

HOUSE BILL No. 2700

By Committee on Taxation

2-12

Proposed amendment #3 to HB 2700

3/9/2016

House Committee on Pensions and Benefits

Extension of hardship exception; limiting certain exceptions to 4 years; and employer contribution rate

Prepared by David Wiese, Office of Revisor of Statutes

AN ACT concerning retirement and pensions; relating to the Kansas public employees retirement system and systems thereunder; normal retirement; requiring certification that there is no prearranged agreement of employment with participating employers prior to retirement; providing certain penalties for violations thereof; amending K.S.A. 2015 Supp. 74-4914 and 74-4937 and repealing the existing sections.

employment after retirement; special provisions for certain retirees; certain duties of the joint committee on pensions, investments and benefits; employer rate of contribution

46-2201,

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

Section 1. K.S.A. 2015 Supp. 46-2201

[See Attached]

And by redesignating sections accordingly

Section 1. K.S.A. 2015 Supp. 74-4914 is hereby amended to read as follows: 74-4914. (1) The normal retirement date for a member of the system shall be the first day of the month coinciding with or following termination of employment with any participating employer not followed by employment with any participating employer within 60 days and without any prearranged agreement for employment with any participating employer; and the attainment of age 65 or, commencing July 1, 1993, age 62 with the completion of 10 years of credited service or the first day of the month coinciding with or following the date that the total of the number of years of credited service and the number of years of attained age of the member is equal to or more than 85. In no event shall a normal retirement date for a member be before six months after the entry date of the participating employer by whom such member is employed. A member may retire on the normal retirement date or on the first day of any month thereafter upon the filing with the office of the retirement system of an application in such form and manner as the board shall prescribe. Such application shall contain a certification by the member that the member will not be employed with any participating employer within 60 days of retirement and the member has not entered into a prearranged agreement for employment with any participating employer. Nothing herein shall prevent any person, member or retiree from being employed, appointed or elected as an employee, appointee, officer or member of the legislature. Elected officers may retire from the system on any date on or after the attainment of the normal retirement date, but no retirement benefits payable under this act shall be paid until the member has terminated such member's office.

(2) No retiree shall make contributions to the system or receive

1 service credit for any service after the date of retirement.

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

8 (4) Any member may retire before such member's normal retirement
9 date on the first day of any 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 55 with the completion of 10 years of credited service,
13 but in no event before six months after the entry date, upon the filing with
14 the office of the retirement system of an application for retirement in such
15 form and manner as the board shall prescribe. *The member's application*
16 *for retirement shall contain a certification by the member that the member*
17 *will not be employed with any participating employer within 60 days of*
18 *retirement and the member has not entered into a prearranged agreement*
19 *for employment with any participating employer.*

20 (5) Except as provided in subsection (7), on or after July 1, 2006, for
21 any retiree who is first employed or appointed in or to any position or
22 office by a participating employer other than a participating employer for
23 which such retiree was employed or appointed during the final two years
24 of such retiree's participation, and, on or after April 1, 2009, for any
25 retiree who is employed by a third-party entity who contracts services
26 with a participating employer other than a participating employer for
27 which such retiree was employed or appointed during the final two years
28 of such retiree's participation to fill a position covered under K.S.A. 72-
29 5410(a), and amendments thereto, with such retiree, such participating
30 employer shall pay to the system the actuarially determined employer
31 contribution and the statutorily prescribed employee contribution based on
32 the retiree's compensation during any such period of employment or
33 appointment. If a retiree who retired on or after July 1, 1988, is employed
34 or appointed in or to any position or office for which compensation for
35 service is paid in an amount equal to \$20,000 or more in any one such
36 calendar year, or \$25,000 or more in any one calendar year between July 1,
37 2016, and July 1, 2021, by any participating employer for which such
38 retiree was employed or appointed during the final two years of such
39 retiree's participation, and, on or after April 1, 2009, by any third-party
40 entity who contracts services to fill a position covered under K.S.A. 72-
41 5410(a), and amendments thereto, with such retiree with a participating
42 employer for which such retiree was employed or appointed during the
43 final two years of such retiree's participation, such retiree shall not

