

Approved: April 7, 2000

Date



MINUTES OF THE HOUSE KANSAS 2000 COMMITTEE.

The meeting was called to order by Chairperson Kenny Wilk at 1:45 p.m. on March 9, 2000 in Room 526-S of the Capitol.

All members were present except:

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

Conferees appearing before the committee:

Others attending: See attached list.

Chairperson Wilk called the committee's attention to **SB 393 - K-GOAL; agencies subject thereto**. Jim Wilson, Revisor, summarized the bill and offered a technical amendment to correct the language to replace "to review and evaluation" with "shall be reviewed and evaluated" where ever it appears. At the request of Chairperson Wilk, Revisor Wilson explain the amendment. Chairperson Wilk moved to adopt the technical amendment. The motion was seconded by Representative Alldritt. The motion carried.

Representative Alldritt moved to amend with the policy change contained in **HB 2108** authorizing reimbursement of certain travel expenses of legislators attending legislative post audit committee meetings. The motion was seconded by Representative Horst. The motion carried.

Representative Sharp moved to strike new section 21 which provides for an audit of the Judicial Branch. The motion was seconded by Representative Carmody. Discussion followed. The motion carried.

Representative Sharp moved to pass favorably as amended. The motion was seconded by Representative Horst. The motion carried.

Chairperson Wilk called the committee's attention to **SB 40 - KPERS, suspension of benefits for retirants who serve as members of legislature.**

Chairperson Wilk recognized Representative Sloan. Representative Sloan wanted to discuss employee benefits and distributed information to the committee (Attachment 1).

Discussion followed.

Representative Sloan moved to amend the bill by substituting the draft language contained in 9rs2423 (Attachment 2) and which is also described in pages 1-2 of the information he distributed to the committee. The motion was seconded by Representative Horst. Upon request, the Chair divided the motion into Parts A, B, C, D and E.

The motion on Part A carried.

Discussion followed on Part B. Bobbi Mariani, Department of Administration, was recognized and assisted in answering questions. Upon request, the Chair divided the motion on Part B into Parts B1 (adding a 16th step to the pay system) and B2 (deleting steps 1,2,3).

Representative Sloan moved the motion. The motion on Part B1 carried.

Discussion followed. Representative Sloan moved the motion. The motion on Part B2 failed .

Representative Sloan moved the motion. The motion on Part C carried.

Discussion followed. Representative Sloan moved the motion. The motion on Part D failed.

CONTINUATION SHEET

Discussion followed. Representative Sloan moved the motion. The motion on Part E carried.

Representative Sloan moved to further amend SB 40 by including language in the substitute bill as described on the attachment to the handout and for which the draft language is contained in 9rs2422 (Attachment 3). The motion was seconded by Representative Aurand. Discussion followed. The motion failed.

Discussion followed.

Representative Alldritt moved to report the substitute bill favorable for passage. The motion was seconded by Representative Horst. Discussion followed.

Representative Lane made a substitute motion to table the substitute for SB 40. The motion was seconded by Representative Osborne. The Chair ruled that it appeared that the motion failed. Division was requested. A show of hands indicated nine in favor and eight against. The motion carried. Representatives Sloan, Horst, Welshimer, and Wilk were recorded as voting "no" on the motion.

Chairperson Wilk called the committee's attention to **HB 2718 - Defined contribution plan for state employees**. Representative Sloan moved to amend the bill by substituting a new bill containing the following: 1) new hires beginning July 1, 2001, have the option to select the KPERS defined benefit plan or a defined contribution plan with both plans being administered by KPERS and both plans having a 10-year vesting period, and 2) that KPERS be authorized to contact directly all individual KPERS members to provide educational materials. The motion was seconded by Representative Carmody.

Discussion followed.

Representative Sharp made a substitute motion to table the proposed substitute for HB 2718. The motion was seconded by Representative Welshimer. Chairperson Wilk ruled that it appeared that the motion failed. Division was requested. The division was eight in favor and eight against. The Chair voted against the motion to break the tie. The motion failed.

Discussion followed on Representative Sloan's motion.

Representative Sloan moved the motion. The Chair was in doubt of the vote. A show of hands indicated a tie vote. The Chair voted in favor of the motion to break the tie. The motion carried. Representatives Barnes, Welshimer, Kirk, Campbell, Gatewood, Sharp, O'Brien and Alldritt were recorded as voting "no" on the motion. Representatives Carmody, Aurand and Gregory were recorded as voting "yes" on the motion.

Representative Sloan moved to report the substitute bill favorable for passage. The motion was seconded by Representative Gregory. The Chair ruled that it appeared that the motion carried. Division was requested. A show of hands indicated a tie vote. The Chair voted in favor of the motion to break the tie. The motion carried. Representatives Barnes, Welshimer, Kirk, Campbell, Gatewood, Sharp, O'Brien and Alldritt were recorded as voting "no" on the motion.

Chairperson Wilk adjourned the meeting at 2:50 p.m.

The next meeting is scheduled for March 13, 2000.

