

Kansas Association of Chiefs of Police

PO Box 780603 Wichita, KS 67278 (316)733-7300



Kansas Sheriffs Association

PO Box 1122 Pittsburg, KS 66762 (620)230-0864



Kansas Peace Officers Association

PO Box 2592 Wichita, KS 67201 (316)722-8433

Testimony to the House Appropriations Committee Opposing HB2725

March 11, 2016

Chairman Ryckman and Committee Members,

We must oppose HB2725, based on the final average salary accrual provisions of section 1. We are not opining on the 409A or 457(f) issues. Our opposition is on behalf of our non-sworn employees who are KPERS members and those sworn law enforcement officers who are members of regular local KPERS. About 1/3 of all law enforcement officers in Kansas are under KPERS and not KP&F. Our local law enforcement agencies are currently struggling to retain and hire staff. We are convinced this bill will result in a large number of officers who are KPERS members and non-sworn staff and currently eligible to retire retiring now instead of continuing to work for potentially several more years. This will not only create a hardship on our agencies, it will negatively affect the level of law enforcement services to our communities. This also includes critical areas of non-sworn positions such as dispatchers. We know of one large jurisdiction whose dispatchers are KPERS members that is currently over 50% below their authorized strength. This accelerated retirement will not only affect our agencies but it will also negatively affect KPERS funding since those employees will pay into the system for fewer years and draw retirement payments for a longer period of time.

We are convinced these accelerated retirements will occur because we have had many employees who are eligible to retire who have been preparing the calculations and retirement applications so they can act quickly if a bill on this topic passes. In fact, I personally have recently talked to two KPERS members of law enforcement agencies who tell me they will retire before the end of this month so in the event any limitations on final average salary calculation occurs it will not affect their retirement benefits.

As has been stated in several hearings on the final average salary matter, the July 1, 1993, split was based on case law saying that KPERS is a contract under the constitution and a benefit cannot be taken away without giving something of equal value in return. While HB2725 "freezes" the accruals as of July 1, 2016, it still is changing the benefits since it will limit future accruals counting toward retirement and change the rate of pay for the accruals that would be used under the current rules.

We also have a concern with the first sentence on page 1, line 12 which limits earnings of vacation time beyond 240 hours. This sentence does not appear to be necessary to limit the FAS calculations to that limit, but dictates to cities and counties they cannot allow employees to accumulate more than 240 hours of vacation accrual at any time. We believe this is a local control issue and the amount of accrual caps should be left to the local governing body. This can also create a conflict between this provision and labor contracts or local benefit provisions already in place.

As repeatedly reported by KPERS, this is a diminishing problem that, without change, will be gone in the not too distant future. Only a small percent of retirees currently receives a benefit boost from the payment for accruals. And we should not forget that under current law, if that benefit boost is over 15% the employer must pay the additional actuarial cost to KPERS. We encourage you to review the data from KPERS on the numbers of pre-1993 members and the trends on how many are retiring each year and how many actually have a boost to their retirement benefits due to accrual payments.

We encourage you to consider removing the provisions from this bill relating to the effect of accruals on Final Average Salary, or at least to add a public safety exception that covers KPERS members as well as KP&F members.

Ed Klumpp

E-mail: eklumpp@cox.net Cell: (785) 640-1102



115 N. 4th Street, 1st Floor Manhattan, Kansas 66502 Phone: 785-565-6844 Fax: 785-565-6847 Email: bocc@rileycountyks.gov

March 10, 2016

The Honorable Ron Ryckman, Chairman House Committee on Appropriations Capitol Building, Room 112-N Topeka, KS 66612

Re: H.B. 2725 - Testimony in Opposition

Dear Chairman Ryckman and Members of the Committee:

The Board of Riley County Commissioners unanimously opposes H.B. 2725.

On page 1, lines 9-12 prohibit local government employers participating in KPERS from allowing their employees to "Accumulate vacation leave in in excess of 240 hours." Certainly the state may, prospectively, determine how KPERS uses a local government employee's accumulated "vacation leave" in the retirement system's calculation of a retiree's benefit amount. But the identified language reaches much farther. It tells Riley County, and all Kansas counties and cities in the KPERs system how much "vacation leave" their employees may accumulate for any purpose, even if that accumulation is unrelated to their KPERS benefit calculations.

