

As Amended by Senate Committee

Session of 2007

SENATE BILL No. 371

By Committee on Ways and Means

3-5

10 AN ACT concerning retirement and pensions; relating to the Kansas
11 public employees retirement system **and systems thereunder**; pur-
12 chase of participating service credit; service as law enforcement per-
13 sonnel at mission administered by united nations; **disability benefits**
14 **for certain members; amending K.S.A. 74-4960 and repealing the**
15 **existing section.**

16

17 *Be it enacted by the Legislature of the State of Kansas:*

18 **New** Section 1. Any member of the Kansas public employees retire-
19 ment system who was previously employed in service as law enforcement
20 personnel in support of a mission administered by the united nations,
21 may purchase participating service credit for periods of such service
22 which commenced on or after January 1, 1962. Such purchase of partic-
23 ipating service credit shall be made in accordance with the provisions of
24 K.S.A. 74-49,123, and amendments thereto. The benefit for each such
25 period of service purchased by the member shall be equal to 1.75% of
26 the final average salary of any such member. Such member may purchase
27 such participating service credit by submitting proof of such service ac-
28 ceptable to the board of trustees and by making application therefor prior
29 to the date of retirement of such member for such purchase and to have
30 such member's employee contributions deducted from such member's
31 compensation at an additional rate of contribution, in addition to the
32 employee's rate of contribution as provided in K.S.A. 74-4919, and
33 amendments thereto, based upon the member's attained age at the time
34 of purchase and using actuarial assumptions and tables in use by the
35 retirement system at such time of purchase for such periods of service.
36 Such additional rate of contribution shall commence at the beginning of
37 the quarter following the date upon which such member made application
38 for such purchase and shall remain in effect until all of the full quarters
39 of such service have been purchased. In lieu of the deduction of employee
40 contributions as provided in this section, any such member may purchase
41 such participating service credit by means of a single lump-sum payment
42 in an amount equal to the then present value of benefits being purchased
43 as determined by the actuary using the member's attained age at the time

1 of purchase, annual compensation at the time of purchase and the actu-
2 arial assumptions and tables currently in use by the system. The lump-
3 sum payment shall be made immediately upon being notified of the
4 amount due under this purchase method. The provisions of this section
5 shall be part of and supplemental to the provisions of K.S.A. 74-4901 et
6 seq., and amendments thereto.

7 **Sec. 2. K.S.A. 74-4960 is hereby amended to read as follows:**
8 **74-4960. (1) If any active contributing member becomes totally and**
9 **permanently disabled due to service-connected causes as defined in**
10 **subsection (10) of K.S.A. 74-4952 and amendments thereto, such**
11 **member shall be retired and the following benefits shall become**
12 **payable and shall continue until the member's death or until the**
13 **member recovers from the disability if: A report of the event in a**
14 **form acceptable to the board is filed in the office of the executive**
15 **director of the board within 220 days after the date of the event or**
16 **act of duty causing such disability; and an application for such**
17 **benefit, in such form and manner as the board prescribes, is filed**
18 **by the member or the member's authorized representative in the**
19 **office of the executive director of the board within two years of the**
20 **date of disability, except the board may waive such two-year re-**
21 **quirement if the board is presented with evidence that clearly war-**
22 **rants such a waiver:**

23 (a) On and after July 1, 1993, the member shall receive a re-
24 tirement benefit equal to 50% of the member's final average salary
25 or, if the member has no dependents, as defined in subsection (1)(b),
26 the retirement benefit the member would have been entitled to as
27 provided under K.S.A. 74-4958 and amendments thereto had the
28 member retired, whichever is greater. Such benefit shall accrue
29 from the day upon which the member ceases to draw compensation.

30 (b) Except as otherwise provided by this subsection, each of the
31 member's children under the age of 18 years or each of the member's
32 children under the age of 23 years who is a full-time student as
33 provided in K.S.A. 74-49,117 and amendments thereto shall receive
34 an annual benefit equal to 10% of the member's final average sal-
35 ary. Such benefit shall accrue from the day upon which the member
36 ceases to draw compensation and shall end on the last day of the
37 month in which each such child or children shall attain the age of
38 18 years or die, whichever occurs earlier or in which such children
39 attain the age of 23 years, if such child is a full-time student as
40 provided in K.S.A. 74-49,117 and amendments thereto. Commenc-
41 ing on the effective date of this act, any child who was receiving
42 benefits pursuant to this section and who had such benefits termi-
43 nated by reason of such child's marriage, shall be entitled to once

