

**Proponent Testimony on HB 2237
presented to the
House Committee on Appropriations
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The Kansas Department of Health and Environment (KDHE) respectfully submits this testimony in favor of HB 2237. HB 2237 is regarding the employee award and recognition program; authorizing hiring, recruitment and retention bonuses; increasing the limitation on such award or bonus to \$10,000; eliminating the secretary of administration's authority to adopt rules and regulations; requiring such secretary to submit an annual report to certain legislative committees concerning such awards and bonuses; amending K.S.A. 75-37, 105 and repealing the existing section.

HB 2237 would specifically authorize state agencies to use hiring, recruitment and retention bonuses as part of the employee award and recognition program. KDHE recognizes that offering bonuses can be a strong part of the strategy to attract and retain top talent, especially in fields like Public Health, Environment and Medicaid where there is a high demand for skilled professionals. Offering these hiring bonuses will aid us in:

1. **Attracting Top Talent:** Authorizing the use of hiring bonuses makes the offer more attractive, which can help KDHE and other state agencies stand out in a competitive job market. This also helps draw candidates who may have been hesitant due to lower salaries compared to the private sector.
2. **Addressing Salary Gaps:** State agencies often struggle to compete with private sector salaries, but these enhanced bonuses can help bridge that gap. Offering a larger bonus can make up for some of the lower salaries until the agency can align its pay scales with the market.
3. **Employee Retention:** Performance-based retention bonuses acknowledge staff contributions and encourage them to continue their work. By tying the bonus to ongoing performance and long-term commitment, KDHE can keep employees engaged and motivated to stay, especially in crucial public service roles.
4. **Increased Employee Engagement and Retention:** The prospect of a \$10,000 bonus, subject to gubernatorial approval, can improve employee satisfaction and engagement, which can lead to lower turnover rates. These bonuses also send a strong message that the organization values its employees' hard work and commitment.

In summary, these bonuses (and the increase in the amount) will certainly strengthen KDHE's recruitment and retention strategy, especially as the organization looks to meet Public Health, Environment, and Medicaid service needs.

Thank you for the opportunity to provide written testimony in support of the changes that HB 2237 will allow.