 2, 1989

To; House Pensions, Investments and Benefits Committee

From; John T. Torbert
Executive Director

Subject; House Bill 2403

The Kansas Association of Counties is in support of HB 2403. I've received contacts from several counties indicating that they employ retired county employees on an as needed basis. A specific example is that retired road crew workers will be used during the winter months for snow removal on county roads. The workers know the terrain and the equipment and can step into the position with no training or orientation being necessary. This saves the county and the taxpayers money. The county gets the benefit of a seasoned trained employee without the expense of having to add additional full time workers to their payroll or training part-time workers. Last years legislation which essentially prohibited this sort of arrangement by the punitive manner in which it handled retirement benefits was not doubt well intentioned but simply went to far.

I would point out that I believe there are some drafting problems with the bill. In line 62, a threshold amount of \$5,000 is established. We think that is fine. However, there is no time reference stated with regard to this \$5,000. Does it mean \$5,000 in one year, two years or forever? I would suggest that you restore the deleted words "in any one calendar year" on line 64 to clear up any confusion that may be created. Secondly, lines 84 and 85 are unclear as to their purpose. Does it mean that the provisions of the subsection don't apply to retirants employed as county officials, or employees employed by other elected officials, or to retired elected officials or any other combination of individuals? Since you have created an exception on page 2 of the legislation, it might be best to simply strike the "or any other elected officials" that is added on line 85.

I appreciate the committee's time and would be happy to respond to any questions.

TSJHPIBC

*House P.I.B.
3-2-89
ATTACHMENT # 3*

Testimony for amended HB 2403

My name is Sue Greig and I am Director of Food Service for USD # 383 Manhattan/Ogden Schools. I would like to speak in favor of the proposed ammendments in HB 2403 section I, 6, lines 62 thru 70.

One of our greatest resources for substitute or short hourly work are our retirees. They know the job and can come on short notice to fill positions on a substitute basis.

Another advantage of being able to use these people is their willingness to fill short hour jobs such as a one hour a day over the noon hour serving or cashering job. Short time jobs that are one or two hours a day are extremely difficult to fill with regular employees, but do give retirees a chance to be out among peers and children for a short time each day.

As an example, we had one employee, a widow who lived alone that retired four years ago. At the end of her second year of retirement she was admitted to a hospital for physical and phschiatric reasons. This year we hired her for a one hour a day cashering job two blocks from her home. She comes early every day, has lunch with her peers and has a chance to see and help children in the lunchroom. The main function of this job is not the money she earns but the activity and the opportunity to be with other people five days a week.

Most of our employees are wonderfully dedicated people who have never earned a great amount of retirement benefits and could use the small amount earned in these short hour jobs.

Thank you for allowing me to speak to you concerning HB 2403.

*House P.I.B.
3-2-89
ATTACHMENT #4*

SEAMAN UNIFIED SCHOOL DISTRICT #345

February, 1989

Extend the 30-day limitation of hiring retired KPERS Employees to 60 days (HB 2403)

21 Full-time Custodial Positions - Area of greatest need for substitutes in Seaman school district.

Summer Crews - work 54 days, budgeted up to 59 days.
(Paint crews, grass crews, heavy mower operator, carpentry workers)

24 School secretaries and administrative secretaries positions - long-term substitute need in this area is a low level occurrence in Seaman School District.

Substitutes for Paraprofessionals - have never occurred in Seaman school district.

Limitation - A limitation is a necessity due to the previous abuse of KPERS employees retiring and being hired in a KPERS position that has occurred since the "Open Window". But a 60-day limitation would enable a school district to utilize a retirant's skills to cover long-term medical situations and/or summer work without training personnel for an extended period of time. **The retirant would still be able to decide whether to work summer or substitute during the school year.**

Illustrations (These are the unusual situations; this does not reflect the day-to-day absences.)

Long-term leave usage for the 1986-87 school year:

Custodial:

Custodian #1:	50 days	(Medical reasons not given specifically to protect confidentiality.)
Custodian #2:	56 days	
Custodian #3:	19 days	
Custodian #4:	<u>22 days</u>	
	147 days	

Long-term leave usage for the 1987-88 school year:

Custodial:

Custodian #1:	18 days
Custodian #2:	23 days
Custodian #3:	<u>15 days</u>
	56 days

Secretarial:

Secretary #1:	27 days
Secretary #2:	<u>29 days</u>
	56 days

Long-term leave usage for the 1988-89 school year - 7 months: (July 1, 1988 thru January 31, 1989)

Custodial:

Custodian #1:	37 days *
Custodian #2:	<u>9 days</u>
	46 days

Transportation Staff:

Employee #1:	29 days **
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Secretarial:

Secretary #1:	36 days *
Secretary #2:	<u>15 days</u>
	51 days

For the 1988-89 School Year: Custodial & Transportation employees have used 75 days thus far. With the current limitation of 30 days, 1 custodial substitute and 1 secretary substitute would be over the limit (*); 1 custodial substitute would be available for 1 additional day (**).

Velda Jacobs, KPERS Agent, Seaman USD #345, 1124 West Lyman Road, Topeka, 66608

House P.I.B.
3-2-89
ATTACHMENT #5