1 *again receive benefits pursuant to this section subject to the limi-*
2 *tations contained in this section, except that such child shall not be*
3 *entitled to recover any benefits not received after the termination*
4 *of benefits by reason of such child's marriage but before the effec-*
5 *tive date of this act. For a member who becomes totally and per-*
6 *manently disabled as provided in this section on and after July 1,*
7 *2001, only the member's children who were born, conceived or*
8 *adopted prior to the commencement of the member's disability are*
9 *entitled to the annual benefit as provided in this subsection.*

10 (c) *In no case shall the total of the benefits payable under par-*
11 *agraphs (a) and (b) of this subsection (1) be in excess of 75% of the*
12 *member's final average salary. In no case shall a member who qualifies*
13 *for a benefit payable under paragraph (b) of this subsection receive a total*
14 *retirement benefit that would be less than the total benefit that the mem-*
15 *ber would be entitled to if the member qualified for a benefit payable*
16 *under subsection (a) of this subsection. Any deficiency caused by the fact*
17 *that the member has a child or children shall be compensated by the*
18 *percentage difference in the member's total retirement benefit.*

19 (d) *In the event a member who is retired under subsection (1)*
20 *dies within two years after the date of such retirement and no ben-*
21 *efits are payable under subsection (3) of K.S.A. 74-4958 and amend-*
22 *ments thereto, then benefits may be payable under subsection (1)*
23 *of K.S.A. 74-4959 and amendments thereto.*

24 (e) *In the event a member who is retired under subsection (1)*
25 *dies more than two years after the date of such retirement, and the*
26 *proximate cause of such death is the service-connected cause from*
27 *which the disability resulted and no benefits are payable under*
28 *subsection (3) of K.S.A. 74-4958 and amendments thereto, then ben-*
29 *efits may be payable under subsection (1) of K.S.A. 74-4959 and*
30 *amendments thereto. The provisions of this paragraph (e) of this*
31 *subsection (1) shall apply in all cases of such members who die after*
32 *June 30, 1978.*

33 (f) *In the event a member who is retired under subsection (1)*
34 *dies after the date of such retirement, and no benefits are payable*
35 *under paragraphs (d) and (e) of subsection (1), nor under subsec-*
36 *tion (3) of K.S.A. 74-4958 and amendments thereto, the following*
37 *benefits shall be payable:*

38 (i) *To the member's spouse, if lawfully wedded to the member*
39 *at the time of the member's death, a lump-sum benefit equal to 50%*
40 *of the member's final average salary at the time of the member's*
41 *retirement.*

42 (ii) *To the member's spouse, if lawfully wedded to the member*
43 *at the time of the member's death, an annual benefit equal to 50%*

1 *of the member's retirement benefit payable in monthly installments,*
2 *to accrue from the first day of the month following the member's*
3 *date of death and ending on the last day of the month in which the*
4 *spouse dies. Commencing on the effective date of this act, any sur-*
5 *viving spouse, who was receiving benefits pursuant to this section*
6 *and who had such benefits terminated by reason of such spouse's*
7 *remarriage, shall be entitled to once again receive benefits pursuant*
8 *to this section, except that such surviving spouse shall not be enti-*
9 *tled to recover any benefits not received after the termination of*
10 *benefits by reason of such surviving spouse's remarriage but before*
11 *the effective date of this act. If there is no surviving spouse, or if*
12 *after the death of the spouse there remain one or more children*
13 *under the age of 18 years or one or more children under the age of*
14 *23 years who is a full-time student as provided in K.S.A. 74-49,117*
15 *and amendments thereto, the annual spouse's benefit shall be pay-*
16 *able, subject to the provisions of K.S.A. 74-49,123 and amendments*
17 *thereto, in equal shares to such children and each child's share shall*
18 *end on the last day of the month in which such child attains the age*
19 *of 18 years or dies, whichever occurs earlier or in which such child*
20 *attains the age of 23 years, if such child is a full-time student as*
21 *provided in K.S.A. 74-49,117 and amendments thereto. Commenc-*
22 *ing on the effective date of this act, any child who was receiving*
23 *benefits pursuant to this section and who had such benefits termi-*
24 *nated by reason of such child's marriage, shall be entitled to once*
25 *again receive benefits pursuant to this section subject to the limi-*
26 *tations contained in this section, except that such child shall not be*
27 *entitled to recover any benefits not received after the termination*
28 *of benefits by reason of such child's marriage but before the effec-*
29 *tive date of this act.*

