

## HOUSE BILL No. 2114

By Committee on Vision 2020

1-27

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1 AN ACT concerning retirement and pensions; relating to the Kansas  
2 police and firemen's retirement system; vesting; amending K.S.A.  
3 2010 Supp. 74-4963a and repealing the existing section.  
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5 *Be it enacted by the Legislature of the State of Kansas:*

6 Section 1. K.S.A. 2010 Supp. 74-4963a is hereby amended to read  
7 as follows: 74-4963a. (1) Upon termination of employment prior to the  
8 completion of 15 years of credited service, *or commencing July 1, 2011,*  
9 *upon termination of employment prior to the completion of 10 years of*  
10 *credited service*, after 30 days after such termination, a member may  
11 withdraw such member's accumulated contributions or elect to leave such  
12 accumulated contributions on deposit with the system. If the member  
13 elects to leave the accumulated contributions on deposit with the system  
14 and if the member returns to employment with the same or another  
15 participating employer within five years, such member shall receive  
16 credit for such member's service prior to such termination. If the member  
17 does not elect to leave the accumulated contributions on deposit or if the  
18 member does not return to covered employment within five years, such  
19 member shall no longer be a member of the system and the sum of such  
20 member's accumulated contributions then on deposit with this system  
21 shall be paid to such member after making application in a form  
22 prescribed by the board and after the system has a reasonable time to  
23 process the application for withdrawal. Upon proper notification by the  
24 system, member contributions not on deposit with the system shall be  
25 paid to the member by the participating employer.

26 (2) If, after termination and withdrawal of accumulated  
27 contributions, a former member returns to covered employment, except as  
28 otherwise provided in subsection (1), the former member shall become a  
29 member of the system as provided in subsection (2) of K.S.A. 74-4955,  
30 and amendments thereto. Any former member returning to covered  
31 employment may, at the former member's option, purchase service credit  
32 for such previously forfeited service credit, subject to the provisions of  
33 K.S.A. 74-49,123, and amendments thereto, at an additional rate of  
34 contribution, in addition to the employee's rate of contribution as  
35 provided in K.S.A. 74-4965, and amendments thereto, based upon the  
36 member's attained age at the time of purchase and using actuarial

1 assumptions and tables in use by the retirement system at such time of  
2 purchase for such periods of service. Such additional rate of contribution  
3 shall commence at the beginning of the quarter following such election  
4 and shall remain in effect until all quarters of such service have been  
5 purchased. Subject to the provisions of K.S.A. 74-49,123, and  
6 amendments thereto, such member may elect to effect such purchase by  
7 means of a single lump-sum payment in lieu of the increased amount of  
8 the employee's contribution rate otherwise provided for in this act in an  
9 amount equal to the then present value of the benefits being purchased  
10 determined by the actuary using the member's attained age, annual  
11 compensation at the time of purchase and the actuarial assumptions and  
12 tables then in use by the retirement system. The lump-sum payment shall  
13 be made immediately upon being notified of the amount due. Upon  
14 receipt of such payment by the system the member shall receive full  
15 credit for the number of previously forfeited quarters of participating  
16 service which the member has elected to repurchase. Any member who  
17 repurchases all of the member's previously forfeited participating service  
18 credit shall also receive all of the member's previously forfeited prior  
19 service credit.

20 (3) Upon termination and withdrawal of accumulated contributions,  
21 any member whose employment was, up to the member's employer's  
22 entry date, covered by a pension system established under the provisions  
23 of K.S.A. 13-14a01 through 13-14a14, and amendments thereto, or  
24 K.S.A. 14-10a01 through 14-10a15, and amendments thereto, shall be  
25 entitled to receive from the member's employer the sum of the member's  
26 accumulated contributions to the previous pension system.

27 (4) If a member has completed 15 years of credited service at date of  
28 termination, *or commencing July 1, 2011, if such member has completed*  
29 *10 years of credited service at the date of termination*, the member shall  
30 be granted automatically a vested retirement benefit in the system, but  
31 any time prior to the commencement of retirement benefit payments and  
32 before attaining age 55 the member may withdraw the member's  
33 accumulated contributions, whereupon the member's membership in this  
34 system ceases and no other amounts shall be payable for the member's  
35 prior and participating service credit. Eligibility of such member, who has  
36 not withdrawn the member's accumulated contributions, for retirement  
37 benefits and procedures for making application for retirement benefits  
38 shall be in accordance with K.S.A. 74-4957, and amendments thereto,  
39 except that in lieu of the three-month notice of intention to retire being  
40 made to the employer, such member shall make application for retirement  
41 in a form prescribed by the board and retirement benefits shall accrue  
42 from the first day of the month following receipt of such application. The  
43 amount of the retirement benefit shall be determined as provided in

1 K.S.A. 74-4958, and amendments thereto.

2 (5) If a member, who has a vested retirement benefit, again becomes  
3 an employee of a participating employer, the amount of the member's  
4 vested retirement benefit shall remain in effect, and any retirement  
5 benefit such member subsequently accrues shall be calculated separately  
6 based on credited service after again becoming an employee and shall be  
7 added to that which had been vested by virtue of previous service.  
8 Eligibility of such member for retirement benefits and procedures for  
9 making application for retirement benefits shall be in accordance with  
10 K.S.A. 74-4957, and amendments thereto.

11 (6) Any member of this system who was previously a member of the  
12 Kansas public employees retirement system or the retirement system for  
13 judges and who forfeited service credit under either of those systems by  
14 reason of termination of employment and withdrawal of their  
15 contributions to that system, may elect, subject to the provisions of  
16 K.S.A. 74-49,123, and amendments thereto, to purchase service credit for  
17 the previously forfeited service credit by means of a single lump-sum  
18 payment and such service shall be recredited to that system. The amount  
19 of the lump-sum payment shall be determined by the actuary using the  
20 member's then current annual rate of compensation or the member's final  
21 average salary at the time the member elects to purchase such service  
22 credit, whichever is higher, and the actuarial assumptions and tables then  
23 currently in use by that retirement system.

24 (7) The provisions of this section shall be effective on and after July  
25 1, 1989, and shall apply only to members who were appointed or  
26 employed prior to July 1, 1989, and who made an election pursuant to  
27 K.S.A. 74-4955a, and amendments thereto; and persons appointed or  
28 employed on or after July 1, 1989.

29 Sec. 2. K.S.A. 2010 Supp. 74-4963a is hereby repealed.

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