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## **Testimony to the House Pensions and Benefits Committee Regarding HB2545** February 13, 2012

Chairman Holmes and Committee Members,

The Kansas Association of Chiefs of Police, the Kansas Sheriffs Association, and the Kansas Peace Officers Association appreciates the opportunity to provide comments as you move forward in consideration of HB2545 and the overall KPERS plan amendment issue. Some may ask why we are concerned with HB2545 when it does not change the Kansas Police & Fire plan. The answer to that is simple. 86% of the law enforcement agencies in Kansas have officers in KPERS and not in KP&F. That represents about 1/3 of all law enforcement officers in the state. Additionally, all of our non-sworn staff in agencies using the state retirement system are under KPERS. Non-sworn employees are not eligible for KP&F. So we have significant interest in both the regular KPERS (local) plans and the KP&F plans. The Kansas Association of Chiefs of Police and the Kansas Peace Officers Association both have members who are state employees under KPERS as well.

Administratively we have an interest in benefit packages and how those can impact our recruiting efforts. This is especially important as we compete with other employers in recruiting and retention connected to our diversity hiring goals for both officers and non-sworn employees. That competition often extends beyond just competing with other law enforcement agencies, frequently extending to the public workforce employers. A further administrative concern is how your decisions will affect local budgets. Remember your decisions on how to address employer contributions don't just affect the state budget. It also affects local budgets by your mandate.

We share many of the same concerns others will be speaking in depth about today. For example: how or if the UAL is addressed, sharing the investment risks, how existing retirees and existing active member plans are dealt with, vesting periods, and ultimately the impact on the final retirement benefits. We also are concerned with the cost of the plans coupled with the cost of converting from the existing defined benefit plan including payment of the unfunded actuarial liability. The biggest related question is will the future legislative bodies have the fortitude to carry out the future payments any new plan is based on. But what we would like to focus on in this testimony is some areas specific to law enforcement officers and employees who are in the KPERS plan and not in the KP&F plan.

The first of those is the discussion about extending the normal retirement age. As consideration is made on extending the normal retirement age to later in the employees life, we ask you to keep in mind how that can impact not only officer safety, but also public safety. Everyone has different restrictions imposed by age and at different times in our lives. We don't believe the public wants their safety or the safety of their family dependent on an aging officer who stays in the profession simply because the retirement system will penalize them if they retire. Obviously this can impact officer safety as well. We believe the public safety employee's decision of when to retire should be based on their current assignment requirements and their ability to safely perform those duties; not on whether they will be penalized for retiring before an extended retirement age. For example, corrections officers currently have a plan that permits them to retire at age 55 without penalty. Their retirement is still based on the same calculations as other KPERS members using years of service and final average salary. Law enforcement officers, and probably other public safety workers, need a similar provision for retiring at or after age 55 without penalty.

Second, we are concerned about the disability retirement provisions and how those will be addressed in a new plan. Public safety employees are generally at higher risk of job related disability than most other KPERS members. This is not only from higher risk, but because the physical requirements for the job are more stringent for public safety employees. This is of vital concern to our members.

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