

MINUTES OF THE HOUSE SELECT COMMITTEE ON KPERS COMMITTEE

The meeting was called to order by Chairman Sharon Schwartz at 1:35 p.m. on April 1, 2009, in Room 446-N of the Capitol.

All members were present except:

Representative Clark Shultz - E
Representative Richard Carlson - E
Representative Harold Lane - A
Representative Robert Olson - E

Committee staff present:

Jim Wilson, Office of the Revisor of Statutes
Julian Efird, Kansas Legislative Research Department
Carol Bertram, Committee Assistant

Conferees appearing before the Committee:

Glenn Deck, Executive Director, Kansas Public Employees Retirement System (KPERS)

Others attending:

See attached list.

Chair Schwartz opened the joint hearing on **HB 2399 - Appropriation for FY2009 for Kansas public employees retirement system and HB 2400 - KPERS, increasing employer contributions.**

The Chair recognized Julian Efird, Kansas Legislative Research Department, who presented background information on each of the bills. He stated that Federal stimulus money which had been available to this bill earlier this session has now been appropriated for other purposes, and that another funding source is needed for KPERS. Mr. Efird noted that **HB 2400** would raise the maximum annual increase in employer contribution rates for KPERS from .6% to 1.0%, and that these additional revenues would go into KPERS.

Questions and answers followed.

Chair Schwartz recognized Glenn Deck, Executive Director, Kansas Public Employees Retirement System (KPERS), who addressed the Committee in support of **HB 2399** and **HB 2400** (Attachment 1). He stated **HB 2399** and **HB 2400** would provide additional retirement system funding in response to long-term funding challenges facing the Kansas Public Employees Retirement System (KPERS). **HB 2399** would provide for a FY 2009 appropriation in the amount of \$66.7 million for a one-time, additional employer contribution to KPERS to be credited to the School Group. Funding for the appropriation would be from the State Fiscal Stabilization Fund. **HB 2400** would raise the maximum annual increase in employer contribution rates for KPERS. In his testimony, he had submitted a graph which gave ARC Projections: Current and 1% Increase Caps, and a report giving the projected budgetary impact of increasing the maximum KPERS state/school employer contribution rate increase to 1% annually for the FY 2010.

Questions and answers followed.

At this time, Chair Schwartz closed the hearing on **HB 2399** and **HB 2400**.

The Committee asked Staff to explain Senate Substitute for **HB 2072**. Julian Efird explained the changes to **HB 2072** and noted how these changes would affect KPERS. Questions and answers followed.

Chair Schwartz announced that the Committee would possibly meet again during Omnibus.

The meeting was adjourned at 4:20 p.m.

Representative Sharon Schwartz, Chair