

SESSION OF 2008

SUPPLEMENTAL NOTE ON SENATE BILL NO. 309

As Amended by House Committee of the Whole

Brief*

House Sub. for SB 309, as amended, would transfer responsibility for the training and certification of nurse aides (CNAs), medication aides (CMAs), home health aides (HHAs), and paid nutrition assistants (PNAs) from the Kansas Department of Health and Environment (KDHE) to the Board of Nursing. The Board of Nursing would be responsible for the Kansas Nurse Aide Registry and the criminal record check requirements for nursing positions.

The bill also would remove a June 30, 2008 sunset date and would make permanent an exemption in the Kansas Public Employees Retirement System (KPERs) law regarding working after retirement. The exemption would apply to nurses at certain state institutions who would be exempt from the statutory \$20,000 salary cap on retirees who return to work for the same KPERs participating employer from whom they retired. The state institutions that currently are participating employers and would continue to be included are Osawatomie State Hospital, Larned State Hospital, Parsons State Hospital, Rainbow Mental Health Facility, Kansas Neurological Institute, the Kansas Soldiers' Home, and the Kansas Veterans' Home. The bill also would add other participating state institutions, including juvenile correctional facilities at Atchison, Beloit, Larned, and Topeka.

This Act would become effective on October 1, 2009.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

Background

House Sub. for SB 309 contains the amended provisions of HB 2671 and HB 2673 as introduced.

At the hearing on HB 2671, proponents included the Executive Administrator of the Board of Nursing. Written testimony in support of the bill was provided by a representative of the Kansas Association of Homes and Services for the Aging and the Kansas State Nurses Association. Neutral testimony was provided by a representative of the Department on Aging. Opponents included the Interim Director of Health, Kansas Department of Health and Environment, and a representative of the Kansas Health Care Association.

The fiscal note on HB 2671 prepared by the Division of the Budget indicates that the transfer would result in a reduction of expenditures in KDHE's budget by \$240,248 and 4.33 FTE positions, and an increase of \$204,162 and 4.33 FTE positions in the Board of Nursing's budget. The fiscal note explains that this difference is due to a loss of \$36,086 in indirect costs that are charged to agency accounts to pay for administrative expenditures.

The House Committee of the Whole amended the bill to include HB 2673 as introduced to remove a sunset date on a KPERS provision for nurses at state institutions and to add Juvenile Justice Authority facilities to the state institutions eligible.

The 2005 Legislature approved a four-year exemption to the earnings limitation for certain KPERS members who retired and returned to work for the same participating employer from whom they retired. At that time the limit on earnings after retirement was \$15,000. The 2006 Legislature raised the cap to \$20,000 which is the current KPERS limit on working after retirement.

Representatives of the Department of Social and Rehabilitation Services, Osawatomie State Hospital, and the

Juvenile Justice Authority appeared in support of the bill.

The fiscal note on HB 2673 as introduced indicates that participating employers who rehire KPERS retirees will continue to be required to pay an actuarial amount to KPERS in order to reduce the impact on the financing of the retirement plan. The actuarial rate that will be paid in FY 2008 is 6.99 percent, compared with the statutory contribution rate of 6.37 percent that participating employers such as state institutions pay for regular state employees who have not retired. The retired KPERS members will make no employee contributions to KPERS after retirement, nor do they gain additional retirement benefits or years of service credit.