TOM SLOAN
 REPRESENTATIVE, 45TH DISTRICT
 DOUGLAS COUNTY

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TOPEKA
 HOUSE OF
 REPRESENTATIVES

DATE: March 8, 2000

TO: KS 2000 Committee Members:

RE: State Employee Benefits

For the past six months, I have worked with a group of KU classified employees and the Department of Administration to develop a package of employee benefits acceptable to both. Attached is a draft of these items.

Included are:

- 1) Repeal of the 3/4ths rule - currently agencies may only replace 3 of every 4 retirees. This was enacted to reduce the size of state government, but is now causing significant staffing problems;
- 2) Add a 16th step in the pay system and delete steps 1,2,3 - two major issues for both state employees and Department of Administration have been employees "topping out" on the pay system and non-competitive starting salaries. Adding a step at the top and eliminating the bottom three steps address both concerns;
- 3) Department of Administration shall provide each ^{permanent full-time} state employee an annual one page summary of the value of their entire compensation package from the state - including salary, health care, vacation, etc. ✓
- 4) State agencies shall pay tuition expenses for employees taking courses of training valued to the state - changes "may" to "shall"; ^{permanent, full-time} ✓

Kansas 2000 Select Committee

Meeting Date 3-9-00

Attachment 1

- 5) Department of Administration shall establish a shared leave program for state employees - this is a common private sector and U.S. Government practice by which employees may donate their vacation time to other employees with health problems and who have exhausted their own leave time;

There is **no** pay for performance material included in this language. There should be a very minimal fiscal note.

Thank you for your consideration.

The Secretary of Administration will recommend at least four separate pay rate schedules to the Governor - A complaint we heard is that the state's "one size fits all" salary matrix is too unwieldy to respond to market forces. Creation of multiple salary matrices does **not** mean pay for performance! It reflects a need to group similar job responsibilities across state agencies into a pay matrix that reflects market conditions and will enable the Department of Administration and Legislature to respond more quickly.

By

AN ACT concerning state officers and employees; relating to compensation and related personnel policies; amending K.S.A. 75-5519 and 75-5549 and repealing the existing sections; also repealing K.S.A. 1999 Supp. 75-6801.

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

New Section 1. (a) The governor is hereby authorized and directed to modify the pay plan adopted for fiscal year 2000 in accordance with this subsection and to adopt such pay plan as so modified. The existing pay rate schedules under the pay plan of biweekly pay rates and hourly pay rates for fiscal year 2000 shall be modified to delete step 1, step 2 and step 3 of each pay grade of each such schedule of the pay plan and to add one additional step at the top of each pay grade of each such schedule of the pay plan which is equivalent to a 2.5% step increase above the amount of step 15 of each pay grade of each such schedule of such pay plan. The pay rate schedules under the pay plan of biweekly pay rates and hourly pay rates adopted by the governor under this subsection shall be the pay rate schedules under the pay plan of biweekly pay rates and hourly pay rates for the classified service under the Kansas civil service act and shall be effective on the first day of the first payroll period which is chargeable to the fiscal year ending June 30, 2001. The pay rate schedules under the pay plan of biweekly pay rates and hourly pay rates adopted under this subsection shall be subject to modification and approval as provided under K.S.A. 75-2938 and amendments thereto and to any enactment of the legislature applicable thereto.

(b) For purposes of implementing and administering the pay rate schedules under the pay plan of biweekly pay rates and hourly pay rates adopted for fiscal year 2001 under subsection (a), (1) the compensation of state officers and employees assigned to pay rates on step 1, step 2 or step 3 of a pay grade of a schedule of the pay plan in effect for fiscal year 2000, may be increased to the appropriate pay rate on the new beginning step of the pay grade of a schedule of such pay plan effective on

the first day of the first payroll period chargeable to the fiscal year ending June 30, 2001, subject to appropriations available therefor; and (2) all persons employed by state agencies on or after June 11, 2000, for positions in the classified service under the Kansas civil service act shall have pay rates commencing on the new beginning step or above of the pay grades assigned to the job classes prescribed for such positions under the pay plan adopted for fiscal year 2001 under subsection (a).

New Sec. 2. Each fiscal year commencing after June 30, 2001, the secretary of administration shall prepare and distribute to each state officer or employee an annual one-page summary of such officer or employee's compensation package from the state, including salary, benefits under the state health care benefits program of the Kansas state employees health care commission, the cafeteria plan administered by the secretary of administration, retirement, insured and other benefits under the Kansas public employees retirement system, paid leave and other benefits provided for under the Kansas civil service act and any other benefits provided to such officer or employee.

Sec. 3. K.S.A. 75-5519 is hereby amended to read as follows: 75-5519. (a) Any Each state agency may shall pay the tuition and other educational expenses for the education or training of any full-time personnel of such state agency and may pay the tuition and other educational expenses for the education or training of any part-time personnel of such state agency when requested by such personnel and when it is determined by the head of the state agency that such education or training is of value to the state and such state agency.