For example, by current Riley County personnel policy, our non-elected employees may accumulate a maximum of 768 hours of unused sick leave. But the county will only "pay out" to that employee separating from service a fraction of the accumulated amount. In this example, by written personnel policy, no more than 376 hours would be paid by Riley County. This entirely local "accumulation" of a county employee's sick leave has no fiscal impact upon KPERS, unless it is used as part of the KPERS benefit calculation. Any prospective legislative changes to that benefit calculation should logically focus upon KPERS, not upon counties. This Board believes that the state has no legitimate basis for regulating a local government employee's accumulation of "vacation leave." That is a matter best left to local control, to our own personnel policies. The state has no more logical basis to regulate leave benefits counties provide their employees than counties would have trying to dictate leave benefits the state grants its employees. The very broad text above must be altered so that it does not place a new state regulatory requirement on county personnel matters.

Troubling new language appears on pages 3-4 at lines 39-43 and lines 1-4. This new text prohibits local government employees from having their "Final Average Salary" increased by vacation or sick leave earned but unpaid "prior to the four years before . . . retirement." The problem this presents is the retiring employee described may not have access to that earned but unpaid leave before retirement.

For example, in Riley County part of every non-elected employee's earned leave each pay period goes into an "Extended Sick Leave" account which the employee has no access to unless they are away from work due to

illness for 3 consecutive work days. The employee cannot access it voluntarily, but it has clearly been earned. So it strikes our County Commission as unfair to categorize those hours as anything other than compensation. As true "compensation," that earned leave ought to be taken into account as part of the retiree's benefit calculation. This new text should be deleted, as a matter of simple fairness to those employees covered by KPERS.

A similar problem is presented by language on page 1, lines 18-24. This new text prevents county employees within KPERS from using **earned** sick leave as part of the calculation of their "compensation for retirement." Once again, this Board believes there is no good reason to deny any city or county employee that benefit they have already earned by virtue of their employment. As an earned benefit, it ought to be treated as what it is—compensation.

The 2015 legislative session's predecessor to H.B. 2725 was H.B. 2426. At the time of H.B. 2426's hearing, this Board noted that the fiscal note accompanying the bill pointed out that KPERS did not, at that time, know how much vacation and sick leave had been earned by its members, nor when that leave had been earned. It appears that KPERS was not involved in drafting H.B. 2725. So presumably that information has not been available for your consideration. Without it, how can you know what impact these changes will have on the viability of the KPERS system itself?

A final defect in H.B. 2725 is that it cannot, on its current schedule, be properly vetted. The significant changes it represents were introduced in committee March 9, 2016. It is scheduled for hearing March 11, 2016. That is insufficient time to allow interested local government employers across the state to appear and offer their input to the committee. Without that opportunity, this committee is operating in a vacuum of information regarding the impact of this bill.

Without data from KPERS estimating what, if any, level of savings will result from its passage, given its unwarranted intrusion to local government personnel policies, and with its unfair restriction on employee access to earned but unpaid leave, H.B. 2725 does not deserve your support at this time.

Thank you for allowing this Board the opportunity to express our County Commission's unanimous opposition to H.B. 2725.

Sincerely,

BOARD OF COMMISSIONERS OF RILEY COUNTY, KANSAS

Ben Wilson, Chair

Ronald E. Wells, Member

Robert Boyd Jr., Member



KANSAS ASSOCIATION OF COURT SERVICES OFFICERS

House Appropriations Committee
Representative Ron Ryckman, Jr., Chairman

Friday March 11, 2016

Tom Weishaar
Chief Court Services Officer
First Judicial District, Leavenworth County
tweishaar@leavenworthcounty.org

Testimony in Opposition to HB 2725

Thank you for the opportunity to provide testimony in opposition to HB 2725. I am Tom Weishaar, Kansas Association of Court Services Officers (KACSO) Legislative Committee member. KACSO is concerned that this bill would result in losing our long-term knowledgeable employees including those who train newer employees and that if this bill is passed it could place communities at a higher risk because of fewer court services officers in the system.

Points of Opposition for CSOs:

This bill is an incentive to state employees hired before July 1, 1993, who are qualified to retire to do so. The system cannot absorb the numbers leaving in a short amount of time. The group of people that I have the privilege to serve beside are not abusers of the retirement system. We do not make huge salaries. We keep the public safe every day by supervising and holding accountable those convicted and placed on probation. I personally am watching the progress of this bill because, while I enjoy the work I do immensely, losing the retirement that I've worked so hard to earn is not an option.

The mission of the Kansas Association of Court Services Officers is to challenge, educate, support and advocate for the membership by promoting fellowship and professionalism, providing relevant training opportunities and maintaining communication with all members. The organization will further this mission by encouraging collaboration with our Court Services Officers and professional organizations and by recognizing member excellence.

