

HOUSE BILL No. 2310

By Committee on Pension and Benefits

2-11

1 AN ACT concerning retirement and pensions; relating to the Kansas
2 public employees retirement system and systems thereunder;
3 employment after retirement; amending K.S.A. 2010 Supp. 74-4914
4 and 74-4937 and repealing the existing sections.
5

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

7 Section 1. K.S.A. 2010 Supp. 74-4914 is hereby amended to read as
8 follows: 74-4914. (1) The normal retirement date for a member of the
9 system shall be the first day of the month coinciding with or following
10 termination of employment with any participating employer not followed
11 by employment with any participating employer within 60 days and the
12 attainment of age 65 or, commencing July 1, 1993, age 62 with the
13 completion of 10 years of credited service or the first day of the month
14 coinciding with or following the date that the total of the number of years
15 of credited service and the number of years of attained age of the member
16 is equal to or more than 85. In no event shall a normal retirement date for
17 a member be before six months after the entry date of the participating
18 employer by whom such member is employed. A member may retire on
19 the normal retirement date or on the first day of any month thereafter
20 upon the filing with the office of the retirement system of an application
21 in such form and manner as the board shall prescribe. Nothing herein
22 shall prevent any person, member or retirant from being employed,
23 appointed or elected as an employee, appointee, officer or member of the
24 legislature. Elected officers may retire from the system on any date on or
25 after the attainment of the normal retirement date, but no retirement
26 benefits payable under this act shall be paid until the member has
27 terminated such member's office.

28 (2) No retirant shall make contributions to the system or receive
29 service credit for any service after the date of retirement.

30 (3) Any member who is an employee of an affiliating employer
31 pursuant to K.S.A. 74-4954b and amendments thereto and has not
32 withdrawn such member's accumulated contributions from the Kansas
33 police and firemen's retirement system may retire before such member's
34 normal retirement date on the first day of any month coinciding with or
35 following the attainment of age 55.

36 (4) Any member may retire before such member's normal retirement

1 date on the first day of any month coinciding with or following
2 termination of employment with any participating employer not followed
3 by employment with any participating employer within 60 days and the
4 attainment of age 55 with the completion of 10 years of credited service,
5 but in no event before six months after the entry date, upon the filing with
6 the office of the retirement system of an application for retirement in such
7 form and manner as the board shall prescribe.

8 ~~(5) On or after July 1, 2006, for any retirant who is first employed or~~
9 ~~appointed in or to any position or office by a participating employer other~~
10 ~~than a participating employer for which such retirant was employed or~~
11 ~~appointed during the final two years of such retirant's participation, and,~~
12 ~~on or after April 1, 2009, for any retirant who is employed by a third-~~
13 ~~party entity who contracts services with a participating employer other~~
14 ~~than a participating employer for which such retirant was employed or~~
15 ~~appointed during the final two years of such retirant's participation to fill~~
16 ~~a position covered under subsection (a) of K.S.A. 72-5410, and~~
17 ~~amendments thereto, with such retirant, such participating employer shall~~
18 ~~pay to the system the actuarially determined employer contribution and~~
19 ~~the statutorily prescribed employee contribution based on the retirant's~~
20 ~~compensation during any such period of employment or appointment. If a~~
21 ~~retirant who retired on or after July 1, 1988, is employed or appointed in~~
22 ~~or to any position or office for which compensation for service is paid in~~
23 ~~an amount equal to \$20,000 or more in any one such calendar year, by~~
24 ~~any participating employer for which such retirant was employed or~~
25 ~~appointed during the final two years of such retirant's participation, and,~~
26 ~~on or after April 1, 2009, by any third-party entity who contracts services~~
27 ~~to fill a position covered under subsection (a) of K.S.A. 72-5410, and~~
28 ~~amendments thereto, with such retirant with a participating employer for~~
29 ~~which such retirant was employed or appointed during the final two years~~
30 ~~of such retirant's participation, such retirant shall not receive any~~
31 ~~retirement benefit for any month for which such retirant serves in such~~
32 ~~position or office. The participating employer who employs such retirant~~
33 ~~whether by contract directly with the retirant or through an arrangement~~
34 ~~with a third-party entity shall report to the system within 30 days of when~~
35 ~~the compensation paid to the retirant is equal to or exceeds any limitation~~
36 ~~provided by this section. Any participating employer who contracts~~
37 ~~services with any such third-party entity to fill a position covered under~~
38 ~~subsection (a) of K.S.A. 72-5410, and amendments thereto, shall include~~
39 ~~in such contract a provision or condition which requires the third-party~~
40 ~~entity to provide the participating employer with the necessary~~
41 ~~compensation paid information related to any such position filled by the~~
42 ~~third-party entity with a retirant to enable the participating employer to~~
43 ~~comply with provisions of this subsection relating to the payment of~~

