#### Approved: April 19, 2010

## Date

#### MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Jay Emler at 8:00 a.m. on March 30, 2010, in Room 548-S of the Capitol.

All members were present except:

Senator Pat Apple - excused Senator Janis Lee - excused Senator John Vratil - excused

#### Committee staff present:

Alan Conroy, Kansas Legislative Research Department Michael Steiner, Kansas Legislative Research Department Dylan Dear, Kansas Legislative Research Department Aaron Klaassen, Kansas Legislative Research Department Jill Wolters, Office of the Revisor of Statutes Daniel Yoza, Office of the Revisor of Statutes Gordon Self, Office of the Revisor of Statutes Melinda Gaul, Chief of Staff Shirley Jepson, Committee Assistant James Fisher, Intern

Conferees appearing before the Committee:

Representative Ann Mah

Glenn Deck, Executive Director, Kansas Public Employees Retirement System (KPERS) John Evans, Chief, Fire and Emergency Service,190<sup>th</sup> Air Refueling Wing Dennis Phillips, Lobbyist, Kansas State Council of Fire Fighters

Others attending:

See attached list.

#### **Approval of Minutes**

Senator Teichman moved to approve the minutes of March 23 and March 24, as written. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

## <u>Hearing on HB 2107 - Affiliation with the Kansas police and firemen's retirement system by adjutant</u> general for membership of certain firefighters serving the 190<sup>th</sup> Kansas air national guard.

Gordon Self, Revisor, explained that <u>HB 2107</u> would permit affiliation by the Adjutant General with the Kansas Police and Firemen's (KP&F) Retirement System in order to provide membership to certain qualified firefighters and to offer enhanced benefits for future service. The legislation would allow current members of the 190<sup>th</sup> Air National Guard firefighters to elect to transfer from the Kansas Pubic Employees Retirement System (KPERS) to the KP&F retirement system for future service only. All qualified firefighters hired on and after the affiliation date automatically would become members of KP&F. Mr. Self noted that there would be no state funds involved, as all funds would be federal funds. Benefits under the plan would provide for earlier normal retirement and increased disability benefits than under the KPERS plan. Responding to a question from the Committee, Mr. Self stated that current participating employees under KPERS who transfer to the KP&F plan, would have a 2-tiered retirement benefit - one under KPERS and one under KP&F.

Representative Ann Mah presented testimony in support of <u>**HB 2107**</u> (<u>Attachment 1</u>). Representative Mah stated that the enhanced retirement plan would put the 190<sup>th</sup> Kansas Air National Guard firefighters in a plan that reflects the physical nature of their work and assist in recruiting qualified employees.

John Evans, Chief, Fire and Emergency Service, 190<sup>th</sup> Air Refueling Wing, presented testimony in support of <u>HB 2107</u> (Attachment 2). Mr. Evans noted that the fire department is 100 percent federally funded.

Dennis Phillips, Lobbyist, Kansas State Council of Fire Fighters, presented testimony in support of **HB 2107** (Attachment 3).

Unless specifically noted, the individual remarks recorded herein have not been transcribed verbatim. Individual remarks as reported herein have not been submitted to the individuals appearing before the committee for editing or corrections. Page 1



### CONTINUATION SHEET

Minutes of the Senate Ways and Means Committee at 10:30 a.m. on March 30, 2010, in Room 548-S of the Capitol.

Responding to a question from the Committee regarding the effective date of the legislation, Glenn Deck, Executive Director, KPERS, stated that KPERS could work with the 190<sup>th</sup> Kansas Air National Guard firefighters who choose to move to the KP&F plan, to implement the provisions of the legislation on July 1, 2010, without any amendments to the bill.

There were no other proponents, opponents or neutrals to appear before the Committee.

#### The hearing on HB 2107 was closed.

Senator Schmidt moved to recommend **HB 2107** favorable for passage. The motion was seconded by Senator Kelly. Motion carried on a voice vote.

#### Adjournment

The next meeting is scheduled for April 19, 2010.

The meeting was adjourned at 8:25 a.m.

# SENATE WAYS AND MEANS COMMITTEE GUEST LIST DATE: \_\_March 30, 2010\_\_\_

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NAME	REPRESENTING	
Mark BORANYat	CAPITOL STRATEGIES	
Kickard Watson	1904 Fire Emer, Services	
Taylor Weissbork	190th Fire + Enery Services	
Dennis Burdick	190th Fires Emergency Services	
Patrick Moore	190th Fire & Emergency Services	
Daniel EVans	Visitor	
David Evans	visbor.	
John EVANS	190th ARW Five + Emergency	Services
Dennis Phillips	KSCFF	
Ed Redmon	KSCIFF	
Gknn Deck	KPERS	
leigh Keck	Hein Law Firm	
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STATE OF KANSAS



COMMITTEE ASSIGNMENTS EDUCATION FEDERAL AND STATE AFFAIRS

GOVERNMENT EFFICIENCY AND TECHNOLOGY

ANN E. MAH REPRESENTATIVE, 53RD DISTRICT 3351 SE MEADOWVIEW DR. TOPEKA, KANSAS 66605 (785) 266-9434

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HOUSE OF REPRESENTATIVES

#### SENATE WAYS AND MEANS COMMITTEE Chairman Emler Testimony – HB 2107

Mr. Chair and Committee, thank you for the hearing today. My testimony is to support the firefighters serving the 190<sup>th</sup> Kansas Air National Guard at Forbes Field becoming members of the Kansas police and firemen's retirement system. Today, the firefighters are members of KPERS. However, it is clear because of training and job requirements, the firefighters qualify for KP&F membership. The enhanced retirement package of KP&F would put these firefighters in a plan that reflects the physical nature of their work and allow the 190<sup>th</sup> to recruit better qualified employees. It is clear that firefighting is not a job that fits a "90 and out" retirement plan.

