# Journal of the House

## SIXTY-SIXTH DAY

Hall of the House of Representatives, Topeka, KS, Friday, May 15, 2015, 9:00 a.m.

The House met pursuant to adjournment with Speaker pro tem Mast in the chair.

The roll was called with 119 members present.

Reps. Claeys, Concannon, K. Jones, Sawyer, Thompson and Victors were excused on excused absence by the Speaker.

Gracious Lord and Savior,
Thank You for Your faithfulness
and Your mercies which are new every morning.

Prayer by Chaplain Brubaker:

With all that needs to be done yet in this chamber, we would be remiss if we didn't stop to acknowledge all our law enforcement officers who literally put their lives on the line for our safety and freedoms. We pause to remember those who have given their lives in the line of duty. Thank You for each man and woman who serve us in this capacity. Continue to be with our leaders today as they discuss the hot topics. Again, I ask that You impart Your wisdom to them, and through the diversity of opinion and philosophy, bring unity in their decision making. Please be with Representative Estes and Renae in the death of her father Watch over her while she in Oklahoma and bring peace to the family in this time of loss. This I pray in Your Name, Amen.

The Pledge of Allegiance was led by Rep. Billinger.

#### MESSAGES FROM THE GOVERNOR

S Sub for HB 2042, S Sub for HB 2043, HB 2051, HB 2097, HB 2111, HB 2240, HB 2391 approved on May 14, 2015.

#### COMMUNICATIONS FROM STATE OFFICERS

From Ruth Glover, Executive Director, Kansas Human Rights Commission, in accordance with K.S.A. 44-1004, Kansas Human Rights Commission Annual Report Fiscal Year 2014.

The complete report is kept on file and open for inspection in the office of the Chief Clerk.

# MESSAGES FROM THE SENATE

The Senate adopts the Conference Committee report on H Sub for SB 91.

The Senate adopts the Conference Committee report on S Sub for HB 2095.

The Senate adopts the Conference Committee report on S Sub for Sub for HB 2170.

The Senate adopts the Conference Committee report on HB 2395.

Announcing passage of SB 48.

Announcing passage of HB 2223, as amended; HB 2331, as amended; HB 2352, as amended.

Also, announcing passage of HB 2074, as amended by S Sub for HB 2074.

The Senate announced the appointment of Senator Pyle to replace Senator Love as a conferee on HB 2364.

The Senate announced the appointment of Senator Fitzgerald to replace Senator Kerschen as a conferee on **HB 2364**.

The Senate announced the appointment of Senator Faust-Goudeau to replace Senator Francisco as a conferee on **HB 2364**.

# INTRODUCTION OF SENATE BILLS AND CONCURRENT RESOLUTIONS

The following Senate bill was thereupon introduced and read by title:

**SB 48** 

#### INTRODUCTION OF ORIGINAL MOTIONS

On motion of Rep. Vickrey, pursuant to subsection (k) of Joint Rule 4 of the Joint Rules of the Senate and House of Representatives, the rules were suspended for the purpose of considering **SB 113**, **H Sub for SB 270**.

#### CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on House amendments to **SB 113** submits the following report:

Your committee on conference agrees to disagree and recommends that a new conference committee be appointed;

And your committee on conference recommends the adoption of this report.

JOHN E. BARKER
CHARLES MACHEERS
Conferees on part of House

Jeff King Greg Smith Conferees on part of Senate On motion of Rep. Macheers the conference committee report on **SB 113** to agree to disagree, was adopted.

Speaker pro tem Mast thereupon appointed Reps. Barker, Macheers and Carmichael as second conferees on the part of the House.

On motion of Rep. Vickrey, the House resolved into the Committee of the Whole, with Rep. Schwab in the chair.

#### COMMITTEE OF THE WHOLE

On motion of Rep. Schwab, Committee of the Whole report, as follows, was adopted: Recommended that pursuant to House Rule 2311, Rep. Vickrey moved that House Rule 1704 be suspended for the purpose of allowing Reps. Kleeb, Rhoades, Wolf Moore and Whipple to speak more than twice on **H Sub for SB 270**. The motion prevailed.

