HOUSE COMMITTEE ON APPROPRIATIONS

Hon. Ron Ryckman, Chairman Hon. Sharon Schwartz, Vice Chairman Hon. Jerry Henry, R.M. Member

> March 11, 2016 9:00 am Room 112-N

Chief Judge Daniel D. Creitz, Thirty-First Judicial District, dancreitz@acdc.kscoxmail.com

TESTIMONY IN OPPOSITION TO HB 2725

Thank you, Chairman Ryckman, and the members of this committee for the opportunity to present testimony on House Bill 2725. HB 2725 affects the final salary computation for those employees hired before July 1, 1993, with a KPERS membership date before July 1, 1994. The bill would limit the amounts of vacation and sick leave payouts that can be counted toward the final average salary calculation for KPERS retirement benefits.

Since the time that HB 2725 became available late Wednesday afternoon, the Office of Judicial Administration has received numerous phone calls and emails from long-term, experienced employees who are concerned about their retirement benefit calculations. These employees have worked for the State for numerous years with the expectation that their retirement benefit calculations would include their sick and vacation leave payouts. Several employees have requested information about retiring prior to the end of the fiscal year in order to avoid the potential loss of benefits contained in HB 2725.

The Judicial Branch cannot afford to see a mass exodus of many of its long-term, experienced employees. Of the approximately 1,600 non-judge employees of the Judicial Branch, 344 employees were hired before July 1, 1993, and thus could be affected by the provisions of HB 2725.

The Judicial Branch is already facing a critical situation when it comes to recruiting, hiring, and retaining employees. The Judicial Branch has not been able to compete with the wages paid by private sector, county and city government, and, in some cases, state agencies. With no pay increases on the horizon and as the cost of living increases, the situation continues to worsen.

If the provisions of HB 2725 pass and another benefit is potentially removed from our long-term, experienced employees, I am concerned that the Judicial Branch will lose many of these employees. These experienced employees will take with them a large knowledge base that will affect Judicial Branch operations. With the current salary levels within the Judicial Branch, it will be difficult, if not impossible, to replace all of these employees. This, along with the learning curve inherent in training new employees, could in turn result in delays in processing and hearing cases.

We ask that you thoughtfully consider HB 2725 and the impact that it could have on Judicial Branch operations. Thank you for your time and consideration of this matter.