

Approved: March 5, 1996
date

MINUTES OF THE SENATE COMMITTEE ON COMMERCE.

The meeting was called to order by Chairperson Alicia Salisbury at 8:00 a.m. on February 27, 1996 in Room 123-S of the Capitol.

Members present: Senators Salisbury, Burke, Downey, Feleciano, Gooch, Harris, Jordan, Petty, Ranson, Reynolds, Steffes and Vidricksen.

Committee staff present: Lynne Holt, Legislative Research Department
Jerry Donaldson, Legislative Research Department
Bob Nugent, Revisor of Statutes
Betty Bomar, Committee Secretary

Conferees appearing before the committee:
Kelly Jennings, Kansas Association of Public Employees (KAPE)
Michael Byington, Wichita Industries and Services for the Blind, Inc. (WISB)
Jim M. Kaup, Attorney, City of Topeka
William B. McGlasson, Director, Division of Personnel Services

Others attending: See attached list

Upon motion of Senator Vidricksen, seconded by Senator Gooch, the Minutes of the February 23, 1996 meeting were unanimously approved.

SB 613: Training and retraining programs, laid off employees of closed institutions

Senator Petty, co-sponsor of SB 613, advised the Committee SB 613 is one of a package of bills to assist employees affected by the closing of state institutions. SB 613 provides affected employees top priority consideration for business assistance programs administered by the Department of Commerce and Housing (DOCH) and Department of Human Resources. Senator Petty stated SB 613 is an attempt to assure state employees affected by closing or down sizing of institutions that they will be trained or retrained for another position with the state or private business and prevent premature closing due to employee flight. Senator Petty advised a sister bill, HB 2905, amended to apply such training to any entity whose services were previously provided by the Department of Social and Rehabilitation (SRS), is on third reading in the House.

Kelly Jennings, KAPE, appeared in support of SB 613. Ms. Jennings stated SB 613 is one of a series of bills which address the needs of displaced institutional workers due to the closure of Topeka State Hospital and Winfield State Hospital. Ms. Kelly stated SB 613 provides some incentive for employees during the transition process to continue manning the institutions to avoid de-accreditation and to assure patients are adequately cared for. Attachment 1

Michael Byington, Governmental Affairs Office, Wichita Industries and Services for the Blind, Inc., appeared in support of SB 613. Mr. Byington requested SB 613 be amended consistent with HB 2905. SB 613 provides assistance to employees affected by closure of institutions. Additional SRS programs are being targeted for privatization or closure. The proposed amendment broadens the provisions of SB 613 to apply to any entity providing services by SRS but which are delegated to the private sector. Attachment 2

Jim Kaup, City of Topeka, appeared in support of SB 613. SB 613 will be helpful in establishing new community programs and services to meet the demands placed upon the Topeka community due to the closure of Topeka State Hospital. Attachment 3

CONTINUATION SHEET

MINUTES OF THE SENATE COMMITTEE ON COMMERCE, Room 123-S Statehouse, at 8:00 a.m. on February 27, 1996.

SB 615: Kansas civil service act - employees of closed institution, eligible list preference and bumping

Senator Petty, co-sponsor of SB 615, advised SB 615 is another of the package of bills to provide assistance to employees affected by the closing of state institutions. SB 615 provides employees affected by such a closing with a "preference" for a position within the state systems and further allows the employee to bump another employee in a like or lesser position in another state agency. Senator Petty stated SB 615 affects both classified and unclassified positions.

Kelly Jennings, KAPE, appeared in support of SB 615. Ms. Jennings stated SB 615 contains provisions to encourage employees to remain at the institutions through the closure process and thus avoid the effects of employee flight. SB 615 further provides an expanded transfer and bumping right for employees who choose to remain at the institutions until laid off. Such employees are given preference in transfers to other vacant state positions, and preference on reemployment and reinstatement lists for up to five years. SB 615 further contains an expanded bumping right to any position in state service in which the employee had prior permanent status or for which the employee meets the requirements. Attachment 4.

