

Approved: March 4, 2011

MINUTES OF THE HOUSE PENSIONS & BENEFITS COMMITTEE

The meeting was called to order by Chairman Mitch Holmes at 9:03 a.m. on February 16, 2011, in Room 142-S of the Capitol.

All members were present.

Committee staff present:

Gordon Self, Office of the Revisor of Statutes  
David Wiese, Office of the Revisor of Statutes  
Julian Efird, Kansas Legislative Research Department  
Darla Conner, Committee Assistant

Conferees appearing before the Committee:

None

Others attending:

See attached list.

Representative Ruiz introduced Judy Wang, his "Shadow" for the day. Judy Wang gave a brief explanation of the Shadow Program. Chairman Holmes introduced his "Shadows": Andrea Rietcheck and Melissa Thomas.

Discussion:

Gordon Self, Office of the Revisor of Statutes, gave an overview on the following bills:

**HB 2310 Working after retirement requirements for KPERS retirants.**

**HB 2311 Enacting the Kansas public employees retirement system defined contribution act.**

**HB 2328 Employer contributions for KPERS school participating employers.**

**HB 2333 Normal retirement date under KPERS.**

Chairman Mitch Holmes, (Attachment 1), directed a brainstorming session on alternative courses of action regarding pensions and benefits.

The next meeting is scheduled for February 21, 2011.

The meeting was adjourned at 10:28 a.m.

**HOUSE PENSIONS & BENEFITS  
COMMITTEE GUEST LIST  
DATE: February 16, 2011**

NAME	REPRESENTING
Dennis Phillips	KSCFF
Tami Couture-Corley	KCSSTreasurer
Ernie Clandel	KCPR
Faith Lore Ho	SCFRS
Gene Meyer	KANSASREPORTER
Jane Carter	KOSE
John Faber	PEAK
DAVID LOWERY	KCPR
RON GARDNER	KCPR
Pam Perrin	KCPR
Beverly Ring	KCPR
Bill Richardson	KCPR
John Ziffer	KCPR
Mindy Brissey	AET-Kansas
Nicole Proulx Aiken	LKM
Levi Henry	Sandstone Kansas
TRACY FASITH	KURA

# Pensions & Benefits Feb 16, 2011 Brainstorm Session

## Objectives:

- 1.) No change in benefits for current retirees or benefits earned to date by employees
- 2.) Provides an incentive for good people to want to work for us
- 3.) Is sustainable and fair (we can afford it)

$$\text{Contributions} + \text{Investment Return} = \text{Benefits} + \text{Expenses}$$

## Contributions

Increasing state contributions – HB2086

Bond issue

Asset sale or transfer

Special tax

Increase employee contributions – SB49

Shifting funding to USDs

Reinstate M&E tax 5% and redirect into KPERS

Consider more income producing real estate ownership

Purchases of service at full ARC

## Investment Return

Self directed investment options

Re-evaluate return assumption

Measure risk of portfolio

## Benefits

Use Social Security age as minimum retirement age

No borrowing from account

Education of employees on 3-legged stool concept

Incentive to work longer

Fulfill Hay Group plan

All new employees 55 and older able to choose tier II or DC

Reduce/increase vesting requirements

COLA for retirees and active members

Adjust multiplier prospectively

Years of service

Reevaluate Final Average Salary

Portability

## Expenses

Package insurances/retirement and put out for bid, any savings generated would be applied to UAL

## Other Financial

Re-amortize past 2033

## Other Topics

House Pensions & Benefits

Date: 2/16/2011

Attachment # 1