1 receive any retirement benefit for any month for which such retiree serves
2 in such position or office. The participating employer who employs such
3 retiree whether by contract directly with the retiree or through an
4 arrangement with a third-party entity shall report to the system within 30
5 days of when the compensation paid to the retiree is equal to or exceeds
6 any limitation provided by this section. Any participating employer who
7 contracts services with any such third-party entity to fill a position covered
8 under K.S.A. 72-5410(a), and amendments thereto, shall include in such
9 contract a provision or condition which requires the third-party entity to
10 provide the participating employer with the necessary compensation paid
11 information related to any such position filled by the third-party entity
12 with a retiree to enable the participating employer to comply with
13 provisions of this subsection relating to the payment of contributions and
14 reporting requirements. The provisions and requirements provided for in
15 amendments made in this act which relate to positions filled with a retiree
16 or employment of a retiree by a third-party entity shall not apply to any
17 contract for services entered into prior to April 1, 2009, between a
18 participating employer and third-party entity as described in this
19 subsection. Any retiree employed by a participating employer or a third-
20 party entity as provided in this subsection shall not make contributions nor
21 receive additional credit under such system for such service except as
22 provided by this section. Upon request of the executive director of the
23 system, the secretary of revenue shall provide such information as may be
24 needed by the executive director to carry out the provisions of this act. The
25 provisions of this subsection shall not apply to retirees employed as
26 substitute teachers or officers, employees or appointees of the legislature.
27 The provisions of this subsection shall not apply to members of the
28 legislature prior to January 8, 2000. The provisions of this subsection shall
29 not apply to any other elected officials prior to the term of office of such
30 elected official which commences on or after July 1, 2000. The provisions
31 of this subsection shall apply to any other elected official, except an
32 elected city or county officer as further provided in this subsection, on and
33 after the term of office of such other elected official which commences on
34 or after July 1, 2000. Notwithstanding any provisions of law to the
35 contrary, when an elected city or county officer is retired under the
36 provisions of subsection (1) or (4) of this section and is paid an amount of
37 compensation of \$25,000 or more in any one calendar year between July 1,
38 2016, and July 1, 2021, such officer may receive such officer's salary, and
39 still be entitled to receive such officer's retirement benefit pursuant to the
40 provisions of K.S.A. 74-4915 et seq., and amendments thereto. Except as
41 otherwise provided, commencing January 8, 2001, the provisions of this
42 subsection shall apply to members of the legislature. For determination of
43 the amount of compensation paid pursuant to this subsection, for members

1 of the legislature, compensation shall include any amount paid as provided
2 pursuant to K.S.A. 46-137a(a), (b), (c) and (d), and amendments thereto,
3 or pursuant to K.S.A. 46-137b, and amendments thereto. Notwithstanding
4 any provision of law to the contrary, when a member of the legislature is
5 paid an amount of compensation of \$20,000 or more in any one calendar
6 year, the member may continue to receive any amount provided in K.S.A.
7 46-137a(b) and (d), and amendments thereto, and still be entitled to
8 receive such member's retirement benefit. Commencing July 1, 2005, the
9 provisions of this subsection shall not apply to retirees who either retired
10 under the provisions of subsection (1), or, if they retired under the
11 provisions of subsection (4), were retired more than 30 days prior to the
12 effective date of this act and are licensed professional nurses or licensed
13 practical nurses employed by the state of Kansas in an institution as
14 defined in K.S.A. 76-12a01(b) or K.S.A. 38-2302(f), and amendments
15 thereto, the Kansas soldiers' home or the Kansas veterans' home. Nothing
16 in this subsection shall be construed to create any right, or to authorize the
17 creation of any right, which is not subject to amendment or nullification by
18 act of the legislature. The participating employer of such retiree shall pay
19 to the system the actuarially determined employer contribution based on
20 the retiree's compensation during any such period of employment.

21 (6) For purposes of this section, any employee of a local
22 governmental unit which has its own pension plan who becomes an
23 employee of a participating employer as a result of a merger or
24 consolidation of services provided by local governmental units, which
25 occurred on January 1, 1994, may count service with such local
26 governmental unit in determining whether such employee has met the
27 years of credited service requirements contained in this section.

28 (7) (a) Except as provided in K.S.A. 74-4937(3), (4), or (5), and
29 amendments thereto, and the provisions of this subsection, commencing
30 July 1, 2016, and ending July 1, 2021, any retiree who is employed or
31 appointed in or to any position by a participating employer or a third-party
32 entity who contracts services with a participating employer to fill a
33 position, without any prearranged agreement with such participating
34 employer and not prior to 60 days after such retiree's retirement date, shall
35 not receive any retirement benefit for any month in any calendar year in
36 which the retiree receives compensation in an amount equal to \$25,000 or
37 more, pursuant to this subsection. The provisions of this subsection shall
38 apply to members of the legislature.