Jim Kaup, City of Topeka, appeared in support of SB 615. SB 615 places those hospital employees on the state's employment "eligible" list for five years, and gives "bumping rights" to any employee laid off or who voluntarily quitting after a scheduled lay-off because of closure. The City of Topeka and the Mayor's Task Force on the Future of Topeka State Hospital are in support of such legislation as contained in SB 615. We believe it is necessary to prevent the rapid loss of skilled personnel at Topeka State Hospital which will lead to its premature closing, adversely affecting the State's finances by the possible loss of federal monies due to de-accreditation and inadequate care for patients. Attachment 3

William B. McGlasson, Director, Division of Personnel Services, appeared before the Committee regarding SB 615. Mr. McGlasson briefed the Committee on the criteria developed by the Governor's Cabinet Commission on Closure to evaluate proposals intended to assist employees affected by the institution closures and compared SB 615 to the criteria. Mr. McGlasson stated the Closure Commission believes five years, as provided for in SB 615, is too long to be on a reemployment list. The Commission suggests the consideration should extend to any employee who has been laid off rather than being restricted to hospital employees. The wide scale bumping to positions in any agency may disrupt services and disrupt other state agencies. Page 2, Lines 20 through 25, expands bumping rights to unclassified employees which is unprecedented in state government and in conflict with the philosophy governing the unclassified service. Mr. McGlasson stated that inasmuch as the overall trend in government is downsizing, the impact on individual employees is the same as those employees of state institutions. Therefore, any proposals should apply to all laid off employees. Attachment 5

Senator Petty moved, seconded by Senator Vidricksen, that **SB 615** be amended on Page 2, by deleting lines 20 through 25 in their entirety. The motion carried on a voice vote

Senator Petty Moved, seconded by Senator Gooch, that **SB 615 as amended** be recommended favorable for passage.

The Chair stated the Motion would be left on the table and she would request that the bill be blessed. She further stated additional action on SB 615 would not be taken today. The agenda did not reflect that action would be taken on SB 615, and that three members of the minority party, including the co-sponsor, and one member of the majority party were not present.

The Chair advised the Committee SB 613 would not be considered; but the Committee would be able to consider a sister bill, HB 2905, which is being considered on Final Action in the House this date.

Senator Reynolds requested additional information be provided the Committee from the Administration regarding the process presently in place for employees laid off due to the closing of institutions.

The meeting adjourned at 9:00 a.m.

The next meeting is scheduled for March 5, 1996.

SENATE COMMERCE COMMITTEE GUEST LIST

DATE: February 27, 1996

NAME	REPRESENTING
DINO DUBAY	KCC
Linda Kamin	KDR
Marilyn Pressgrove	Interlab, Intern
Deborah Carlson	SRS
Alan Holmes	Division of Budget
Connie Halenstine	KDOT
Stuart Little	City of Topeka
Jim Kaup	City of Topeka
Topeka Traveler	RGC



1300 South Topeka Avenue Topeka, Kansas 66612 913-235-0262 Fax 913-235-3920

**TESTIMONY OF KELLY JENNINGS
KANSAS ASSOCIATION OF PUBLIC EMPLOYEES**

**Before the Senate Commerce Committee
in support of Senate Bill 613
February 27, 1996**

Members of the committee, good morning. My name is Kelly Jennings, I represent the Kansas Association of Public Employees. Thank you for the opportunity to appear before you in support of Senate Bill 613.

SB 613 is one of a series of bill addressing the needs of probable displaced institutional workers from the proposed closure of Topeka State Hospital and Winfield State Hospital. It is a relatively simple bill which will require no additional fiscal note.

The bill will provide top priority for those workers affected by closure of state institutions for any business assistance programs administered by the Department of Commerce and Housing. With hundreds of workers being displaced by the proposed hospital closure, it is imperative the state provide assistance in job placement programs for these displaced workers. The Department of Commerce and Housing already provides similar programs that these employees need and has the capabilities to provide programs specifically designed for these displaced workers.

KAPE urges this committee to report favorably on SB 613. Thank you for your time and consideration on this matter. I would be happy to stand for any questions you may have.