1 contributions and reporting requirements. The provisions and
2 requirements provided for in amendments made in this act which relate to
3 positions filled with a retirant or employment of a retirant by a third-party
4 entity shall not apply to any contract for services entered into prior to
5 April 1, 2009, between a participating employer and third-party entity as
6 described in this subsection. Any retirant employed by a participating
7 employer or a third-party entity as provided in this subsection shall not
8 make contributions nor receive additional credit under such system for
9 such service except as provided by this section. Upon request of the
10 executive director of the system, the secretary of revenue shall provide
11 such information as may be needed by the executive director to carry out
12 the provisions of this act. The provisions of this subsection shall not
13 apply to retirants employed as substitute teachers or officers, employees
14 or appointees of the legislature. The provisions of this subsection shall
15 not apply to members of the legislature prior to January 8, 2000. The
16 provisions of this subsection shall not apply to any other elected officials
17 prior to the term of office of such elected official which commences on or
18 after July 1, 2000. The provisions of this subsection shall apply to any
19 other elected official on and after the term of office of such other elected
20 official which commences on or after July 1, 2000. Except as otherwise
21 provided, commencing January 8, 2001, the provisions of this subsection
22 shall apply to members of the legislature. For determination of the
23 amount of compensation paid pursuant to this subsection, for members of
24 the legislature, compensation shall include any amount paid as provided
25 pursuant to subsections (a), (b), (c) and (d) of K.S.A. 46-137a, and
26 amendments thereto, or pursuant to K.S.A. 46-137b, and amendments
27 thereto. Notwithstanding any provision of law to the contrary, when a
28 member of the legislature is paid an amount of compensation of \$20,000
29 or more in any one calendar year, the member may continue to receive
30 any amount provided in subsections (b) and (d) of K.S.A. 46-137a, and
31 amendments thereto, and still be entitled to receive such member's
32 retirement benefit. Commencing July 1, 2005, the provisions of this
33 subsection shall not apply to retirants who either retired under the
34 provisions of subsection (1), or, if they retired under the provisions of
35 subsection (4), were retired more than 30 days prior to the effective date
36 of this act and are licensed professional nurses or licensed practical
37 nurses employed by the state of Kansas in an institution as defined in
38 subsection (b) of K.S.A. 76-12a01 or subsection (f) of K.S.A. 38-2302,
39 and amendments thereto, the Kansas soldiers' home or the Kansas
40 veterans' home. Nothing in this subsection shall be construed to create
41 any right, or to authorize the creation of any right, which is not subject to
42 amendment or nullification by act of the legislature. The participating
43 employer of such retirant shall pay to the system the actuarially

1 ~~determined employer contribution based on the retirant's compensation~~
2 ~~during any such period of employment. Notwithstanding any other~~
3 ~~provision of law to the contrary, on and after July 1, 2011, or the~~
4 ~~expiration of any written contract entered into between a retirant and a~~
5 ~~participating employer prior to July 1, 2011, any retirant who is~~
6 ~~employed or appointed to any position or office for which compensation~~
7 ~~for service is paid by a participating employer shall not receive any~~
8 ~~retirement benefit for any month for which such retirant serves in such~~
9 ~~position or office.~~

10 (6) For purposes of this section, any employee of a local
11 governmental unit which has its own pension plan who becomes an
12 employee of a participating employer as a result of a merger or
13 consolidation of services provided by local governmental units, which
14 occurred on January 1, 1994, may count service with such local
15 governmental unit in determining whether such employee has met the
16 years of credited service requirements contained in this section.

