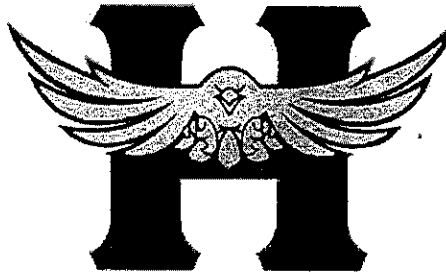


# Hutchinson USD 308

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Gary Price  
Superintendent

March 11, 2019

Senator Olson:

Thank you for your consideration of SB 202, an act addressing regulations concerning KPERS working after retirement. SB 202 addresses an "unintended consequence" of the current rules.

There have been major changes in these rules both in 2016 and 2017. This has resulted in confusion for employers and employees as both parties worked through individual retirements from KPERS covered employment.

As you may know, a Hutchinson USD 308 retiree from 2018 worked several weeks last fall at the Kansas State Fair (in the ticket office at the request of fellow employees at the Fair). She later learned that this work for which she was paid approximately \$1,300 was in violation of the requirement that she not work in a KPERS position for the six months immediately after retirement.

She did not realize the Kansas State Fair seasonal and temporary workers were covered by this regulation. The State Fair did not tell her they were a KPERS employer and that her temporary position, although not a KPERS covered position, would put her in jeopardy of losing her retirement benefits. Because she worked a week in July, four weeks in August and about two weeks in September she lost her KPERS benefits for three months plus a six-month penalty. The penalty for this violation is a loss of nine months of benefits or more than \$25,000 of retirement pay. In this case the penalty is approximately 20 times the salary earned while working in a position not even covered by KPERS.

The Fair, as an employer, did not think of this regulation and did not notify her. She did not think of it because the position she worked in is not KPERS eligible. Everyone who has heard this story recognizes that applying significant penalties to non-KPERS positions that are seasonal and temporary was not an intended consequence of the working after retirement regulations.


There was no harm to KPERS and a necessary need for seasonal employees was provided to the Kansas State Fair. An individual should not be penalized when helping the Fair and the Hutchinson community was the intent of the employee.

*USD 308 does not discriminate on the basis of race, religion, color, national origin, sex, disability, or age in its programs and activities and provides equal access to the Boy Scouts and other designated youth groups.*

We support the changes that will be implemented with the passage of SB 202 and appreciate consideration of action that will correct this situation. We also appreciate the support of KPERS Executive Director Alan Conroy in joining this effort to create and enact corrective legislation.

Thank you for your consideration of SB 202 and for helping resolve this unintended consequence.

Respectfully,



Gary Price

Superintendent of Schools