*Senate Commerce Committee
February 27, 1996*

Affiliated with the Federation of Public Employees / AFT / AFL-CIO



Attachment 1

WICHITA INDUSTRIES & SERVICES FOR THE BLIND, INC.

February 27, 1996

TO: Senate Commerce Committee

REPLY TO: Michael Byington
WISB Governmental Affairs Office
P. O. Box 1063
Topeka, Kansas 66601
(913) 575-7477 (office and voice mail)
(913) 233-2539 (FAX)

SUBJECT: Senate Bill 613

We support this bill in concept and feel it is needed. The Governor's budget frankly does not provide anywhere near the monies for human services which are being privatized as compared with the monies which were spent on the same services when they existed as a function of State government itself. This is perhaps part of the logic of privatization, and we will not disagree with the concept, but during the transition period some assistance and subsidization may be necessary to insure that both services and jobs remain in place. This bill directly addresses this issue in a positive manner.

We would request, however, that this bill be amended consistent with its sister bill in the House. House Bill 2905 started out as identical to Senate Bill 613. The House, in its wisdom, amended the bill. The amended version of the House Bill is attached.

In its current form, Senate Bill 613 would assist with programming being turned over to privatization due to closure of Winfield State Hospital and Topeka State Hospital. There are many other SRS programs, however, which are being targeted for privatization or closure. Kansas Industries for the Blind is one of these programs which is of particular concern to Wichita Industries and Services for the Blind (WISB). Many other functions of SRS, however, may well be identified as needing to be privatized. We want to be certain that options will exist for privatization which will insure continuation of both services and jobs.

It is my understanding that Governor Graves has expressed reservations concerning the benefits package bills for Topeka State Hospital and Winfield State hospital because he makes the point that Government is in the process of

1 *Senate Commerce Committee*

February 27, 1996

Attachment 2 thru 2-3

A not-for-profit
agency providing
employment &
services to people
who are blind.

801 East Lincoln
Wichita, Kansas 67211
(316) 267.2244
Fax (316) 267.4312

925 Sunshine Road
Kansas City, Kansas 66115
(913) 281.0710
Fax (913) 281.2450

1600 North Walnut
Pittsburg, Kansas 66762
(316) 231.8600
Fax (316) 231.8620

downsizing all over. He thus questions singling out the employees of the two institutions experiencing the most job losses. The proposed amendment addresses this concern. The top priority for those impacted by institutional closings is not impacted, but the appeal of the bill's intent is nonetheless broadened.

HOUSE BILL No. 2905

By Representatives Kirk, Bradley, Flora, Goodwin, Grant, Mays,
R. Nichols, Spangler and Toelkes

2-5

11 AN ACT concerning training and retraining programs; relating to em-
12 ployees of closed institutions **and the department of social and re-**
13 **habilitation services.**

14

15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. (a) "Institution" has the meaning ascribed thereto by
17 K.S.A. 76-12a01, and amendments thereto.

18 (b) Any entity which provides services which were previously pro-
19 vided by an institution, but which the institution no longer provides due
20 to the institution's closure, scheduled closure or cessation or reduction of
21 operation due to budget reductions, shall receive top priority considera-
22 tion for any business assistance program administered by the department
23 of commerce and housing. Such priority shall be greater than the priority
24 established in K.S.A. 74-50,133, and amendments thereto.

25 (c) **Any entity which provides services which were previously**
26 **provided by the department of social and rehabilitation services,**
27 **but which the department no longer provides due to a decision to**
28 **delegate such services to the private sector, shall receive priority**
29 **consideration, subordinate only to the priority established in sub-**
30 **section (b) of this section, for any business assistance program of-**
31 **fered by the department of commerce and housing.**

32 Sec. 2. This act shall take effect and be in force from and after its
33 publication in the statute book **Kansas register.**



