



TO: Representative Nick Hoheisel, Chairman
Members of the Financial Institutions and Pensions Committee

FROM: Colin McKenney, CEO, Starkey, Inc.

DATE: February 19, 2024

SUBJECT: Support for HB2711 – Concerning KPERS Working After Retirement

Good morning, Chairman Hoheisel and Members of the Committee. I wish to briefly share my thoughts in support of HB2711.

Starkey is like many employers that struggle to find the employees we need to carry out our mission. Because Starkey's mission relates to providing needed support services to nearly 500 people with intellectual and developmental disabilities each day, our job is never done and we always have employees on the job. When we can't find the employees we need, that typically means that other employees must work even more overtime to make sure that we are able to keep people safe and healthy.

As a member of KPERS, Starkey is also subject to the substantial assessment if we hire a KPERS retiree and that individual earns more than \$25,000 in a year. As wages have increased in recent years, all of our full-time employees would earn above that maximum in a year, and we have found ourselves having to reduce work hours for some good employees as they approach that level. Sometimes we are able to do that, but typically it means that each hour that individual works will now cost 30 percent more.

Raising the maximum earning cap to \$50,000 would avoid nearly all of those situations for Starkey, and allow any of our amazing front-line workers who happens to be a KPERS retiree to work a full-time schedule without creating the additional financial burden with the 30-percent assessment. Although this change will certainly not solve our ongoing challenge to hire and retain the employees we need, it would be part of the overall solution that we have been working toward.

Thank you for your consideration of this important issue.