



SENATE COMMITTEE ON FINANCIAL INSTITUTIONS AND INSURANCE

In Support of House Bill 2268

Presented on behalf of the
Board of County Commissioners of Johnson County

By Hannes Zacharias, County Manager

March 14, 2017

Chairman and Members of the Committee:

Johnson County supports the provision to exempt all independent contractors and employees of third-party entities from the working after retirement requirements that became effective July 1, 2016.

Changing the working after retirement requirement to exclude KPERS retirees is a fair and reasonable modification for both Johnson County and all Kansas public servants that retired under KPERS.

The current statute is an administrative and fiscal reporting problem for hiring managers and fiscal staff to determine who is a KPERS retiree as well as trying to monitor financial payments made to retirees for earning limitation reporting. In the public sector, it is common to hire specialized experts, such as a Wastewater Engineer or a Building Codes Inspector, to assist with a project. This may not be needed in the private sector, where someone with this level of expertise may be on staff. Johnson County's ability to bring in qualified individuals can help ensure projects are delivered in a timely and cost-efficient manner. The current regulations hinder county's ability to hire these individuals based on the reporting requirements.

Johnson County contracts with many firms to perform routine work that may not be as cost effective for the County to perform ourselves. It is very difficult to know if a KPERS retiree is working for a third-party entity that is selected. It is very confusing and inefficient for staff to contact third-party entities to request how much a retiree has earned or received for work that was directly related for Johnson County.

I urge the Committee to favorably pass House Bill 2268 out of the Committee with a recommendation to the full Senate for approval.

Thank you for this opportunity to express our perspective on this important policy decision.

A handwritten signature in blue ink, appearing to read "Hannes Zacharias".

Hannes Zacharias
County Manager
Johnson County, KS