CITY OF TOPEKA

City Council
215 E. 7th Street Room 255
Topeka, Kansas 66603
Phone 913-295-3710

LEGISLATIVE TESTIMONY CITY OF TOPEKA

SENATE BILL 613
SENATE BILL 615

TO: Senator Salisbury and Members, Senate Commerce Committee

FROM: Jim Kaup, City of Topeka

DATE: February 27, 1996

RE: **Support for SB 613 and HB 615 -- Legislation on Behalf of Topeka State Hospital Employees and Entities Providing Services Now Provided by Topeka State Hospital**

The City appears in support of SB 613 and SB 615. Both bills advance "Employee-Issues" recommendations of the Mayor's Task Force on the Future of Topeka State Hospital. Relevant pages of that report -- which was presented to the Governor on February 9, 1996 -- are attached. This excerpt reflects the two principal requests this community is making of the Legislature and the Administration with respect to Topeka State Hospital employees:

- Assistance in gaining **new employment** and
- **Incentives to encourage employees to remain at TSH** until their jobs are eliminated, so as not to compromise the quality of care being provided TSH clients.

SB 613. The proposed "priority consideration" in business assistance programs administered by the Department of Commerce and Housing and the Department of Human Resources will be helpful in establishing new community programs and services necessary to meet the demands placed upon the Topeka community as a result of closure of Topeka State Hospital. This should result in more employment opportunities in the community for hospital employees. SB 613 should help to minimize the adverse impacts of closure upon the Topeka community -- a goal first set forth by Governor Graves immediately following the announcement of the State Hospital Closure Commission's recommendations last November, and repeated oftentimes since then.

*Senate Commerce Committee
February 27, 1996*

Attachment 3 thru 3-4

SB 613 has an identical counterpart in HB 2905. The House Committee amended HB 2905 to extend this "priority consideration" for "any entity which provides services which were previously provided by the Department of Social and Rehabilitation Services but which the Department no longer provides due to a decisions to delegate such services to the private sector ...". Should this Committee amend SB 613 in a like fashion, such an amendment would also be supported by the City of Topeka.

SB 615. This bill is a modest proposal to provide some incentive for Topeka State Hospital employees to remain at their jobs, providing quality care to hospital clients, until those employees are laid off as a result of closure, or until they voluntarily quit after being scheduled for lay-off as a result of closure.

SB 615 gives preference in rehiring under the state civil service system to any Topeka State Hospital employee who is so laid off or voluntarily quits. The bill places those hospital employees on the State's employment "eligible" list for five years. Section 2 of SB 615 gives "bumping rights" to any hospital employee laid off or voluntarily quitting after a scheduled lay-off because of closure.

The position of the City, and that of the Mayor's Task Force on the Future of Topeka State Hospital, is not borne of a desire to see the State give preferred treatment to any single group of state employees -- even though those employees are almost entirely residents of this community. The position of the City, and that of the Mayor's Task Force, is that legislation like SB 615 is necessary to prevent something anticipated and feared by the State Hospital Closure Commission, community mental health providers, and others who understand the process of closure and its consequences -- the rapid loss of skilled personnel at Topeka State Hospital will lead to its premature closure, not only adversely affecting the State's finances by the possible loss of federal disproportionate share moneys, but more importantly adversely affecting the quality of care for clients who would either have to be uprooted and sent to another mental health hospital or placed in community programs before those programs can be established in a rational and planned manner.

While the immediate beneficiary of SB 615 might appear to be current Topeka State Hospital employees, in fact this legislation is a measure of self-defense which is totally consistent with the many public statements of the Administration that closure must be orderly and planned, that closure must not occur until community programs are ready to serve the new demands, and that the quality of care given hospital clients must not be compromised by the closure process.

Action. SB 613 and SB 615 are just two of a number of proposals which place in writing what the State has been telling this community for many months.

We ask for your support of SB 613 and SB 615.

**RECOMMENDATIONS OF THE MAYOR'S
TASK FORCE ON THE FUTURE OF TOPEKA STATE HOSPITAL
-- EMPLOYEE ISSUES --**

The Mayor's Task Force on the Future of Topeka State Hospital respectfully submits to the Governor its recommendations relating to Employee Issues. The recommendations are listed in order of priority. These recommendations were developed by the Employee Issues Study Group chaired by Sen. Marge Petty in part from a survey of TSH employees, proposals developed by employees at Winfield State Hospital, and from an issue paper prepared by a state legislator. The members of the Task Force Study Groups approved its recommendations at its meeting of February 6, 1996. The Mayor's Task Force adopted those recommendations, with amendments, at its meeting of February 8, 1996.

