

1 **As Amended by House Committee**

2 *Session of 2001*

3
4 **HOUSE BILL No. 2538**

5
6 By Committee on Appropriations

7
8 2-21

9
10 AN ACT; concerning retirement and benefits; relating to the Kansas
11 public employees retirement system; employer certification of mem-
12 bers contributions; amending K.S.A. 2000 Supp. 74-4915 and repeal-
13 ing the existing section.

14
15 *Be it enacted by the Legislature of the State of Kansas:*

16 Section 1. K.S.A. 2000 Supp. 74-4915 is hereby amended to read as
17 follows: 74-4915. (1) Any member who retires on or after such member's
18 normal retirement date shall be entitled to receive an annual retirement
19 benefit equal to the sum obtained by adding an amount for participating
20 service and an amount for prior service determined as provided in this
21 section. The amount for prior service shall be equal to 1% of the mem-
22 ber's prior service annual salary multiplied by the number of years of
23 prior service entitled to credit as provided in K.S.A. 74-4913 and amend-
24 ments thereto, except that for members retiring on or after July 1, 1981,
25 who were last employed by a participating employer which had affiliated
26 with the system under K.S.A. 74-4910, 74-4912, 74-4929 or 74-4991 and
27 amendments thereto, and for the period commencing January 1, 1986,
28 for members retiring before July 1, 1981, who were last employed by a
29 participating employer which had affiliated with the system under K.S.A.
30 74-4910, 74-4912, 74-4929 or 74-4991 and amendments thereto, except
31 that any increase in benefits under this section shall be reduced by any
32 postretirement benefit adjustments received by such member prior to
33 July 2, 1985, the amount for prior service shall be calculated using final
34 average salary in lieu of prior service annual salary and, in the case of any
35 such member who became a member under subsection (3) of K.S.A. 74-
36 4925 and amendments thereto and for whom a final average salary cannot
37 be otherwise determined, such member's final average salary shall be
38 based on all service for which such member received assistance in a plan
39 under subsection (2) of K.S.A. 74-4925 and amendments thereto as cer-
40 tified by such employer upon request of the board. For any member who
41 retires on or after July 1, 1993, the amount for participating service shall
42 be equal to the total of 1.75% of the member's final average salary mul-
43 tiplied by the number of years of participating service.

1 (2) (A) Any member who retires on or after July 1, 1993, but before
2 the normal retirement date and has attained age 60 but has not attained
3 age 62 with the completion of 10 years of credited service, shall receive
4 an annual retirement benefit equal to the annual retirement benefit pay-
5 able had the member retired on the normal retirement date but based
6 upon the member's final average salary and years of participating and
7 prior service credited to the date of actual retirement reduced by an
8 amount equal to the product of (i) such annual retirement benefit payable
9 had the member retired on the normal retirement date, multiplied by (ii)
10 the product of .2% multiplied by the number of months' difference, to
11 the nearest whole month, between the member's attained age at the time
12 of retirement and age 62.

13 (B) Any member who retires on or after July 1, 1993, but before the
14 normal retirement date and has attained age 55 but has not attained age
15 60 with the completion of 10 years of credited service, shall receive an
16 annual retirement benefit equal to the annual retirement benefit payable
17 had the member retired on the normal retirement date but based upon
18 the member's final average salary and years of participating and prior
19 service credited to the date of actual retirement reduced by an amount
20 equal to the total of: (i) (a) The product of such annual retirement benefit
21 payable had the member retired on the normal retirement date, multi-
22 plied by (b) the product of .6% multiplied by the number of months'
23 difference, to the nearest whole month, between the member's attained
24 age at the time of retirement and age 60; and

25 (ii) on and after July 1, 1993, the product of such annual retirement
26 benefit payable had the member retired on the normal retirement date,
27 multiplied by 4.8%.

28 (3) Upon death of a retirant, there shall be paid to such retirant's
29 beneficiary an amount equal to the excess, if any, of such retirant's ac-
30 cumulated contributions over the sum of all retirement benefit payments
31 made.

32 (4) Such annual retirement benefits shall be paid in equal monthly
33 installments except, that the board may provide for the payment of re-
34 tirement benefits which total less than \$240 a year on other than a
35 monthly basis.

36 (5) In the event that an application in such form as may be prescribed
37 by the board for any amount due under the provisions of this act, is not
38 filed with the office of the retirement system by the person entitled to
39 same within five years of the date such amount became due and payable,
40 an amount equal to same shall be transferred to the retirement benefit
41 accumulation reserve and such amount shall no longer be due and pay-
42 able, except that if any such person shall present evidence satisfactory to
43 the board that such person's failure to file such application within that

1 time period was due to lack of knowledge or incapacity on such person's
2 part, the amount equal to the amount originally due shall be transferred
3 from the retirement benefit accumulation reserve to the reserve or re-
4 serves from which such transfer was initially made and the amount orig-
5 inally due shall be paid to such person.

6 (6) *The participating employer, when an employee files an application*
7 *for retirement, shall certify to the system all member contributions of such*
8 *employee which have not been reported previously. In the event the*
9 *amount certified results in an overpayment of retirement benefits, the*
10 *employer shall be held responsible for the contribution amount previously*
11 *certified. If the contributions previously certified are lower than the actual*
12 *amount reported, the employer shall be responsible for remitting the cor-*
13 *rect amount and the member's monthly benefit shall be recalculated based*
14 *on the amount reported by the employer.* **When an employee in school**
15 **employment files such an application, the participating employer**
16 **responsible for any such amounts as provided in this subsection**
17 **shall be the employee's eligible employer as specified in subsection**
18 **(1), (2) or (3) of K.S.A. 74-4931, and amendments thereto, and shall**
19 **not be the state of Kansas.** The provisions of law in effect on the re-
20 tirement date of a member under the system shall govern the retirement
21 benefit payable to the retirant, any joint annuitant and any beneficiary.

22 Sec. 2. K.S.A. 2000 Supp. 74-4915 is hereby repealed.

23 Sec. 3. This act shall take effect and be in force from and after its
24 publication in the statute book.

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