(b) All payments under this section shall be made from appropriations to the state agency in accordance with policies and procedures developed by the secretary of administration ~~to the state agency~~ and shall be approved by the head of the state agency.

(c) As used in this section, "state agency" means any state

department, office, board, commission, authority, council or officer and the personnel thereof.

(d) In accordance with K.S.A. 75-3706 and amendments thereto and with the advice of the director of accounts and reports, the secretary of administration may adopt rules and regulations prescribing limitations and procedures relating to expenditures for tuition and other education or training expenses under this section.

Sec. 4. K.S.A. 75-5549 is hereby amended to read as follows: 75-5549. (a) The secretary of administration, upon recommendation of the director of personnel services, ~~is hereby authorized to~~ shall adopt rules and regulations as provided by K.S.A. 75-3706, and amendments thereto, establishing and maintaining a program for the sharing of leave between employees of the state of Kansas. The program shall be known as the state employee shared leave program and shall be the shared leave program established by such rules and regulations prior to the effective date of this act, as modified by this act or in accordance with the provisions of this act by rules and regulations adopted by the secretary of administration.

(b) Employees authorized to share leave pursuant to such rules and regulations shall be authorized to donate ~~annual vacation and sick leave to~~ for use by other state employees, either specifically by name or generally, who are suffering from, or who have a family member suffering from, an extraordinary or severe illness, injury, impairment or physical or mental condition which has caused, or is likely to cause, the employee to take leave without pay or terminate employment. As used in this section "extraordinary or severe" means serious, extreme or life threatening. Such rules and regulations may prescribe conditions for eligibility for an employee to receive and use shared leave under the state employee shared leave program that require the receiving employee to first use (1) all sick leave credits that are available for use, (2) any compensatory time credits that the employee may have, and (3) any vacation leave

credits that the employee may have.

(c) Each request by an employee for shared leave under the state employee shared leave program shall be acted upon by the employee's appointing authority as soon as practicable and, in any case, such request shall be acted upon within the period of 10 workdays after the day the request was submitted to the appointing authority. The request for shared leave by any employee who has requested shared leave and who has not actually received written notice of a denial of all or part of such request within such period of 10 workdays shall be deemed to have been approved for all purposes under the state employee shared leave program and such employee may use the shared leave as requested in accordance with the state employee shared leave program.

(d) In addition to other relevant information, an appointing authority or other decision-making authority under the state employee shared leave program considering a request for shared leave may consider a requesting employee's history of sick leave use and the reasons therefor. The appointing authority or other decision-making authority under the state employee shared leave program may approve or deny all or part of a request for shared leave and shall act on a request only after receiving information from the requesting employee and from the state agency.

(e) The secretary of administration shall adopt and amend rules and regulations in accordance with K.S.A. 75-3707 and amendments thereto for the implementation and administration of the state employee shared leave program in accordance with this section.

Sec. 5. K.S.A. 75-5519 and 75-5549 and K.S.A. 1999 Supp. 75-6801 are hereby repealed.

Sec. 6. This act shall take effect and be in force from and after its publication in the statute book.

HOUSE BILL NO. _____

By Kansas 2000 Select Committee

AN ACT concerning state officers and employees; relating to compensation and related personnel policies.

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

Section 1. (a) During the fiscal year ending June 30, 2001, and in accordance with this section, the secretary of administration shall develop and recommend to the governor four or more separate pay rate schedules as part of the pay plan for the classified service under the Kansas civil service act. These pay rate schedules shall be developed by the secretary of administration in consultation with agency heads and the director of personnel services and shall be in addition to the pay rate schedules under the pay plan of biweekly pay rates and hourly pay rates adopted under other law.

(b) The additional pay rate schedules shall be designed to provide additional managerial flexibility, appropriate pay rates for job classes which are not effectively provided for under the existing pay rate schedules, and effective incentives for recruiting and retention of state officers and employees for the affected job classes, including factors for state and local labor market conditions and changes in the cost of living. The additional pay rate schedules shall be developed after surveys and analysis of the differing levels of skill, knowledge and education or training, levels of responsibility and independent decision-making ability, levels of personal risk, and levels of public service performed for the affected job classes.

(c) The additional pay rate schedules shall be submitted to the governor for review and approval prior to July 1, 2001, and shall be adopted as modifications to the pay plan for the classified service under the Kansas civil service act as provided under K.S.A. 75-2938 and amendments thereto, and shall be subject to modification and approval as provided under such statute and to any enactment of the legislature applicable thereto. The additional pay rate schedules shall be implemented and administered so that no state officer or employee shall be

assigned to one of the additional pay rate schedules adopted under this section at a base pay rate that is less than the aggregate of the base pay rate in effect for the officer or employee prior to being assigned to such new pay rate schedule and the base pay rate equivalent of the amount of any longevity bonus payment under K.S.A. 75-5541 and amendments thereto that the employee received during the preceding fiscal year.

Sec. 2. This act shall take effect and be in force from and after its publication in the statute book.