- A. **Employment** - Continued state employment, or other re-employment, appears to be the primary goal of most Topeka State Hospital employees. Therefore, the Task Force recommends that the following package of incentives be developed which will enhance the likelihood of continued employment for TSH employees with the State, or re-employment in either the public or private sectors:
1. Establish a preference for hiring displaced TSH workers by other state agencies. (See SB 615 and HB 2907.)
 2. Establishment of training programs designed to assist TSH employees in gaining re-employment. Such programs should be funded both through existing and new state programs. Retraining should be offered at no cost to TSH employees. (HB 2905 and SB 613 provide for "priority consideration" regarding KDOC/H and KDHR business assistance programs for entities providing services previously provided by TSH.)
 3. Provide potential non-state employers with training resources, including moneys from the state, as incentives to hire displaced TSH employees. Specifically, provide state funding of short-term subsidies to not-for-profit community mental health providers to hire TSH employees. (See HB 2905 and SB 613, and SB 549 as amended by the Senate.)
 4. Enact legislation to permit IRS Code 501(c)(3) community mental health providers to be "eligible employers" for KPERs purposes. (See HB 2904 and SB 616.)
 5. Eliminate any statutory restrictions against TSH employees accepting employment by private or public mental health care providers. (See HB 2784 and HB 2928.)
 6. Provide state funding of tuition and fees for TSH employees who enroll at Washburn University of Topeka, state universities or community colleges to receive training relating to re-employment.
 7. State provision of outplacement and job search services to displaced TSH employees.

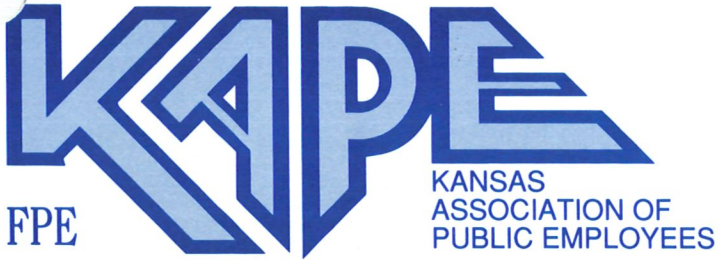
8. State payment of TSH employee moving expenses when other state employment is secured.

B. Incentives for Employees to Remain at Topeka State Hospital - The second priority of Topeka State Hospital employees is the development of incentives to retain needed employees at TSH until its closure. Retaining such employees is critical for the continued provision of quality services to clients, maintaining hospital certification, avoiding "premature" closing of TSH, and assuring a safe environment for employees and clients. "Premature" closing or loss of TSH accreditation can cost the state its Medicaid reimbursement.

1. Legislation to allow payment to such TSH employees for a portion of their accumulated, unused sick leave. (See SB 614 and HB 2906.)
2. Continued salary and benefits for 6 months after closure. (See SB 614, providing for 52 weeks severance.)
3. Legislation to extend the time period such TSH employees may continue to participate in the state's group health care insurance plan, to 24 months after termination of their positions at TSH, or until re-employment. (See SB 614.)
4. Legislation to extend re-employment rights with the state from present 3 years to 5 years. (See SB 615 and HB 2907.)

Additional employee issues include severance, retirement and benefit packages.

5. Legislation to establish an early retirement package for TSH employees by adjusting the age plus service formula (e.g. lower points required for retirement). (See HB 2944.)
6. Legislation to permit unused sick and vacation leave earned while a TSH employee to count as service time for purposes of qualifying for early retirement under KPERS. (HB 2904 and SB 616 provide that accumulated sick leave time for TSH employees counts as participating service credit.)
7. Allow for a continuation of eligibility for health insurance benefits for TSH employees who take early retirement. (See SB 614.)
8. Extend eligibility for retirement to 24 months after termination of a TSH employee's position (i.e. continued earning of retirement points during that period). (SB 614 provides that the 52-week severance period counts as participating service for KPERS purposes.)
9. Legislation to shorten the present 10-year vesting period for KPERS to no greater than a 5-year vesting time for TSH employees. (See HB 2904 and SB 616, which grants vesting in KPERS for any TSH employee laid off due to closure, regardless of years of service.)