The bill would affect retention of long term employees. Losing those employees would be disastrous to offender supervision in the community. With fewer seasoned, experienced court services officers in the community and fewer court services officers from whom new officers learn, public safety is compromised.

We currently have difficulty competing in pay with municipalities, community corrections and state agencies. It will not help in trying to encourage people to come work as a court services officer when there is little benefit in the retirement package.

We note that police and fire is exempted from the provisions of this bill. We believe that all KPERS-eligible groups should be treated similarly. Our employees are just as much a partner in public safety as the group exempted.

KACSO thanks the committee for allowing us to provide testimony on HB 2725 and respectfully requests that the committee not pass this bill. I am happy to answer your questions.

The mission of the Kansas Association of Court Services Officers is to challenge, educate, support and advocate for the membership by promoting fellowship and professionalism, providing relevant training opportunities and maintaining communication with all members. The organization will further this mission by encouraging collaboration with our Court Services Officers and professional organizations and by recognizing member excellence.

House Bill 2725

Concerning Retirement and Pensions relating to KPERS TESTIMONY IN OPPOSITION

By: Pam Moses, Kansas Association of District Court Clerks and Administrators (KADCCA) Legislative Chair

March 11, 2016

Mr. Chairman and Members of the Committee:

Thank you Chairman Ryckman and committee members for the opportunity to appear before you today on HB 2725 today. I am Pam Moses, Chief Clerk of District Court, Reno County, Kansas and I am here representing the Kansas Association of District Court Clerk's and Administrators (KADCCA) as Chairman of our Legislative Committee.

This bill is an incentive to all state employees hired prior to 1993 who are qualified to retire to do so. I have no idea of the type of abuse that prompted the introductions of this bill, but I can tell you that the people I work with do not make anywhere near the kind of salary that the proponent of the bill describes. Our employees barely get by on their State of Kansas paycheck and many work second and third jobs to support their families.

This bill would affect the final average salary computation for employees hired prior to July 1, 1993, who retire after June 30, 2016, by limiting the amount of vacation and sick leave that can be counted toward the final average salary computation, therefore, affecting their KPERS monthly payout. This bill would encourage any qualified KPERS employee to retire by June 30, 2016. I don't believe our system can take such a large number of employees leaving in such a short time. The knowledge of the job of long term employees is tremendous and it would overwhelm those who are left behind to do their jobs.

The Judicial Branch already allows only 240 hours of vacation to accumulate. This practice prevents overpayment of vacation leave as the proponent has suggested.

For most employees in our area affected by these changes, the suggested changes could potentially make a difference of \$200 per month

from KPERS. I know this may not seem like much, but for those employees this is a huge loss and can make a difference on whether medications or food can be purchased.

We are respectively requesting that this bill not be passed.

Thank you for the opportunity to appear on HB 2725. I will be happy to stand for any questions.



1300 SW Topeka Blvd. Topeka, KS 66612-1817 Phone 785-354-1174 FAX 785-235-3920

Testimony IN OPPOSITION to HB 2725
Before the House Appropriations Committee
Submitted by: Rebecca Proctor
Executive Director, Kansas Organization of State Employees
March 15, 2016

Mr. Chairman and Members of the Committee:

Thank you for allowing me to address you today. My name is Rebecca Proctor. I am a labor and employee benefits attorney by trade and Executive Director of the Kansas Organization of State Employees (KOSE). KOSE is a public employee union representing over 8,000 executive branch state employees in over 300 workplaces in all counties of our state. I am also the Chairperson for Keeping the Kansas Promise Coalition, a coalition representing a variety of state, municipal, and school district employees that works to protect public employee pension benefits. I appear before you today to ask you to oppose HB 2725.

This bill's provisions were considered last year as part of HB 2426, and a hearing on that bill was held before the House Committee on Commerce, Labor, and Economic Development. During testimony on that bill, Alan Conroy from KPERS noted that the ability to add-on sick pay and vacation time as part of final average salary for KPERS purposes only applies to employees hired before July 1,1993. According to Director Conroy's testimony, 80% of eligible employees who retired between 2010 and 2013 received a benefit based on a final average salary that did not include any add-on's for sick/vacation time. So, there is already a limited pool of individuals able to include vacation/sick time as part of the final average salary...and most retiring from that pool do so without any salary "add-on's."

