

For strength, we need you!

Kansas Association of Retired School Personnel

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Testimony to House Pensions and Benefits Committee

Submitted by: Dr. Harvey Ludwick, lobbyist for KARSP

March 16, 2015

Chairman Johnson, and members of the committee, thank you for giving me the opportunity to appear before you today. I am Harvey Ludwick and I represent the Kansas Association of Retired School Personnel. Please consider us a proponent of H.B. 2253.

(Hand out copies of "WAR Scenario 2 Income Comparison" by KPERS)

Discuss the Case studies of the retires in column #1"Member retires when first eligible for full benefits."

Discuss the Case study of member retires when first eligible for full benefits but continues working." in column #2.

Discuss the third column "Member works until full retirement".

When the monthly benefit amount is established, there is not altering. In fact for the past 18 years that amount has not changed.

Separation from Service: The Private Letter Ruling 201147038 would seem to indicate that 60 days is acceptable to the IRS in meeting the break in service requirement.

Prearranged reemployment: As a former Superintendent, it would seem that a short form included in the Superintendents Report or Principal Report indicating that EEOC requirements were met before a retiree was rehired would put the responsibility where it belongs.

Cost to KPERS: The 6% that a new employee would be paying and the 8% interest received on that employee contribution would not be paid to KPERS for as long as the retiree reemployed. However if the retiree lives long enough he will receive less money from KPERS after age 71 than had he continued to work for an additional 3 years.

Thank you again for this opportunity.

Serving Kansas Retired School Personnel since 1952
Affiliated with the National Retired Teachers Association (NRTA)



Income Companison

		Membei eligible	Member retires when first eligible for full benefits:	en first nefits:	Member r bene	Member retires when first eligible for full benefits but continues working:	first eligible inues worki		Membe	Member works until full retirement:	il full retire	ment:
	Year	Salary History	KPERS Benefit	Subtotal	Salary History	KPERS Benefit	Total Income	Subtotal	Salary History	KPERS Benefit	Total Income	Subtotal
	2011	\$46,228	\$0		\$46,228	\$0	\$46,228		\$46,228	\$0	\$46,228	
	2012	\$48,077	\$0		\$48,077	\$0	\$48,077		\$48,077	\$0	\$48,077	
4	2013	\$50,000	\$0		\$50,000	\$0	\$50,000		\$50,000	\$0	\$50,000	
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0	2014	\$0	\$25,253		\$52,000	\$25,253	\$77,253		\$52,000	\$0	\$52,000	•
7	2015	\$0	\$25,253		\$54,080	\$25,253	\$79,333		\$54,080	\$0	\$54,080	
υ _ξ 0Ω	2016	\$0	\$25,253	\$75,759	\$56,243	\$25,253	\$81,496	\$238,082	\$56,243	\$0	\$56,243	\$162,323
Ly Tü	2017	\$0	\$25,253		\$0	\$25,253	\$25,253		ş	\$31,247	\$31,247	•
6	2018	\$0	\$25,253		\$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
<u>C</u>	2019	\$0	\$25,253		\$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
ار ور	2020	\$0	\$25,253		\$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
W	2021	\$0	\$25,253		\$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
65	2022	\$0	\$25,253		\$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
s v	2023	\$0	\$25,253		\$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
6	2024	\$0	\$25,253	•	. \$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
\$	2025	\$0	\$25,253		\$0	\$25,253	\$25,253		\$0	\$31,247	\$31,247	
20	2026	\$0	\$25,253	\$252,530	\$0	\$25,253	\$25,253	\$252,530	\$0	\$31,247	\$31,247	\$312,470
]	TOTAL	\$0	\$328,289	\$328,289	\$162,323	\$328,289	\$490,612	\$490,612	\$162,323	\$312,470	\$474,793	\$474,793
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