

TO: Representative Nick Hoheisel, Chair
Members of House Committee on Financial Institutions and Pensions

FROM: Lori B. Feldkamp, Big Lakes President & CEO

DATE: February 16, 2024

RE: HB2711 – Increase Retirant Exempt Compensation

My name is Lori Feldkamp and I am the President and CEO of Big Lakes Developmental Center, Inc. For over 50 years, Big Lakes has provided services for individuals with intellectual and developmental disabilities (I/DD) that enable them to live and work in their home communities in Riley, Geary, Pottawatomie and Clay counties. Big Lakes' mission is to deliver quality services that promote choice, independence and inclusion for persons with intellectual and developmental disabilities. These services include day programs, employment services and residential supports. We provide services 24/7 for 140 individuals with I/DD. Big Lakes is also a KPERS member.

Big Lakes stands in support of HB2711 to increase the level of exempt compensation for retirees.

Big Lakes and other I/DD KPERS eligible providers in the state continue to face extreme difficulties in recruiting and retaining qualified employees. There is no single solution to this problem. However, **HB2711 is one small regulatory change that can help us in our recruitment efforts** by allowing us to recruit retired employees, special educators and paras who are ready to stop teaching but not yet ready to stop working. This kind of experience would be extremely valuable for the people we serve.

At the present time, **the cost of hiring KPERS retirees is cost prohibitive** for Big Lakes. While the hired KPERS retiree would contribute nothing to KPERS after retirement, the rate for employers like Big Lakes **increases from 9.26% to 30% once the individual reaches \$25,000 in income.** This bill would **increase the exempt level to \$50,000** which would reduce our costs per retiree hire significantly.

Based on our recruitment experience the past couple years, I estimate HB2711 would enable us to hire 3-4 more individuals each year. This is not a large number but it would be helpful when faced with 26 open positions, which is our current situation. Your support of this bill would be greatly appreciated by all I/DD and KPERS eligible providers around the state. Thank you for your consideration.

Contact Information:

Lori B. Feldkamp, President & CEO
Big Lakes Developmental Center, Inc.
1416 Hayes Drive
Manhattan, KS 66502
785-776-2634 (Direct Line)
lfeldkamp@biglakes.org