30 *The provisions of paragraph (f) of subsection (1) shall apply in*
31 *all cases of such members who die after December 1, 1984.*

32 *(2) (a) If any active contributing member, prior to such mem-*
33 *ber's normal retirement, becomes totally and permanently disabled*
34 *for a period of 180 days from causes not service-connected, and not*
35 *as the result of a willfully negligent or intentional act of the mem-*
36 *ber, such member shall be retired and the following benefit shall*
37 *become payable and shall continue until the member's death or*
38 *until the member recovers from such disability, whichever occurs*
39 *first, if a report of the disability in a form acceptable to the board*
40 *is filed in the office of the executive director of the board within*
41 *220 days after the date of the commencement of such disability and*
42 *if an application for such benefit in such form and manner as the*
43 *board shall prescribe is filed in the office of the executive director*

1 *of the board within two years of the date of disability, except that*
2 *the board may waive such two-year requirement, if the board is*
3 *presented with evidence that clearly warrants such a waiver.*

4 *A retirement benefit equal to 2.5% of the member's final average*
5 *salary multiplied by the number of years of credited service or the*
6 *retirement benefit the member would have been entitled to as pro-*
7 *vided under K.S.A. 74-4958 and amendments thereto had the mem-*
8 *ber retired, whichever is greater, multiplied by the number of years*
9 *of credited service except that such retirement benefit shall be at*
10 *least equal to 25% of the member's final average salary but shall*
11 *not exceed the amount of the retirement benefit provided in para-*
12 *graph (a) of subsection (1). Such benefit shall not become payable*
13 *until satisfactory evidence shall be presented to the board that the*
14 *member is and has been totally and permanently disabled for a*
15 *period of 180 days, but benefits shall accrue from the day upon*
16 *which the member ceases to draw compensation.*

17 *(b) In the event a member who is retired under subsection (2)*
18 *dies after the date of such retirement, the following benefits shall*
19 *be payable:*

20 *(i) Pursuant to the provisions of K.S.A. 74-49,128, and amend-*
21 *ments thereto, to the member's spouse, if lawfully wedded to the*
22 *member at the time of the member's death and if no benefits are*
23 *payable under subsection (3) of K.S.A. 74-4958, and amendments*
24 *thereto, a lump-sum benefit equal to 50% of the member's final*
25 *average salary at the time of the member's retirement.*

26 *(ii) To the member's spouse, if lawfully wedded to the member*
27 *at the time of the member's death, an annual benefit equal to 50%*
28 *of the member's retirement benefit payable in monthly installments,*
29 *to accrue from the first day of the month following the member's*
30 *date of death and ending on the last day of the month in which the*
31 *spouse dies. Commencing on the effective date of this act, any sur-*
32 *viving spouse, who was receiving benefits pursuant to this section*
33 *and who had such benefits terminated by reason of such spouse's*
34 *remarriage, shall be entitled to once again receive benefits pursuant*
35 *to this section, except that such surviving spouse shall not be enti-*
36 *tled to recover any benefits not received after the termination of*
37 *benefits by reason of such surviving spouse's remarriage but before*
38 *the effective date of this act. If there is no surviving spouse, or if*
39 *after the death of the spouse there remain one or more children*
40 *under the age of 18 years or one or more children under the age of*
41 *23 years who are full-time students as provided in K.S.A. 74-49,117*
42 *and amendments thereto, the spouse's benefit shall be payable, sub-*
43 *ject to the provisions of K.S.A. 74-49,123 and amendments thereto,*

1 *in equal shares to such children and each child's share shall end on*
2 *the last day of the month in which such child attains the age of 18*
3 *years or dies, whichever occurs earlier or in which such child at-*
4 *tains the age of 23 years, if such child is a full-time student as pro-*
5 *vided in K.S.A. 74-49,117 and amendments thereto. Commencing*
6 *on the effective date of this act, any child who was receiving benefits*
7 *pursuant to this section and who had such benefits terminated by*
8 *reason of such child's marriage, shall be entitled to once again re-*
9 *ceive benefits pursuant to this section subject to the limitations con-*
10 *tained in this section, except that such child shall not be entitled to*
11 *recover any benefits not received after the termination of benefits*
12 *by reason of such child's marriage but before the effective date of*
13 *this act.*

