



**Kansas Association of  
Chiefs of Police**

PO Box 2163  
Hutchinson, KS 67504  
(620) 242-6565



**Kansas Sheriffs  
Association**

PO Box 1122  
Pittsburg, KS 66762  
(620) 687-1206



**Kansas Peace Officers  
Association**

PO Box 2592  
Wichita, KS 67201  
(316) 722-8433

**Testimony to the House Financial Institutions and Pensions Committee  
In Opposition to HB2025  
February 8, 2023**

Our associations oppose HB2025. We need a meaningful inflation adjustment built into the KPERS and KP&F plans. However, HB2025 is not that answer.

This bill proposes giving the Kansas workers under KPERS retirement systems nothing. It only allows them the option to reduce their retirement benefit by an amount equal to the actuarial cost of an undefined inflation adjustment. In other words, the reduction in benefits will equal the cost of providing the cost-of-living adjustment up to the date you can be expected to die. The only way this benefits the retiree is to out-live the life expectancy used in the actuarial calculation to determine the reduction in their benefits. And even that can be changed by the Board.

The problem with this proposal is spelled out in the bill. First by the title in paragraph (H) on page 4 line 9, "Self-funded cost-of-living adjustment." And secondly by the description of how the adjustment is funded on page 4 lines 11-12, by reducing the monthly benefit ". . . in a monthly amount reduced in accordance with actuarial factors established by the board from time to time."

This proposal is the equivalent of an employer telling their employees, "We offer our employees the option of a retirement benefit. But to pay for that benefit we are going to reduce your pay in an amount we believe it is going to cost us."

In our opinion, passing this bill would be a slap in the face to hard working Kansans serving in government positions. Passing this bill would only serve to say "we did something on a COLA" that is actually nothing. But passing it will make it ever more difficult to pass a COLA plan that creates a true benefit.

A meaningful COLA component to the benefits would be something like the City of Wichita provides. They provide a 1% COLA each year based on the initial retirement benefit. This is paid for with the contributions by the employee, and possibly the employer. It does not reduce their benefits. Interestingly, they are able to offer this benefit with employee and employer contributions very similar to those paid by KPERS employees and employers without KPERS offering any COLA.

Ed Klumpp  
Legislative Liaison  
eklumpp@cox.net