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KANSAS NATIONAL EDUCATION ASSOCIATION / 715 SW 10TH AVENUE / TOPEKA, KANSAS 66612-1686

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Oral Testimony – Proponent  
Senate Committee on Financial Institutions and Insurance  
House Bill 2086  
March 6, 2025

Chairperson Dietrich and Members of the Committee:

Thank you for the opportunity to submit proponent testimony on HB 2086.

There are two key issues directly related to HB 2086 that appear to have widespread agreement within this body. **First, the teacher shortages in Kansas are real. Second, KPERS Tier 3 is an inadequate retirement option for public servants in Kansas.**

### Concerns

Kansas NEA is a member-driven organization that represents all 40,000 educators in the state of Kansas. We have nearly 22,000 members. The positions we advocate for have been proposed, debated, and adopted by several hundred members that were selected by their peers to attend our annual Representative Assembly.

KNEA has a robust set of resolutions and policy positions regarding KPERS. Our resolutions state, in part:

*Kansas NEA believes that the Kansas Public Employees Retirement System (KPERS) should provide a retirement benefit of no less than 70 percent of an educational employee's final average salary (calculated from the three highest years), regardless of Social Security benefits.*

*KNEA further believes that any retirement plan offered by KPERS should provide an annual benefit adjustment to maintain the purchasing power of the original benefit.*

From that perspective, it appears that the enhancements provided in HB 2086 may fall far short. KNEA recognizes the challenges of the legislative process and the realities before us. **Therefore, KNEA strongly urges this body to view the KPERS Tier 3 enhancements in HB 2086 as a first step, not a final solution.**

### Teacher Shortages

Teacher shortages in Kansas are real.

For the first time since KSDE began collecting data on teacher shortages, elementary vacancies have consistently outnumbered special education vacancies. Despite the legislature's sincere efforts to study the

issue, this number continues to grow rather than decline. A perfect storm of circumstances is taking a toll on teachers. To put it mildly, teachers are under tremendous strain.

Some of the most prevalent issues include:

- Stagnant wages
- Lack of professional respect from students, parents, administrators, and community leaders
- Growing disciplinary issues in the classroom
- Increasing workloads
- Overpoliticization of the profession
- Crippling student loan debt

These and other challenges are causing too many teachers to leave the profession altogether (RETENTION) before reaching retirement age and discouraging young people from choosing teaching as a profession (RECRUITMENT).

### **Tier 3 and Teacher Recruitment**

The question of whether a strong retirement plan serves as a significant tool in teacher recruitment is difficult to answer. Assessing this issue in Kansas is particularly challenging for several reasons.

First, it is a widely held belief that young people starting their careers tend to be less engaged in retirement planning. Young professionals in their late teens and early twenties face approximately 40 years of employment ahead of them. The financial realities of young professionals - including the costs of housing, transportation, food, and other monthly bills - often force them to focus solely on salary. For young teachers burdened with significant student loan debt, retirement planning is often an unaffordable luxury.

Second, Kansas does not have a healthy retirement option to test. Kansas cannot credibly recruit teachers by promising them an adequate retirement plan because KPERS Tier 3 simply falls short.

Kansas NEA strongly believes that a competitive retirement plan should be a key tool in the teacher recruitment toolbox. However, without a strong retirement system in place, assessing its potential impact on recruitment remains unrealistic.

### **Tier 3 and Teacher Retention**

Determining whether a strong retirement plan is a critical factor in teacher retention is also difficult, as no definitive data currently exists in Kansas. The Kansas Educator Engagement & Retention Study (2022) does not specifically examine the relationship between retirement benefits and retention.

However, a critical question looms: Will the Kansas teacher shortage worsen as KPERS Tier 3 educators reach the retirement planning stage of their careers? If teachers are already leaving the profession due to various challenges, what will happen when KPERS Tier 3 educators begin assessing their retirement savings and find it lacking?

We know that KPERS Tier 3 applies to all hires after January 1, 2015. If most Tier 3 teachers entered the profession straight out of college, they are now between the ages of 23 and 31. Research suggests that, on average, young professionals begin saving for retirement in their 30s.

If these assumptions are correct, Kansas may soon face an exacerbated teacher retention crisis as more educators realize that KPERS Tier 3 will leave them in a precarious retirement situation.

### **Will KPERS Tier 3 Reform Solve the Teacher Shortage Crisis?**

No.

KPERS Tier 3 reform alone is not a silver bullet for solving the teacher shortage crisis. However, Kansas NEA firmly believes that Kansas cannot resolve its teacher shortage without an adequate retirement program for educators.

### **Why Reform KPERS Tier 3?**

With no official data correlating KPERS reform to teacher recruitment and retention, some may ask: Why do we make any changes at all?

Kansas NEA urges the legislature to consider three key factors: common sense, historical perspective, and fairness.

- **Common sense** suggests that a competitive retirement plan will aid in teacher recruitment. Retirement benefits are widely used as incentives in private sector hiring. Job postings on recruitment websites frequently highlight retirement benefits as a key attraction.
- **Historical perspective** reminds us that KPERS was once a strong recruitment tool. Until the creation of Tier 3, KPERS was considered an excellent retirement plan. Many teachers entered the profession knowing they would earn lower salaries than their private-sector counterparts but found reassurance in the promise of a dignified and comfortable retirement.
- **Fairness** demands that we recognize the invaluable contributions of educators. Teaching is a unique, critical, and noble profession. Educators serve the public, often accepting lower salaries while facing increasing demands, stagnating wages, and classroom challenges. Many teachers even spend their own money to supply their classrooms. Amidst these challenges, ensuring educators a secure retirement is simply the right thing to do.

Kansas NEA respectfully asks the committee to support HB 2086.

Thank you again for this opportunity to testify.