

MINUTES OF THE HOUSE KANSAS 2000 SELECT COMMITTEE.

The meeting was called to order by Chairperson Kenny Wilk at 1:30 p.m. on January 24, 2000 in Room 526-S of the Capitol.

All members were present except: Representative Larry Campbell - excused
Representative David Gregory - excused
Representative Gene O'Brien - excused

Committee staff present: Alan Conroy, Legislative Research Department
Julian Efird, Legislative Research Department
Gordon Self, Revisor of Statutes
Janet Mosser, Committee Secretary

Conferees appearing before the committee:
Senator Alicia Salisbury
Representative Tom Sloan
Sheriff Loren Anderson, Douglas County Sheriff's Office and the Kansas Sheriff's Association

Others attending: See attached list.

Chairperson Wilk reminded the committee that due to a conflict in the Senate last week, Senator Alicia Salisbury was unable to testify on **HB 2605** as she was scheduled to do and was given the option of appearing before the committee this week. Chairperson Wilk recognized Senator Salisbury, proponent, to address the committee. As Chairman of the Special Committee on the Organization and Structure of the State Historical Society, Senator Salisbury clarified the charge to the committee (i.e., to look at the Historical Society's organizational structure because of the audit conclusion that the meshing of the not-for-profit membership organization and the state agency has resulted in an organizational structure that is confusing, lacks clear lines of authority and responsibility, and places considerable power in the hands of one official without providing for the same level of accountability that other agency heads are subjected to). She addressed issues dealing with accountability, statutory designation of a state agency, and the role of the private society (Attachment 1).

Questions and discussion followed testimony.

Chairperson Wilk opened the hearing on **HB 2624 - Death benefit for active KPF members.**

The fiscal note was distributed.

Julian Efird, Legislative Research Department, briefed the committee on the contents of the bill.

Chairperson Wilk recognized Representative Tom Sloan, sponsor and proponent, to address the committee (Attachment 2).

Sheriff Loren Anderson, Douglas County Sheriff's Office and the Kansas Sheriff's Association, proponent, was recognized to address the committee (Attachment 3).

Questions and discussion followed testimony. Jack Hawn, Deputy Executive Secretary, Kansas Public Employees Retirement System, was recognized to assist in answering questions.

Chairperson Wilk closed the hearing on **HB 2624.**

Chairperson Wilk opened the hearing on **SB 40 - KPERS, suspension of benefits for retirants who serve as members of legislature.**

The fiscal note was distributed.

CONTINUATION SHEET

Julian Efird, Legislative Research Department, briefed the committee on the contents of the bill.

Questions and discussion followed. Jack Hawn, Deputy Executive Secretary, Kansas Public Employees Retirement System, was recognized to assist in answering questions.

No conferees appeared to testify on the bill.

Chairperson Wilk closed the hearing on **SB 40**.

Chairperson Wilk reviewed the committee meeting schedule for the remainder of the week explaining his intention to have briefings on the defined contribution issue before working on related bills.

Chairperson Wilk adjourned the meeting at 2:30 p.m.

The next meeting is scheduled for January 25, 2000.

KANSAS 2000 SELECT COMMITTEE GUEST LIST

DATE: 1-24-00

NAME	TITLE	REPRESENTING
Don Ryan	Lobbyist	S. E. A. K.
June Windschappel	Board Member	KSHS
Helen L. King	Board member	KSHS - genealogist
Vance Stealing	President	Ks State Firefighters
Karen C. Anderson	Dc Co Sheriff	KSA & SELF
Jeff B. H. H. H.	Attorney	Kansas Sheriff's Assn
Krista Cooperich	Staff	OOA/OPS
Susan Mahony	Senate	Sen. Salisbury
STEVE KEARNEY	ATTORNEY	KSTA + FOP
Ramon Powers	Executive Director	Kansas State Historical Society
Kristen Howland	PIO	KSHS
Star Powers		KGC

As Chairman of the Special Committee on the Organization and Structure of the State Historical Society, I would like to clarify the charge to our committee and intent of our actions. In particular, I will address three issues which have received a good deal of attention: accountability, statutory designation of a state agency, and the role of the private society.

- Background
 - 1996 bill
 - Legislative Post Audit Conclusion
 - Published comments of the Society
- State Historical Society's bylaws changes
 - Appointment of Executive Director
 - Executive Committee
 - Elimination of Secretary of Board
- Accountability
 - Appointment of Executive Director
 - Professional v. political qualifications
- Designation of state agency
 - Preservation of private society
 - Enhance effectiveness
 - Stand alone agency
 - Budget development
 - Name confusion
 - Fundraising: Private Society's concern and Private Society's previous name change
 - Important distinction
- Role of the Private Society
 - Contract
 - Role of endowment association
 - Arm's length operation from the State Society
 - Private Society role
 - How does proposed role differ from current
- Role and meetings of Executive Committee
 - Important to have Executive Director accountable on a daily basis for state tax dollars and a significant number of employees in the state classified service.

Other states have similar organizations, but Legislative Post Audit and Legislative Research analysts have pointed out that there are essential distinctions.