39 (b) The provisions of this subsection shall not apply to retirees that
40 are:

41 (i) Licensed professional nurses or licensed practical nurses
42 employed by the state of Kansas in an institution as defined in K.S.A. 76-
43 12a01(b) or 38-2302(f), and amendments thereto, the Kansas soldiers'

, except as specifically provided in this subsection,

1 home or the Kansas veterans' home. The participating employer of such
2 retiree shall pay to the system the actuarially determined employer
3 contribution based on the retiree's compensation and the statutorily
4 prescribed employee contribution during any such period of employment;
5 (ii) employed by a school district in a position as provided in K.S.A.
6 74-4937(3), (4) or (5), and amendments thereto;

7 (iii) certified law enforcement officers employed by the law
8 enforcement training center. Such law enforcement officers shall receive
9 their benefits notwithstanding this subsection. The law enforcement
10 training center shall pay to the system the actuarial determined employer
11 contribution and the statutorily prescribed employee contribution based on
12 the retiree's compensation during any such period of employment;

13 (iv) members of the Kansas police and firemen's retirement system
14 pursuant to K.S.A. 74-4951 et seq., and amendments thereto, or members
15 of the retirement system for judges pursuant to K.S.A. 20-2601 et seq., and
16 amendments thereto;

17 (v) employed as substitute teachers or officers, employees or
18 appointees of the legislature; and

19 (vi) employed by, or have accepted employment from, a participating
20 employer prior to May 1, 2015. Any break in continuous employment by a
21 retiree or move to a different position by a retiree during the effective
22 period of this subsection shall be deemed new employment and shall
23 subject the retiree to the provisions of this subsection.

24 (c) The participating employer shall enroll all retirees and report to
25 the system when compensation is paid to a retiree as provided in this
26 subsection. *Such report shall contain a certification by the appointing
27 authority of the participating employer that any hired retiree has not
28 been employed by the participating employer within 60 days of such
29 retiree's retirement and that there was no prearranged agreement for
30 employment between the participating employer and the hired retiree.*
31 Upon request of the executive director of the system, the participating
32 employer shall provide such information as may be needed by the
33 executive director to carry out the provisions of this subsection. Any
34 participating employer who hires a retiree covered by this subsection shall
35 pay to the system the statutorily prescribed employer contribution rate for
36 such retiree, without regard to whether the retiree is receiving benefits.
37 No retiree shall receive credit for service while employed under the
38 provisions of this subsection.

39 (d) A participating employer may employ a retiree without regard to
40 the compensation limitation in this subsection for a period of one calendar
41 year or one school year, as the case may be, if the following requirements
42 are met:

43 (i) The employer certifies to the board that the position being filled

. Any retiree employed by a school district in a position in K.S.A. 74-4937(4) or (5), and amendments thereto, shall be subject to the provisions of subsection (7)(i) which relate to a limitation on the total term of employment with any participating employer in which a retiree may receive such retiree's full retirement benefit

1 has been vacated due to an unexpected emergency or the employer has
2 been unsuccessful in filling the position;

3 (ii) the employer pays to the system ~~the actuarially determined~~
4 employer contribution based on the retiree's compensation during any
5 such period of employment ~~plus 8%~~;

6 (iii) the employer maintains documentation of its efforts to fill the
7 position with a non-retiree and provides such documentation to the joint
8 committee on pensions, investments and benefits upon request of the
9 committee.

10 (e) An employer may submit a written appeal to the joint committee
11 on pensions, investments and benefits to extend the exception provided for
12 in subsection (7)(d) by one year. Such written appeal shall include
13 documentation of the employer's efforts to fill the position with a non-
14 retiree. Granting or denial of such extension shall be at the sole discretion
15 of the committee.

16 (f) On July 1, 2016, and at least every five years thereafter, the joint
17 committee on pensions, investments and benefits shall study the issue of
18 whether the compensation limitation prescribed in this subsection should
19 be adjusted. The committee shall consider the effect of inflation and data
20 on member retirement benefits and active employee compensation.

21 (g) Nothing in this subsection shall be construed to create any right,
22 or to authorize the creation of any right, which is not subject to
23 amendment or nullification by act of the legislature.