Committee report recommending a substitute bill to **H Sub for SB 270** be adopted; also, on motion of Rep. Kleeb be amended on page 24, in line 12, by striking "15.516%" and inserting "15.720%"; in line 14, by striking "rate" and inserting "rates"; also in line 14, after "6.85%" by inserting "and 5.90%"; in line 18, by striking "15.385%" and inserting "15.607%"; in line 19, by striking "rate" and inserting "rates"; also in line 19, after "6.85%" by inserting "and 5.90%";

On page 26, in line 2, after "6.85%" by inserting ", except that such rate shall be 5.90% upon food and food ingredients, as defined by K.S.A. 79-3602, and amendments thereto";

On page 27, in line 25, by striking "15.516%" and inserting "15.720%"; in line 27, by striking "rate" and inserting "rates"; also in line 27, after "6.85%" by inserting "and 5.90%"; in line 31, by striking ""15.385%" and inserting "15.607%"; in line 32, by striking "rate" and inserting "rates"; also in line 32, after "6.85%" by inserting "and 5.90%"

Also, on motion of Rep. Sutton to amend H Sub for SB 270, the motion did not prevail.

Also, on motion of Rep. Rubin to amend H Sub for SB 270, the motion did not prevail.

Also, on motion of Rep. McPherson to re-refer **H Sub for SB 270** to Committee on Taxation, the motion did not prevail.

Also, the motion to recommend the bill favorably for passage did not prevail.

#### CONFERENCE COMMITTEE REPORT

MADAM PRESIDENT and MR. SPEAKER: Your committee on conference on Senate amendments to **HB 2095** submits the following report:

The House accedes to all Senate amendments to the bill, and your committee on conference further agrees to amend the bill as printed as Amended by Senate Committee of the Whole, as follows:

On page 4, in line 15, after the comma by inserting "or \$25,000 or more in any one calendar year between July 1, 2016, and July 1, 2021,";

On page 6, in line 18, after the period by inserting "The provisions of this subsection shall apply to members of the legislature.";

On page 8, in line 33, by striking "the effective date of this act" and inserting "May 28, 2009":

On page 9, in line 41, by striking "(5)" and inserting "(7)"; in line 42, after "thereto" by inserting ", which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in a position as described herein";

On page 11, in line 11, after the period by inserting "Such retirant may be employed by such employer for some or all of a school year, and in subsequent school years if the employer is unable to permanently fill the position with active members, so long as the retirant's total term of employment with all employers under this subsection does not exceed 36 months or three school years, whichever is less."; in line 12, by striking "(5)" and inserting "(7)"; also in line 12, after "thereto" by inserting ", which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in a position as described herein"; following line 43, by inserting:

- "New Sec. 4. (a) The provisions of sections 4 through 11, and amendments thereto, shall be known and may be cited as the Kansas deferred retirement option program act, and shall be effective on and after January 1, 2016.
- (b) The provisions of this act shall be part of and supplemental to the provisions of K.S.A. 74-4901 et seq., and amendments thereto, subject to the limitations contained in this act.
- New Sec. 5. (a) As used in this act, unless otherwise provided or the context otherwise requires:
  - (1) "Act" means the Kansas deferred retirement option program act;
- (2) "board" means the board of trustees of the Kansas public employees retirement system;
- (3) "DROP" means the deferred retirement option program established by section 6, and amendments thereto;
- (4) "DROP account" means the notional account to which is credited the monthly DROP accrual:
- (5) "DROP period" means the period of time that a member irrevocably elects to participate in the DROP pursuant to section 7, and amendments thereto;
- (6) "member" means a trooper, examiner or officer of the Kansas highway patrol who is eligible to participate in the DROP and who elects to participate in the DROP as provided in this act:
- (7) "monthly DROP accrual" means the amount equal to the monthly retirement benefit that would have been payable to the member had the member terminated service and retired on the day the member elected; and
  - (8) "system" means the Kansas police and firemen's retirement system.
- (b) Unless specifically provided in this section or in this act, words and phrases used in this act shall have the meanings ascribed to them as provided under the provisions of K.S.A. 74-4901 et seq. and K.S.A. 74-4951 et seq., and amendments thereto.
- New Sec. 6. (a) The board shall establish within the Kansas police and firemen's retirement system a deferred retirement option program for members. The board shall administer the DROP in compliance with the federal internal revenue code and applicable treasury regulations, including, but not limited to, the incidental benefit and

required minimum distribution requirements of section 401(a)(9) of the federal internal revenue code.