HB 2107 allows current employees to opt into KP&F and requires future employees to be members of KP&F. There are about 16 firefighters eligible and not all are expected to apply. The estimated cost of bringing these employees into KP&F was \$37,000 for FY 2010 and \$27,500 for FY 2011. However, there would actually be <u>no cost</u> to the state of Kansas, as their salaries are federally funded. The provisions of this bill are identical to those of SB 319 introduced last year by the Ways and Means Committee. We did have a hearing last year and I understand this bill was in conference, but did not make it to the final KPERS omnibus bill.

We recognize there are unique issues related to moving from KPERS to KP&F and hope that we can find a resolution perhaps through another tier in KP&F. If a third tier is developed, a "blended" plan if you will between KPERS and KP&F, I would also recommend that members of the second tier be moved to this blended plan.

I hope the committee will recognize the worthiness of this request and the unique qualifications of the 190<sup>th</sup> firefighters. I appreciate your willingness to consider options.

Senate Ways & Means Cmte Date 3-30-2010 Attachment



#### DEPARTMENT OF THE AIR FORCE 190TH AIR REFUELING WING 5920 SE COYOTE DRIVE TOPEKA, KANSAS 66619-5370

29 March 2010

#### MEMORANDUM FOR: Kansas Senate

FROM: Senior Master Sergeant John Evans

SUBJECT: Inclusion of 190<sup>th</sup> Air Refueling Wing Fire Fighters into the Kansas Police and Fire retirement system.

My testimony today is regarding the importance of bringing our Fire Fighters under KP&F protection.

Our Fire Department is a 100% federally funded department staffed by unclassified employees of the Adjutant Generals Department. They are currently under KPERS, and have been since the inception of the department in 1983. Following are the reasons it is vital to allow conversion to KP&F for these 16 employees.

- 1. Fire fighting is truly a young person's occupation. By the age of about 50 for most people, it becomes much more difficult for Fire Fighters to continue to meet the stringent medical requirements of the National Fire Protection Association standards.
- 2. KP&F provides a disability retirement for an employee who can no longer meet the medical requirements. Historically, under KPERS a person must be 100% disabled to qualify for a disability retirement.
- 3. KP&F provides the opportunity for Fire Fighters to retire at age 50 with 25 years of service. KPERS require 85 points (age + years of service).
- 4. KP&F provides an increased percentage factor (2.5 vs. 1.75) over KPERS to enhance the retirement of those willing to do what most think is unsettling or crazy!
- 5. KP&F benefits are a significant recruitment tool over KPERS when filling vacancies on our department. The certification requirements are high and the people that hold those certifications can be very selective as to where they go to work. Our wage scale is relatively low, \$36,300 to start for a person assigned responsibility for protecting hundreds of millions of dollars of State and Federal assets and hundreds of people on a daily basis. The enhancement of the retirement plan will help us compete with other emergency services organizations for quality candidates.

190th Air Refueling Wing's Vision: A World-Class Organization recognized as "The Standard of Ex by those we serve. Senate Ways & Means Cmte Date 3-30-2010 Attachment 2 6. Our Fire Department budget is between \$900,000 and \$1,000,000; additional cost of this conversion is approximately \$30,000 per year. Every penny of it is federal funds and there is no state funds of any type involved. Historically the National Guard Bureau has been supportive of Fire Fighter retirement enhancements, and based on verbal and electronic correspondence with the program manager at that level, I believe the additional funds are available and will be provided for this conversion.

As the Fire Fighters of the 190<sup>th</sup> Air Refueling Wing of the Kansas Air National Guard go about protecting Kansas assets and the lives of the citizens of Kansas at Forbes Field, it is my belief that we must provide them every protection. Conversion from KPERS to KP&F for these 16 employees will provide some of that protection for their families. It will make it easier for us to recruit and hire the caliber of people we need protecting us, and all of this can be done at no cost to the State of Kansas. I urge you to support this conversion.

Thank you,

JOHN EVANS, SMSGT, KSANG Chief, Fire and Emergency Service

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"PROGRESS THROUGH UNITY"



# KANSAS STATE COUNCIL OF FIRE FIGHTERS



Affiliated With INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS · KANSAS AFL-CIO · CENTRAL LABOR BODIES

March 30, 2010

# Testimony of Dennis Phillips

I, appear here today on behalf of the Kansas State Council of Fire Fighters in support of HB 2107 that would allow the firefighters serving the 190<sup>th</sup> Kansas Air National Guard to affiliate with the KP&F pension system.

The KP&F pension system was designed so firefighters and police officers could retire at an age that is beneficial to both the employee and their employer. The physical demands and the stress on firefighters and police officers needs to be taken into consideration when determining what pension system that they are allowed to be under.

The Kansas State Council of Fire Fighters feels that all fire fighters and police officers within the State of Kansas should be under the KP&F pension system. Therefore I, would ask you to support HB 2107 to allow the firefighters serving the 190th Kansas Air National Guard to affiliate with the KP&F pension system.

Again-thank you for your time and consideration on this issue.

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**Dennis** Phillips Lobbyist, Kansas State Council of Fire Fighters

Senate Ways & Means Cmte N-2010 Date 💊 Attachment