1300 South Topeka Avenue Topeka, Kansas 66612 913-235-0262 Fax 913-235-3920

**TESTIMONY OF KELLY JENNINGS
KANSAS ASSOCIATION OF PUBLIC EMPLOYEES**

**Before the Senate Commerce Committee
in support of Senate Bill 615
February 27, 1996**

Members of the committee, good morning. My name is Kelly Jennings I represent the Kansas Association of Public Employees. I appreciate the opportunity to appear before you in support of Senate Bill 615.

SB 615 is another in a series of bills designed to negate the effects of proposed institutional closure. The bill contains provisions to encourage employees to remain at the institutions throughout the closure process and thus avoid the effects of employee flight.

The bill provides expanded transfer and bumping rights for employees who choose to remain at the institutions until laid off. These employees will be given preference in transfers to other vacant state positions, and preference on reemployment and reinstatement lists for a period of up to five years. The bill also contains expanded bumping rights to any position in state service in which the employee had prior permanent status or for which the employee meets the requirements.

There is no fiscal note associated with this bill. Passage of the bill would provide employees with an incentive to remain at the institutions throughout the closure process by giving them increased opportunities for future employment after the institutions are closed. More employees will be encouraged to remain if there will be possibilities of future employment.

KAPE urges the committee to report favorably on SB 615. By providing incentives to the employees, the transition of the closure process will be smoothed. Thank you for your time and consideration on this matter. I would be happy to answer any questions you may have.

*Senate Commerce Committee
February 27, 1996*



Testimony To The
SENATE COMMERCE COMMITTEE

By
William B. McGlasson, Director
Division of Personnel Services

Tuesday, February 27, 1996
RE: Senate Bill 615

Members of the committee, good morning. This morning I would like to cover two items. The first is a brief overview of the criteria the Governor's Cabinet Commission on Closure has developed to evaluate proposals intended to assist employees affected by the institution closures. In the second item, I will compare SB 615 to the criteria and suggest some modifications that would enhance the bill's likelihood of meeting the criteria.

The Department of Administration and the Department of Social and Rehabilitation Services are committed to assisting employees who will be displaced as a result of an institution closing. The Governor has strongly encouraged all agencies to give due consideration to hiring qualified employees who will be laid off. The following criteria have been developed to guide the evaluation of legislative proposals, as well as the design of administrative procedures, which assist hospital employees affected by the closures. An overriding concern with any proposal is the need for fiscal responsibility in the management of state government.

CRITERIA AND COMPARISON

1. Proposals should focus on short-term, transitional issues aimed at helping employees find new employment, rather than making long-term financial commitments.

SB 615 does focus on the transition of institution employees to other state jobs by including laid off employees in a reemployment pool. This means they will be considered for vacant positions for which they are qualified as if they were current employees. To transition laid off employees back into the workforce as quickly as possible, we suggest that laid off employees automatically be considered finalists for vacancies in which they are interested and qualified. Agencies would be required to interview and consider these employees along with other finalists for a vacant position for a period of one year following a layoff. If the employee had not secured a position during that year, they would be included on the reemployment list for an additional two years. We believe five years, as the bill proposes, is too long to be on a reemployment list and five years does not meet the short-term, transitional criteria. We also believe this proposal should extend to any employee who has been laid off instead of being restricted to hospital employees.

2. Proposals will not result in disruption to other state agencies or state government operations.

State government must continue to be responsive to taxpayers and to provide services to our customers. SB 615 would allow widespread bumping to positions in any agency which may greatly disrupt services and broaden the scope of the problem. We currently have multiple layoffs in process. Bumping to other agencies will only complicate an already complex process, especially if bumping is allowed to cross into an agency with a layoff in progress. Finally, expanding bumping rights to unclassified employees is unprecedented in state government and is in conflict with the philosophy governing the unclassified service. For these reasons, we do not encourage the expansion of bumping rights.