- (b) The board shall establish a DROP account for each member. Each DROP account shall be credited annually with interest as provided in this subsection. Interest may only be credited in a year in which the actual rate of return on the market value on the investments of the DROP reach the system's assumed investment rate of return. Such interest credit may not exceed 50% of the actual rate of return, and such interest credit shall not exceed 3%.
- New Sec. 7. (a) (1) A member who is appointed or employed prior to July 1, 1989, and who did not make an election pursuant to K.S.A. 74-4955a, and amendments thereto, may elect to participate in the DROP by making application in such form prescribed by the system at the attainment of age 55 and the completion of 20 years of credited service or at the completion of 32 years of credited service regardless of the age of such member.
- (2) A member who is appointed or employed on or after July 1, 1989, or who made an election pursuant to K.S.A. 74-4955a, and amendments thereto, may elect to participate in the DROP by making application in such form prescribed by the system at the attainment of age 55 and the completion of 20 years of credited service, age 50 and the completion of 25 years of credited service or age 60 with the completion of 15 years of credited service.
- (b) A member shall indicate on the application the DROP period such member wishes to participate in the DROP. A member may elect to participate in the DROP for a minimum of three years and may not participate for more than five years from the effective date of the election to participate in the DROP. A member may participate in the DROP only once. An election under this section is a one-time irrevocable election. Once the application is accepted by the system, such member becomes a DROP participant. If a member fails to participate in the DROP for a minimum of three years, all of the member's interest credits shall be forfeited, unless such member retires due to disability as defined in K.S.A. 74-4952, and amendments thereto. A member who remains in active service at the expiration of the member's elected DROP period shall not be eligible for any additional interest credits.
- (c) A member who makes an election under this section shall continue in the active service under the Kansas police and firemen's retirement system but shall not earn service credit under K.S.A. 74-4951 et seq., and amendments thereto, after the election's effective date. On and after the effective date of the member's election to participate, such member is ineligible to purchase service credit under K.S.A. 74-4901 et seq., and amendments thereto.
- (d) Participation in the DROP by a member does not guarantee continued employment. During a member's participation in the DROP, employer contributions under K.S.A. 74-4967, and amendments thereto, and member contributions under K.S.A. 74-4965, and amendments thereto, shall be made to the retirement system. No member or employer contributions shall be applied to a member's DROP account.
- New Sec. 8. (a) For each DROP member, the board shall calculate a monthly DROP accrual. The system shall determine the DROP member's retirement benefit under K.S.A. 74-4958 or 74-4958a, and amendments thereto. In determining the retirement benefit, the system shall use the member's total service credit and final average salary as of the last day of the employer's payroll period immediately prior to

the effective date of the member's election to participate in the DROP. Before entering the DROP, a member may elect to have such member's retirement benefit determined under one of the options provided in K.S.A. 74-4964 or 74-4964a, and amendments thereto, in lieu of having it determined in the form stated in K.S.A. 74-4958 or 74-4958a, and amendments thereto, except such member may not elect the lump sum payment option. During the DROP period, an amount equal to the monthly DROP accrual shall be credited to the member's DROP account. The calculation of the monthly DROP accrual will be calculated using the member's age and, if the member elected a joint and survivor option, the age of the beneficiary as of the calendar year which contains the beginning of the DROP period. The monthly DROP accrual shall comply with the requirements of section 401(a)(9) of the federal internal revenue code and treasury regulation § 1.401(a)9-6, Q&A-2(c).

- (b) A member shall not receive a monthly retirement benefit, as calculated pursuant to K.S.A. 74-4958 or 74-4958a, and amendments thereto, until termination of such member's DROP participation and commencement of retirement. A DROP member shall not have any claim to any funds in such member's DROP account until such member retires at the termination of such member's DROP participation. Upon terminating DROP participation, a member is entitled to such member's retirement benefit, including any postretirement benefit adjustment for which the member is eligible.
- New Sec. 9. (a) A member's participation in the DROP ceases on the occurrence of the earliest of the following:
  - (1) Termination of the member's active service with the Kansas highway patrol;
- (2) the last day of the member's elected DROP period that begins on the effective date of the member's election to participate in the DROP;
- (3) retirement due to disability as defined in K.S.A. 74-4952, and amendments thereto; or
  - (4) the member's death.
- (b) If a member dies before taking a distribution from such member's DROP account, the member's designated beneficiary shall receive a lump-sum payment equal to the member's DROP account balance. If the DROP member has not named a beneficiary for such member's DROP account, the amount in the DROP account shall be paid to the beneficiary of the member's retirement benefit.

New Sec. 10. (a) A member, who satisfies the requirements of this act, shall be entitled to a distribution of such member's DROP account. Such distribution may be through any combination of the following payout options, each of which is subject to the applicable provisions of the federal internal revenue code and the applicable regulations of the internal revenue service:

- (1) A direct rollover to an eligible retirement plan; or
- (2) a lump-sum distribution.
- (b) The board may specify minimum account balances for purposes of allowing benefit payment options and rollovers in accordance with federal law.