So, this bill targets long-serving employees with more than twenty-two years of service. State employees have not had a pay increase since 2008. The costs of their health benefits has increased, their pension contributions have increased. All of this adds up to a de facto pay cut, and state employees do not have the option to defer their benefit contributions to "improve cash flows." On top of all of that, this bill now seeks to reduce a potential benefit for the longest-serving employees.

Just in case you haven't followed the news, there have been numerous stories about staffing shortages in crucial state positions. The State's list of advertised open positions

is long, and many of those listings do not reflect a closing date, indicating regular, ongoing recruitment for those positions. I have been following the state's open positions for the last eight years and have never seen the list this long. In terms of both pay and total compensation, the State is simply not competitive with the market.

Why is staffing relevant to this bill? Becauase huge staffing shortages have impacts. May employees who have remained in their State jobs have done so because they are nearing retirement age. However, for the past several years, staffing shortages have prevented these employees from using significant amounts of leave time. For many employees, mandated overtime has taken the place of time off.

Employees have properly earned and accrued this leave time. If they lose the ability to include unused time in their retirement benefit, the result will be employees with no choice but to take huge blocks of time off prior to retirement. In this situation, the employee's position is still filled, and no replacement employee can be hired. Forcing the employees to use their leave time, instead of count it towards final average salary, will exacerbate and magnify the immediate staffing problems. And, for what it's worth, every bill targeting State employees creates another barrier to solving the State's recruitment and retention issues.

This bill carves out members of the Kansas Police and Fire plan, and does not apply the prohibition on counting leave time towards final average salary to employees covered by KP&F. However, please remember that many public safety officers around the state are members of KPERS, and not of Kansas Police and Fire. The KP&F plan requires a higher contribution, and so many counties/municipalities choose instead to have their public safety officers covered by KPERS.

Finally, there is an issue of fundamental fairness. If the Kansas Legislature wants to eliminate "pension spikes" it should first look to itself. This bill takes away the right of long-term employees with twenty-two years or more of service to count rightfully earned and accrued sick time towards their retirement benefit. However, Kansas legisaltors receive KPERS benefits calculated on a final average salary that annualizes session pay. So, instead of receiving benefits based on what you as legistors are actually paid each year, you are credited with an average state salary of over \$80,000.00 per year. The pool of legislators is not a shrinking pool...your numbers can expand with every election. It's difficult for me to undertsand how counting correctly and validly accrued leave time towards final average salary equals a pension spike, but turning a 90-day salary into a 365-day salary is not a spike.

Budgets should not be balanced on the backs of state employees. We are talking about the people who maintain the highways you drive while going home to your districts, the people who man our understaffed correctional facilities and state hospitals, the people who clean and protect this beautiful Statehouse, and many others who keep the daily business of our State running. The longest-serving of these employees do not deserve yet another attack on the few benefits they have left. Please stand for these longserving dedciated employees, and vote against HB 2725.



300 SW 8th Avenue, Ste. 100 Topeka, KS 66603-3951 P: (785) 354-9565

F: (785) 354-4186 www.lkm.org

To: House Appropriations Committee

From: Brock Ingmire, Research Associate

Date: March 11, 2016

Re: Opposition to HB 2725

Thank you for allowing me to testify today on behalf of the League of Kansas Municipalities and its member cities. This bill would limit the amount of vacation time KPERS employees can accrue and would presumably change the KPERS final average salary calculation for pre-1993 employees. The League is opposed to this bill for a multitude of reasons.

Initially, section one, which disallows KPERS employees to accrue more than 240 hours of vacation time, acts as a preemption to local control and an unnecessary mandate on cities. An individual employer's personnel policy is what has inherently always determined the amount of vacation time earned, how much is allowed to accrue, and whether or not it is paid out when an employee retires. The amount of vacation provided by each city varies, with some setting a cap of 240 hours or below and some with a set cap above 240 hours. In cases involving a higher cap, cities have found it as a needed asset to hire and retain the most qualified employees. As a result, ensuring that cities maintain an ability to conduct local government business in a manner best suited to them is vital towards sustaining their work force. Similar to the lack of a state or federal law requiring employers to provide vacation time, such a principle should be extended to not limiting the amount of vacation time an employee can accrue.

Additionally, changing the KPERS final average salary calculation for pre-1993 employees stands to place vital city services at risk in the near future. An overwhelming concern for our member cities is the potential they would face in experiencing a mass exodus of seasoned, pre-1993 employees they rely upon to provide efficient and essential services. Many of these pre-1993 employees, especially in rural areas, would not be easily replaced. As a result, taxpayers would likely see a disruption in quality public services as competent employees retire in the near future so as to avoid the effects of this bill.

