



Update

Dear Friends,

February 12, 2020

Since my election to the KPERS Board of Trustees I have a new disclaimer that I must include in these updates from now on: "The views expressed in this update represent my views and/or the views of the Coalition. They do not in any way represent the views of KPERS Board of Trustees nor do I speak for them." (Ernie Claudel)

The next regularly scheduled KCPR meeting will be held on March 11th at 9:30 AM.
(The KCPR meetings continue to be held at the KNEA Building, 715 SW 10th Avenue, Topeka.)

This edition of the Update has several parts and/or recommendations. We would hope you read them all, but certainly read those of interest.

TODAYS MEETING

1. The Rally event was processed. Some thoughtful suggestions were provided for next year. Once again, we would like to thank everyone who attended!
2. At the Rally it was pointed out that those of you who communicate with your legislators are the ones responsible for the progress we have made over the years.
3. In the days following the Rally, it has become apparent that some positive movement has occurred in the discussions regarding a COLA. The subject has been the topic of discussion because one of the funding level target date as explained below under 'legislation pending'. There is some legislative thought that the funding level needs to be at 80% before a COLA is discussed. We have also been told that some legislators have a 70% goal in mind. We are presently at 68.4%. Candidly, many of us can't wait for 70%, much less 80%! This also puts the retirees in a position of being held hostage by the Unfunded Actuarial Liability of which 'the lions share' exists because of years of underfunding. Please urge your legislators to act now.
4. We have been again reminded that U.S. mail is more impactful than emails. As the legislative calendar progresses it is essential that you immediately contact your State Senator and Representative. We suggest a letter or post card in addition to emails. It is essential that contact be made this week if possible. One legislator was heard to say, "I am not getting any mail on this subject!"
5. We have provided attachments with the addresses included.
6. Communications with the House Committee on Financial Institutions and Pensions need to be that we request that HB2100 be passed out of committee and on to the House so that it can be discussed. If this action isn't taken until the end of the month, the bill will be dead for another session! Therefore, your immediate action is essential!!!!
7. A reminder! This communication does not have to be a dissertation!! Simply you need a COLA and HB2100 needs to be passed out of Committee!!

ATTACHMENTS

1. House Committee on Financial Institutions and Pensions
2. KCPR Postcard Project and Draft Messages

- a. These ideas were provided by NPPC for the rally but will be helpful if you are struggling with what to put in your emails to Topeka.
3. So called 'One Pager' from NPPC. Use as you will. Contains much good positive information on how KPERS Benefits help the economy of Kansas.

RESPONSE TO A RECENTLY ASKED QUESTION

I was recently asked for a response to the (pithy) comment, 'KPERS was not designed for a COLA!' This comment is an old talking point from 12 to 15 years ago from the opposition. I would not take kindly to the remark if I were you and would indicate that kind of attitude would probably not garner your vote for them. Because neither do social security or military pensions. They are not constant, they are ad-hoc and determined annually. Whether the original statute called for a benefit increase or not is immaterial since there have been 16 issued over time. The most popular EXCUSE is, we can't afford it, or the funding level needs to be over 70%. In both cases, the retirees are being punished for what someone else (in this case the legislature) didn't do, i.e., properly fund the system.

REPORT ON THE RALLY

1. Dennis and I would like to thank all of you that attended the Rally. The success we have had always been because of the active part you have played in 'pressing the legislature' for a COLA. Nothing happens without your letters, emails, and personal contact with your legislators.
2. A question...Do any of you have pics from the Rally you would share? I had too many things on my plate!!
3. The Rally was well attended. We had about 150 to 200 in attendance.
4. We received positive comments from several of the legislators who stopped by. They were impressed!
5. Our speaker list was light this year. We heard from the Chairperson of the House Financial Institutions and Pensions, Jim Kelly. I learned earlier in the day that Representative Gail Finney had taken ill. We were disappointed she was not available.
6. Senator Holland stopped by and said a few words.
7. As always, Representative Steve Johnson stopped by and had many kind words to say about KPERS.
8. Representative Dave Benson, who has been 'carrying' the COLA Bill, spoke regarding the need for a COLA. The consensus of the remainder of the speakers thanked us as public servants for all we had done for the State during our working years.
9. Our invitation list was as it usually is, but not as many took us up on the offer to speak as last year.
10. One of the positives was the fact that Andrew Collier of the NPPC was in attendance and spoke to the Rally. We were excited that people got to meet him after all the NPPC has done to help us recently.

LEGISLATION PENDING

1. House Bill 2100 and Senate Bill 74 are carry-over bills from last year. They are identical. There was a hearing held on HB2100 last year, but it was never 'worked'. Worked meaning it was never discussed and/or a vote taken to send it to the House Floor. The Committee is the House Committee on Financial Institutions and Pensions.

2. Incidentally, SB74 was assigned to the Senate Ways and Means Committee. The committee to this point has not heard testimony on the bill. It is sitting on the committee chairs desk, 'so to speak'. Chairperson McGinn's committee is also listed.
3. The other legislation of KCPR/KARSP concerns are HB2503 and SB321, which again are identical. These are second attempts by the Governor to institute a re-amortization of the KPERS Unfunded Actuarial Liability. By the time you read this, Ernie will have testified against both bills. The objections are as follows:
 - A. Move 80% funding target date from 2029-2036.
 - a. 80% places the Trust Funding level in the safe range and moving toward 100%.
 - b. Because the latest excuse for no COLA is that the funded rate is not enough, this is a real concern.
 - B. Cost of paying off the UAL is increased to \$4.4 Billion.
 - C. Present pay of date is 13 years away and the bill would increase it to 23 years.
 - D. Our contention is that because you are reducing the payment and, therefore, again underfunding the Trust Fund.
 - E. The Governor's representatives theorize that a lower amount will be more likely to be paid. Our contention is that the increased number of years of payment is what endangers the payments in the future.

Stay warm, dry, and continue to communicate with your Representative and Senator!!!

- Remember to send us your updated email address...also if for any reason you should no longer wish to receive this update, let me know at the address(es) listed at the end of this "update," and we will contact you and remove you from the official mailing lists.
- Just a reminder, that this email is an official report of the Kansas Coalition of Public Retirees. If I editorialize, I will indicate that fact.
- Remember that we want you to forward this to other retirees and the "working" who will benefit from this information.
- The KCPR website is www.ksretirees.org

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