TOM SLOAN
 REPRESENTATIVE, 45TH DISTRICT
 DOUGLAS COUNTY

COMMITTEE ASSIGNMENTS
 MEMBER ENVIRONMENT
 UTILITIES

STATE CAPITOL BUILDING
 ROOM 446-N
 TOPEKA, KANSAS 66612-1504
 (913) 296-7677
 1-800-432-3924



TOPEKA

772 HWY 40
 LAWRENCE, KANSAS 66049-4174
 (913) 841-1526

HOUSE OF
 REPRESENTATIVES

TESTIMONY ON HB2624

Mr. Chairman, members of the committee, thank you for the opportunity to address a small but significant issue in the police and firemen's benefit program, KP&F. This matter was brought to my attention by Douglas County local government officials, some of whom will also testify today.

An unfortunate situation arose in which a newly hired, unmarried corrections officer in the juvenile detention center was fatally injured in an off-duty motor vehicle accident. This officer was the oldest child in a large family, a family with limited resources. Funeral and other related expenses created such a financial hardship on the family, because of the lack of significant death benefits for new KP&F members, that local officials took up a collection to help the family. Under the existing KP&F retirement program, this officer's beneficiaries received only the amount of money he had contributed to the KP&F system. As a newly hired officer, this was an insignificant amount.

After talking with the local officials, I spoke with Meredith Williams and Jack Hawn from KPERs. Both agreed that local officials correctly understood current law as it applied to KP&F benefits. Without attempting to put words in their mouths, both agreed that the Douglas County situation could easily be addressed at a relatively low cost.

HB2624 provides that active KP&F member's beneficiaries shall receive either a) the member's accumulated contribution (current law), or b) a lump sum amount equal to 100 percent of the member's annual salary, reduced by the amount received under "a".

This is a small issue when the total KP&F members' compensation benefit package is examined, but it is important to the few families affected by a loved one's death before adequate death benefits accrue under our current statutes.

Using KPER's estimated impact of 5-6 deaths per year (assuming a \$40,000 salary) **beginning in FY2003**, the cost to the state would be \$29,000 and to all cities and counties in Kansas, \$193,000 per year. The state's share naturally is subject to appropriations.

Please remember, this bill only applies to unmarried officers who have not been in the KP&F program long enough to qualify for the standard benefits based on average salary and payments to KP&F. On behalf of unknown Kansas families of police and firemen who may lose their lives before making significant contributions to the KP&F fund, I ask for your support of HB2624.

Kansas 2000 Select Committee
 Meeting Date 1-24-00
 Attachment 2

Kansas Public Employees Retirement System

September 28, 1999

Representative Tom Sloan
772 Highway 40
Lawrence, Kansas 66049

Dear Representative Sloan:

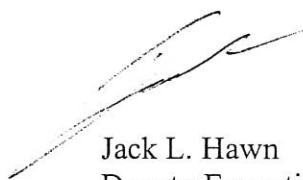
You had inquired about the cost of providing a lump sum death benefit to members of the Kansas Police and Firemen's Retirement System (KP&F).

Our actuary has indicated to provide a lump sum death benefit to all active members equal to 100 % of their current annual salary, offset by any other lump sum death benefit provided by the System, would increase the employer contribution rate by 0.08%. This would first be reflected in the rate in FY 2003 and would require additional annual employer contributions of \$29,000 for the State and \$193,000 for local units of government.

You should contact Gordon Self in the Revisors office about drafting a bill. Just tell him it's to pay a 100% lump sum death benefit to active KP&F members, which is subject to the aforementioned offset. I will be happy to work with him in drafting the bill.

Please let me know if you have any questions.

Sincerely,



Jack L. Hawn
Deputy Executive Secretary

Testimony of Loren Anderson, Douglas County Sheriff, on HB 2624
January 24, 2000 at 1:30pm
Room 526 of the Capitol

The Kansas Police and Firemen's Retirement System provides some death benefits to its members. Until recently, we believed these benefits were consistent for all members of our retirement system, regardless of marital status. Then last year a corrections officer at our Northeast Kansas Juvenile Detention Center in Douglas County was killed in an automobile accident. We then discovered that an unmarried system member, who has no children, receives no death benefit whatsoever. This absence of a death benefit for single employees is inconsistent with death benefits received by employees covered by the KPERs retirement system where single employees do receive the same benefits as employees who are married or who have children.

The Douglas County employee who died was still living at home with his parents who had five other children. The funeral expenses created a significant hardship for the member's family.

We ask for this change in the statute to give the fair and needed benefit, and to eliminate an inequity that should not be there. A member of the Police and Firemen's retirement system who dies should receive the same benefit, regardless of marital status. The underlying assumption that the death of a single member creates no hardship for the family is simply not valid. In addition, we can think of no justification for the fact that employees in other state sponsored retirement systems should receive the benefit while employees covered by KP&F do not.

It is my belief that the additional cost for the equality may be a bargain. The posture of our state's good faith and sensitivity toward our citizens carries immeasurable value.

Thank you for your consideration of this issue. As Sheriff of Douglas County and as chairman of the KSA legislative committee, I ask you to support this legislation.