Approved: April 1, 2010

Date

MINUTES OF THE HOUSE SELECT COMMITTEE ON KPERS COMMITTEE

The meeting was called to order by Chair Sharon Schwartz at 12:05 p.m. on March 29, 2010, in Room 152-S of the Capitol.

All members were present except:

Representative Clark Shultz, Excused Representative Robert Olson Absent Representative Jeff Whitham

Committee staff present:

Kristen Kellems, Office of the Revisor of Statutes Gordon Self, Office of the Revisor of Statutes Julian Efird, Kansas Legislative Research Department Michael Steiner, Kansas Legislative Research Department Carol Bertram, Committee Assistant

Conferees appearing before the Committee:

Duane A. Goossen, Director of the Budget Glenn Deck, Executive Director, Kansas Public Employees Retirement System (KPERS)

Others attending:

See attached list.

After opening the meeting, Chair Schwartz recognized Julian Efird, Legislative Research Department, who presented background information as to why <u>SB 568</u> is before the Committee at this time. He stated the bill would implement one of the Governor's budget recommendations for FY 2010. Also, that the important part of the bill is that it applies to state, school, and local units of government.

Chair Schwartz opened the hearing on <u>SB 568 - Moratorium on employer contributions for KPERS death</u> and disabilities for fourth quarter of fiscal year 2010.

Duane Goossen, Director of the Budget, appeared before the Committee in support of <u>SB 568</u>. (No written testimony was provided the Committee.) He stated the KPERS Group Insurance Reserve Fund has a sufficient balance to allow suspension of payments on a temporary basis without affecting employee benefits. The bill would allow the suspension of all employer contributions to the KPERS Death and Disability Fund for a three-month period, beginning April 1, 2010, and ending on June 30, 2010. Following the three-month moratorium, the FY 2010 year-end balance of the Fund is projected to be \$5.1 million. He urged the Committee to pass this bill as quickly as possible so that the three-month moratorium can begin.

Questions and answers followed where Glenn Deck, Executive Director, Kansas Public Employees Retirement System (KPERS) also stood for questions.

There being no one else to appear before the Committee to give testimony, Chair Schwartz closed the hearing on **SB** 568.

It was moved by Representative Long, seconded by Representative Lane that the Committee recommend **SB 568** favorably for passage. The motion carried.

There being no further business before the Committee, Chair Schwartz adjourned the meeting at 12:30 p.m.

A future meeting of the House Select Committee on KPERS has not been scheduled at this time.

Representative Sharon Schwartz, Chair