17 Sec. 2. K.S.A. 2010 Supp. 74-4937 is hereby amended to read as
18 follows: 74-4937. (1) The normal retirement date of a member of the
19 system who is in school employment and who is subject to K.S.A. 74-
20 4940 and amendments thereto shall be the first day of the month
21 coinciding with or following termination of employment not followed by
22 employment with any participating employer within 60 days and the
23 attainment of age 65 or, commencing July 1, 1986, age 65 or age 60 with
24 the completion of 35 years of credited service or at any age with the
25 completion of 40 years of credited service, or commencing July 1, 1993,
26 any alternative normal retirement date already prescribed by law or age
27 62 with the completion of 10 years of credited service or the first day of
28 the month coinciding with or following the date that the total of the
29 number of years of credited service and the number of years of attained
30 age of the member is equal to or more than 85. Each member upon giving
31 prior notice to the appointing authority and the retirement system may
32 retire on the normal retirement date or the first day of any month
33 thereafter.

34 (2) Any member who is in school employment and who is subject to
35 K.S.A. 74-4940 and amendments thereto may retire before such
36 member's normal retirement date on the first day of the month coinciding
37 with or following termination of employment not followed by
38 employment with any participating employer within 60 days and the
39 attainment of age 55 with the completion of 10 years of credited service,
40 upon the filing with the office of the retirement system of an application
41 for retirement in such form and manner as the board shall prescribe.

42 ~~(3) Commencing July 1, 2009, the provisions of subsection (5) of~~
43 ~~K.S.A. 74-4914, and amendments thereto, which relate to an earnings~~

1 limitation which when met or exceeded requires that the retiree not
2 receive a retirement benefit for any month for which such retiree serves
3 in a position as described herein shall not apply to retirees who either
4 retired under the provisions of subsection (l) of K.S.A. 74-4914, and
5 amendments thereto, related to normal retirement, or, if they retired under
6 the provisions of subsection (4) of K.S.A. 74-4914, and amendments
7 thereto, related to early retirement, were retired more than 60 days prior
8 to the effective date of this act, and are subsequently hired in a position
9 that requires a license under K.S.A. 72-1388, and amendments thereto, or
10 other provision of law. The provisions of this subsection do not apply to
11 retirees who retired under subsection (4) of K.S.A. 74-4914, and
12 amendments thereto, which relates to early retirement prior to age 62.
13 Except as otherwise provided, when a retiree is employed by the same
14 school district or a different school district with which such retiree was
15 employed during the final two years of such retiree's participation or
16 employed by a third-party entity who contracts services with a school
17 district to fill a position as described in this subsection, the participating
18 employer of such retiree shall pay to the system the actuarially
19 determined employer contribution based on the retiree's compensation
20 during any such period of employment plus 8%. The provisions of this
21 subsection shall not apply to retirees employed as substitute teachers.
22 The provisions of subsection (5) of K.S.A. 74-4914, and amendments
23 thereto, shall be applicable to retirees employed as described in this
24 subsection, except as specifically provided in this subsection. Nothing in
25 this subsection shall be construed to create any right, or to authorize the
26 creation of any right, which is not subject to amendment or nullification
27 by act of the legislature. The provisions of this subsection shall expire on
28 July 1, 2012. After such date the Kansas public employees retirement
29 system and its actuary shall report the experience to the joint committee
30 on pensions, investments and benefits.

31 Sec. 3. K.S.A. 2010 Supp. 74-4914 and 74-4937 are hereby
32 repealed.

33 Sec. 4. This act shall take effect and be in force from and after its
34 publication in the statute book.

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