14 *The provisions of paragraph (b) of subsection (2) shall apply in*
15 *all cases of such members who die after July 1, 1989.*

16 (3) *Any member who was employed for compensation by an em-*
17 *ployer other than the member's participating employer and whose*
18 *disability was incurred in the course of such other employment shall*
19 *not be eligible for any of the benefits provided in subsection (2).*

20 (4) *If a member becomes totally and permanently disabled and*
21 *no benefits are payable under subsection (1) or (2), the sum of the*
22 *member's accumulated contributions shall be paid to the member.*

23 (5) *Any member receiving benefits under this section shall sub-*
24 *mit to medical examination, not more frequent than annually, by*
25 *one or more physicians or any other practitioners of the healing*
26 *arts holding a valid license issued by Kansas state board of healing*
27 *arts, as the board of trustees may direct. If upon such medical ex-*
28 *amination, the examiner's report to the board states that the retirant*
29 *is physically able and capable of resuming employment with the*
30 *same or a different participating employer, the disability benefits*
31 *shall terminate. A retirant who has been receiving benefits under*
32 *the provisions of this section and who returns to employment, as*
33 *defined in subsection (4) of K.S.A. 74-4952 and amendments*
34 *thereto, of a participating employer shall immediately commence*
35 *accruing service credit which shall be added to that which has been*
36 *accrued by virtue of previous service.*

37 (6) *Any retirant who has been receiving benefits under the pro-*
38 *visions of this section for a period of five years shall be deemed*
39 *finally retired and shall not be subject to further medical exami-*
40 *nations, except that if the board of trustees shall have reasonable*
41 *grounds to question whether the retirant remains totally and per-*
42 *manently disabled, a further medical examination or examinations*
43 *may be required.*

1 (7) *Refusal or neglect to submit to examination as provided in*
2 *subsection (5) shall be sufficient cause for suspending or discontin-*
3 *uing benefit payments under this section and if such refusal or ne-*
4 *glect shall continue for a period of one year, the member's rights in*
5 *and to all benefits under this system may be revoked by the board.*

6 (8) *Any retirement benefits payable under the provisions of this*
7 *section shall be in lieu of normal retirement benefits as provided in*
8 *subsections (1) and (2) of K.S.A. 74-4958 and amendments thereto.*

9 (9) *Each member shall report to such member's participating*
10 *employer any event or act of duty causing disability within 200 days*
11 *after such event or act of duty. The member's participating em-*
12 *ployer shall file in the office of the executive director of the board,*
13 *in a form acceptable to the board, a report of the event or act of*
14 *duty causing disability within 220 days after the event or act of*
15 *duty.*

16 (10) *In any case of any event occurring prior to July 1, 1979,*
17 *and after June 30, 1998, for which a report of the event was made*
18 *by the participating employer to the director of workers compen-*
19 *sation in accordance with K.S.A. 44-557 and amendments thereto,*
20 *such report to the director of workers compensation shall satisfy*
21 *the requirement under subsection (1) of this section to file a report*
22 *of such event, in a form acceptable to the board within 220 days.*
23 *No such report to the director of workers' compensation shall be*
24 *deemed to satisfy such requirement with respect to events occurring*
25 *on or after July 1, 1979, and prior to July 1, 1998.*

26 (11) *All payments due under this section to a minor shall be*
27 *made to a legally appointed conservator of such minor.*

28 (12) *The provisions of this section shall apply only to members*
29 *who were appointed or employed prior to July 1, 1989, and who did*
30 *not make an election pursuant to K.S.A. 74-4955a and amendments*
31 *thereto.*

32 (13) *Any retirant who has been receiving benefits under the pro-*
33 *visions of this section and who returns to employment with the same*
34 *or different participating employer in the system shall be deemed*
35 *no longer retired.*

36 (14) *Upon the death of a member after retirement, if no benefits*
37 *are payable under the provisions of this section, the excess, if any,*
38 *of the retirant's accumulated contributions over the sum of all ben-*
39 *efits paid shall be paid to the member's beneficiary.*

40 **Sec. 3. K.S.A. 74-4960 is hereby repealed.**

41 **Sec. 4.** This act shall take effect and be in force from and after its
42 publication in the statute book.