For the aforementioned reasons, the League respectfully requests this Committee to not report HB 2725 out favorable for passage. Thank you for allowing me to testify before you today.

HOUSE COMMITTEE ON APPROPRIATIONS

Hon. Ron Ryckman, Chairman Hon. Sharon Schwartz, Vice Chairman Hon. Jerry Henry, R.M. Member

> March 11, 2016 9:00 am Room 112-N

Chief Judge Daniel D. Creitz, Thirty-First Judicial District, dancreitz@acdc.kscoxmail.com

TESTIMONY IN OPPOSITION TO HB 2725

Thank you, Chairman Ryckman, and the members of this committee for the opportunity to present testimony on House Bill 2725. HB 2725 affects the final salary computation for those employees hired before July 1, 1993, with a KPERS membership date before July 1, 1994. The bill would limit the amounts of vacation and sick leave payouts that can be counted toward the final average salary calculation for KPERS retirement benefits.

Since the time that HB 2725 became available late Wednesday afternoon, the Office of Judicial Administration has received numerous phone calls and emails from long-term, experienced employees who are concerned about their retirement benefit calculations. These employees have worked for the State for numerous years with the expectation that their retirement benefit calculations would include their sick and vacation leave payouts. Several employees have requested information about retiring prior to the end of the fiscal year in order to avoid the potential loss of benefits contained in HB 2725.

The Judicial Branch cannot afford to see a mass exodus of many of its long-term, experienced employees. Of the approximately 1,600 non-judge employees of the Judicial Branch, 344 employees were hired before July 1, 1993, and thus could be affected by the provisions of HB 2725.

The Judicial Branch is already facing a critical situation when it comes to recruiting, hiring, and retaining employees. The Judicial Branch has not been able to compete with the wages paid by private sector, county and city government, and, in some cases, state agencies. With no pay increases on the horizon and as the cost of living increases, the situation continues to worsen.

If the provisions of HB 2725 pass and another benefit is potentially removed from our long-term, experienced employees, I am concerned that the Judicial Branch will lose many of these employees. These experienced employees will take with them a large knowledge base that will affect Judicial Branch operations. With the current salary levels within the Judicial Branch, it will be difficult, if not impossible, to replace all of these employees. This, along with the learning curve inherent in training new employees, could in turn result in delays in processing and hearing cases.

We ask that you thoughtfully consider HB 2725 and the impact that it could have on Judicial Branch operations. Thank you for your time and consideration of this matter.

Written Testimony Regarding HB 2725 By Marc Galbraith, State Employee Association of Kansas March 11, 2016

Chairman Ryckman and members of the Committee, thank you for this opportunity.

My name is Marc Galbraith. I represent the State Employee Association of Kansas. We represent working and retired state employees.

We stand in opposition to HB 2725.

Our opposition is based on our understanding that state retirement system creates a contract between the state and its employees who are member of the system. Case law says that this contract is protected by the Contract Clause of the U.S. Constitution.

Based on Kansas case law, it is uncertain as to when this contract is protected by the Contract Clause of the U.S. Constitution, but it is probably sometime after the first day of employment and, one would think, certainly by the date of vesting.

It is also our understanding that if the Legislature makes changes to members benefits that result in disadvantages to the members, it should also give compensating advantages to those members. If the state does not give counterbalancing advantages, it is more likely that such changes constitute a violation to the Contract Clause protections granted to employees.

It appears to us that portions of HB 2725 disadvantage employees while no counterbalancing advantages are provided and therefore HB 2725 is likely in violation of the U.S. Constitution.

CITY OF SHAWNEE

CITY HALL

11110 JOHNSON DRIVE SHAWNEE, KS 66203 (913) 631-2500 FAX (913) 631-7351

CIVIC CENTRE

13817 JOHNSON DRIVE SHAWNEE, KS 66216 (913) 631-5200 FAX (913) 631-4651

FIRE

6501 QUIVIRA ROAD SHAWNEE, KS 66216 (913) 631-1080 FAX (913) 631-1628

POLICE

5850 RENNER ROAD SHAWNEE, KS 66217 (913) 631-2155 FAX (913) 631-6389

MUNICIPAL COURT

5860 RENNER ROAD SHAWNEE, KS 66217 (913) 742-6003 FAX (913) 962-0983

HOUSE APPROPRIATIONS COMMITTEE HEARING ON HB 2725

Written Testimony in Opposition to HB 2725 on behalf of the City of Shawnee
By Katie Killen, Assistant City Manager
March 11, 2016

Honorable Chair and members of the House Appropriations Committee:

As part of the 2016 Legislative Program, the Shawnee Governing Body adopted a KPERS statement that includes support of a system that helps attract and retain quality employees. In addition, the Shawnee Governing Body supports local control. The City believes this bill goes against both of these statements and would greatly affect the City of Shawnee due to the following stipulations contained in the bill.