New Sec. 11. The provisions of sections 4 through 11, and amendments thereto, shall expire on January 1, 2020.";

And by renumbering sections accordingly;

On page 1, in the title, in line 2, after "system" by inserting "and systems thereunder"; in line 4, after the semicolon by inserting "enacting the Kansas deferred

retirement option program act; providing terms, conditions, requirements, benefits and contributions related thereto; relating to member election; Kansas highway patrol affiliation; interest credits; account distribution;";

And your committee on conference recommends the adoption of this report.

Jeff King Jeff Longbine Laura Kelly Conferees on part of Senate

STEVEN C. JOHNSON
KENT THOMPSON
ED TRIMMER
Conferees on part of House

On motion of Rep. Johnson, the conference committee report on S Sub for HB 2095 was adopted.

On roll call, the vote was: Yeas 97; Nays 22; Present but not voting: 0; Absent or not voting: 6.

Yeas: Alford, Anthimides, Barker, Barton, Becker, Billinger, Boldra, Bollier, Bradford, Bruchman, Brunk, Couture-Lovelady, Campbell, B. Carpenter, W. Carpenter, Clark, Clayton, Corbet, Davis, DeGraaf, Dierks, Doll, Dove, Edmonds, Esau, Estes, Finch, Francis, Gallagher, Garber, Goico, Gonzalez, Grosserode, Hawkins, Hedke, Hemsley, Hibbard, Highland, Hildabrand, Hill, Hineman, Hoffman, Houser, Huebert, Hutchins, Hutton, Jennings, Johnson, D. Jones, Kahrs, Kelley, Kelly, Kiegerl, Kleeb, Kuether, Lewis, Lunn, Lusk, Lusker, Macheers, Mason, Mast, McPherson, Merrick, Moxley, O'Brien, Osterman, Ousley, Patton, Pauls, Peck, Phillips, Powell, Proehl, Read, Rhoades, Rooker, Rubin, Ryckman, Ryckman Sr., Scapa, Schroeder, Schwab, Schwartz, Seiwert, Sloan, Smith, Suellentrop, Sutton, Thimesch, Todd, Vickrey, Waymaster, Whipple, Whitmer, Williams, Wolfe Moore.

Nays: Alcala, Ballard, Bridges, Burroughs, Carlin, Carmichael, Curtis, Ewy, Finney, Frownfelter, Henderson, Henry, Highberger, Houston, Lane, Ruiz, Swanson, Tietze, Trimmer, Ward, Wilson, Winn.

Present but not voting: None.

Absent or not voting: Claeys, Concannon, K. Jones, Sawyer, Thompson, Victors.

## REPORTS OF STANDING COMMITTEES

Committee on Federal and State Affairs recommends SB 278 be passed.

## REPORT OF STANDING COMMITTEE

Your Committee on Calendar and Printing recommends on requests for resolutions and certificates that

**Request No. 95**, by Representative Roderick Houston, congratulating Mrs. Armelia Chaney in recognition of her 80<sup>th</sup> birthday and 35 years of community and ecumenical service to the Wichita community;

**Request No. 96**, by Representative John Bradford, commendations to John Reichley in recognition for over 30 years of service as a columnist for the Leavenworth Times;

**Request No. 97**, by Representative Sydney Carlin, congratulating Manhattan High School Debate Team in recognition for winning the Class 6A State Debate Championship;

**Request No. 98**, by Representative Sydney Carlin, congratulating Manhattan High School Forensics Team in recognition for winning the Class 6A State Forensic Championship;

**Request No. 99**, by Representative Ken Corbet, congratulating Tambour Bieker for achievement of Eagle Scout;

**Request No. 100**, by Representative Bill Sutton, commending Ramon Ayala in recognition for his Honor Flight to Washington, D.C. and his years of service to our country in the United State Navy;

**Request No. 101**, by Representative Rick Billinger, congratulating St. Francis Academic Bowl Team, Saint Francis, Kansas in recognition for an exceptional 1<sup>st</sup> year;

**Request No. 102**, by Representative Jene Vickrey, congratulating Jake Ross in recognition of his 80<sup>th</sup> birthday;

be approved and the Chief Clerk of the House be directed to order the printing of said certificates and order drafting of said resolutions.

On motion of Rep. Vickrey, the committee report was adopted.

#### REPORT ON ENROLLED BILLS

S Sub for HB 2149, S Sub for HB 2155, HB 2256 reported correctly enrolled, properly signed and presented to the Governor on May 15, 2015.

On motion of Rep. Vickrey, the House adjourned until 11:00 a.m., Monday, May 18, 2015.

CHARLENE SWANSON, Journal Clerk.

SUSAN W. KANNARR, Chief Clerk.