- 3. The proposal is applied consistently to all laid off or displaced state employees, regardless of the agency or institution where they were employed.**

The overall trend of state government is downsizing. All state agencies are exploring ways to reduce spending and decrease costs. The impact on individual employees, wherever reductions occur is the same, so it follows that the assistance we provide to laid off employees should also be the same. SB 615, as proposed, only applies to institutions or agencies that are abolished or closed, and does not address issues for other employees who have already been, or may be, laid off or displaced in the future. The suggestions we are making could be applied to all laid off employees, now and in the future

- 4. The benefits of the proposal to the state and the employee should justify the cost.**

The fiscal impact of SB 615 is unknown because of the various combinations of bumping scenarios that could result from statewide bumping. It is likely that employees with higher salaries would bump lower paid employees, thus increasing salary costs for some agencies. It is also likely that the prospect of statewide bumping would have a negative impact on employee morale and could result in loss of productivity by displacing experienced employees in certain jobs. Elimination of the statewide bumping provisions in SB 615 would help the bill meet the criteria established by the Cabinet Commission on Closure.

5. **The proposal will not result in disincentives for laid off employees to become gainf employed.**

The primary goal in providing assistance to laid off employees is to help them secure other suitable employment as quickly as possible. Proposals for assistance to these employees should not defeat that purpose. Our recommendation to automatically make qualified laid off employees finalists for vacant positions should make laid off employees active participants in the job market, and it should shorten the time frame in which laid off employees are actually out of work.

6. **The proposal does not increase the unfunded liability in the KPERS system.**

This bill has no impact on KPERS.

It is crucial that we are not short-sighted in our plans to assist employees facing layoff due to the closing of institutions. We must consider what is in the best interest of state government, as well as state employees, now and in the future, when we develop plans to assist laid off employees. Focusing our efforts with these criteria in mind should result in plans that provide long-range benefits and meet immediate needs. With this in mind, we believe that with our suggestions regarding bumping and consideration of laid off employees for vacancies, SB 615 could compare favorably to the established criteria. Our suggestion to expand the focus of this bill to include any employee who is laid off or displaced as a result of a layoff would further enhance the acceptability of this bill.

The Division of Personnel Services appreciates your concern in this matter and consideration of our suggestions. I would be happy to respond to any questions.

STATE OF KANSAS

BILL GRAVES, *Governor*
State Capitol, 2nd Floor
Topeka, Kansas 66612-1590



(913) 296-3232
1-800-432-2487
TDD: 1-800-992-0152
FAX: (913) 296-7973

OFFICE OF THE GOVERNOR

CRITERIA FOR EVALUATING PROPOSALS TO ASSIST EMPLOYEES OF STATE HOSPITALS SCHEDULED FOR CLOSURE

The Governor strongly encourages all agencies of state government to give due consideration to hiring qualified employees who are now working at Winfield State Hospital or Topeka State Hospital. Personnel offices within the Department of Social and Rehabilitation Services and the Department of Administration's Division of Personnel Services will coordinate the exchange of information about available vacancies and qualifications for such positions within state government.

The Governor and his Cabinet have recognized the need for fiscal responsibility in the management of state government. Expenditures are being cut in most agencies, and staffing levels are being reduced in all agencies of the Executive Branch. With these realities in mind, any legislative proposals for assisting state hospital employees will be evaluated according to the following criteria:

1. The proposal should address short-term, transitional issues related to helping state employees find new employment, rather than making long-term financial commitments.
2. The proposal should not result in disruption to other state agencies or state government operations.
3. The proposal should apply consistently to all laid-off or displaced employees, regardless of the agency in which they were employed.
4. The benefits of the proposal to the state and the employees should justify the cost.
5. The proposal should not result in disincentives for laid-off employees to become gainfully employed.
6. The proposal should not increase the unfunded liability of the Kansas Public Employees Retirement System.