1. This legislation changes the way final compensation is calculated because it does not allow all sick and vacation leave for employees hired before 1993 to count towards that final average compensation. This seems to be explained on page 3 lines 39-43 and page 4 lines 1-5.

First, this would dramatically affect key members of our staff who have worked 20+ years and planned for retirement based on benefits under the current calculation. Additionally, the City questions the legality of such a change as the legislature would be changing a vested right.

The City is becoming increasingly concerned, because of this legislation, at the number of unexpected retirements that could result and the immediate costs associated. Not only that, but these retirements seriously impact our organization, succession planning and level of service for our community.

2. The bill additionally dictates a vacation leave policy to cities participating in KPERS in setting a maximum accrual of 240 hours for KPERS employees.

The City of Shawnee looks at total compensation (salary + benefits, including leave time policies) when setting our compensation policies in trying to recruit and retain employees. This section of the bill overreaches into cities compensation practices. It should be left to individual cities to determine, through their governmental structures, how they want to handle their leave time practices.

For these reasons, the City of Shawnee is opposed to HB 2725. Thank you for your time and consideration.





House Committee on Appropriations

HB 2725

March 11th, 2016 Hearing

Good morning Chairperson Ryckman and fellow committee members. My name is Kevin Flory, and I am the President of the Kansas State Firefighters Association. Our association represents the approximately 16,000 members of the Kansas Fire Service both paid and volunteer, firefighter and chief officer. I am writing today to ask you to oppose HB 2725. Many of you are probably thinking why is the fire service opposed to this when the bill exempts KPF? Our main reason is, that while KPF covers many of our members, it is but a small portion of them. Many of the smaller fire departments in Kansas do not participate in KPF, but rather the KPERS system. The KPERS system represents the larger number of governmental units in Kansas than does KPF for the fire service. Our other reason for opposition is that not only does this affect our full time fire service members in the state, but a large percentage of our states volunteer firefighters come from some type of public service background. Whether it be school teacher, KDOT employee, County worker, law enforcement, County ambulance service worker, etc, many of our 16000 firefighters of this state have a stake in the KPERS system in one form or another. It is our position that this bill is a compromise of their retirement benefits. It is the state going back on its word from 1993 when original language was passed that grandfathered in KPERS employees prior to that date who could get their leave accruals counted towards their final average salary. Employees after that date are going in fully aware that that benefit is not available to them. position is that we as the Kansas State Firefighters Association would ask that HB 2725 not be moved forward and in fact be defeated in this committee. I appreciate your attention and time in reading this testimony.

Kevin L. Flory

President, KSFFA



TESTIMONY OF THE KANSAS ASSOCIATION OF COUNTIES TO THE HOUSE APPROPRIATIONS COMMITTEE ON HB 2725 MARCH 11, 2016

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to offer testimony opposing HB 2725.

County officials have voiced the following concerns about HB 2725:

- New Section 1 creates a state-dictated policy on leave for local government. Counties
 have their own personnel policies relating to accumulated leave and we would prefer
 local control on that aspect.
- New Section 2 appears to alter the KPERS final average salary calculation with relation to accumulated vacation and sick leave. This benefit only exists for a very small class of people: those who were employed in public service before 1993. The county human resource directors and the county counselors who have reviewed this section with me have all arrived at the conclusion that this section is confusing and we do not know how to implement it.
- County human resource departments are concerned about this bill's effects on their workforce. Due to low salaries, it is hard to recruit public employees, and HB 2725 will result in mass retirements of our most seasoned employees. A sudden upswing this year in retirements that require payouts by local government will result in unexpected costs that have not been budgeted.

This legislation has the potential to result in legal action against the state and to strain the public workforce; we do not believe it should be given serious consideration this late in the session. We request that the committee hold the bill for further study or instead seek an interim study on the issues presented in the bill. Thank you for your consideration.

Melissa Wangemann, General Counsel wangemann@kansascounties.org 785-272-2585, ext. 307