

MINUTES OF THE HOUSE SELECT COMMITTEE ON KPERS

The meeting was called to order by Chairman Richard Carlson at 5:00 P.M. on March 8, 2007, in Room 234-N of the Capitol.

All members were present except:

Representative Margaret Long - excused
Representative Clark Shultz - excused

Committee staff present:

Julian Efird, Legislative Research Department
Gordon Self, Revisor of Statutes
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Mark Tallman, Assistant Executive Director/Advocacy, Kansas Association of School Boards (KASB)
Terry Forsyth, Kansas National Education Association (KNEA)

Others attending:

See attached list.

- Attachment 1 Fiscal Note on **HB 2558**
- Attachment 2 Testimony in support of **HB 2558** by Mark Tallman
- Attachment 3 Written testimony in support of **HB 2558** by Cheryl L. Semmel
- Attachment 4 Testimony in opposition to **HB 2558** by Terry Forsyth
- Attachment 5 Fiscal Note on **HB 2557**

Hearing on HB 2558 - Enacting the Kansas Public Employees Retirement System Act of 2009.

The fiscal note on **HB 2558** was distributed to the Committee (Attachment 1).

Proponents:

Chairman Carlson recognized Mark Tallman, Assistant Executive Director, Kansas Association of School Boards (KASB), who presented testimony in support of **HB 2558** (Attachment 2). Mr. Tallman stated that KASB supports the legislation because they see it as step forward in addressing the unfunded liability of the Kansas Public Employees Retirement System (KPERS); provides for long-term cost of the KPERS system; and provides retirees with an adequate level of benefits upon retirement. Mr. Tallman indicated that the new plan is a positive step forward in keeping qualified teachers in the education field.

Written testimony in support of **HB 2558** was received from Cheryl L. Semmel, Executive Director, United School Administrators of Kansas (Attachment 3).

Opponents:

The Chairman recognized Terry Forsyth, Kansas National Education Association (KNEA), who appeared in opposition to **HB 2558** (Attachment 4). Mr. Forsyth stated that KNEA opposes the legislation because of three specific changes to the current plan:

- The final average salary calculation going from three years to five years;
- The increase in the employee contribution rate;
- The elimination of the 85 point rule for retirement.

Mr. Forsyth noted that these objections are in order of importance to the Association.

Responding to a question from the Committee, Mr. Forsyth indicated that he did not have calculations available on how many teachers retire early under the 85 point rule. In addition, Mr. Forsyth stated that the increased employee contribution rate will decrease the amount of teacher's take-home pay. He felt the new plan will require teachers to work longer for less retirement benefits.

CONTINUATION SHEET

MINUTES OF THE House Select Committee on KPERS at 5:00 P.M. on March 8, 2007 in Room 234-N of the Capitol.

The hearing on HB 2558 was closed.

Hearing on HB 2557 - Permanent COLA for certain KPERS retirants and increase in employee and employer contributions related thereto.

The fiscal note on **HB 2557** was distributed to the Committee (Attachment 5).

There were no conferees to appear before the Committee, either proponent or opponent.

The hearing on HB 2557 was closed.

Chairman Carlson informed the Committee that it is his intent to work the bills at the next meeting on March 12, 2007.

The meeting was adjourned at 5:20 p.m.

Richard Carlson, Chairman