24 (8) *If determined by the retirement system that a retiree entered into
25 a prearranged agreement for employment with a participating employer
26 prior to such retiree's retirement, the monthly retirement benefit of such
27 retiree shall be suspended during the period that begins on the month in
28 which the retiree is re-employed and ends six months after the retiree's
29 termination of such employment. The retiree shall repay to the retirement
30 system all monthly retirement benefits paid to the retiree by the retirement
31 system that the retiree received after such employment began.*

32 Sec. 2. K.S.A. 2015 Supp. 74-4937 is hereby amended to read as
33 follows: 74-4937. (1) The normal retirement date of a member of the
34 system who is in school employment and who is subject to K.S.A. 74-
35 4940, and amendments thereto, shall be the first day of the month
36 coinciding with or following termination of employment not followed by
37 employment with any participating employer within 60 days and without
38 any prearranged agreement for employment with any participating
39 employer, and the attainment of age 65 or, commencing July 1, 1986, age
40 65 or age 60 with the completion of 35 years of credited service or at any
41 age with the completion of 40 years of credited service, or commencing
42 July 1, 1993, any alternative normal retirement date already prescribed by
43 law or age 62 with the completion of 10 years of credited service or the

a 30%

assurance protocol

system

. On or before July 1, 2019, and at least every three years thereafter, the board, in consultation with the system's consulting actuary, shall evaluate the plan's experience with employment of such retirees and the corresponding employer contribution rate to assess whether the employer contribution rate can be expected to fund adverse experience or higher liabilities accruing under the system in connection with employment of such retirees, to the extent that such liability can be ascertained or estimated. Based on this evaluation of the plan's experience, the board may certify to the division of the budget, in the case of the state, and to the agent for each other participating employer, a new rate if needed to more fully fund such adverse experience or additional liabilities, but such rate shall not be less than 30%.

assurance protocol

one-year increments for a total extension not to exceed three years. A written assurance protocol shall be submitted to the system for each one-year increment extension. If a school district submits a written assurance protocol, such written assurance protocol shall be signed by the superintendent and the board president of such school district. If a municipality, as defined in K.S.A. 75-1117, and amendments thereto, other than a school district, submits a written assurance protocol, such written assurance protocol shall be signed by the governing body or such governing body's designee for such municipality.

state that the position was advertised on multiple platforms for a minimum of 30 calendar days and that at least one of the following conditions occurred:

- (i) No applications were submitted for the position;
- (ii) if applications were submitted, none of the applicants met the reference screening criteria of the employer; or
- (iii) if applications were submitted, none of the applicants possessed the appropriate licensure, certification or other necessary credentials for the position

(h) Any retiree hired by any participating employer under the provisions of subsection (7)(d) or K.S.A. 74-4937(4) or (5), and amendments thereto, may continue to receive such retiree's full retirement benefit so long as such retiree's total term of employment with all participating employers under one or more of such provisions does not exceed 48 months or four school years, whichever is less. After such period, such retiree shall not receive any retirement benefit for any month in any calendar year in which such retiree receives compensation in an amount equal to \$25,000 or more in such calendar year.

1 first day of the month coinciding with or following the date that the total
2 of the number of years of credited service and the number of years of
3 attained age of the member is equal to or more than 85. Each member
4 upon giving prior notice to the appointing authority and the retirement
5 system may retire on the normal retirement date or the first day of any
6 month thereafter. *Such member's application for retirement shall contain a*
7 *certification by the member that the member will not be employed with any*
8 *participating employer within 60 days of retirement and the member has*
9 *not entered into a prearranged agreement for employment with any*
10 *participating employer.*

11 (2) Any member who is in school employment and who is subject to
12 K.S.A. 74-4940, and amendments thereto, may retire before such
13 member's normal retirement date on the first day of the month coinciding
14 with or following termination of employment not followed by employment
15 with any participating employer within 60 days and the attainment of age
16 55 with the completion of 10 years of credited service, upon the filing with
17 the office of the retirement system of an application for retirement in such
18 form and manner as the board shall prescribe. *The member's application*
19 *for retirement shall contain a certification by the member that the member*
20 *will not be employed with any participating employer within 60 days of*
21 *retirement and the member has not entered into a prearranged agreement*
22 *for employment with any participating employer.*

23 (3) Before July 1, 2017, the provisions of K.S.A. 74-4914(5), and
24 amendments thereto, which relate to an earnings limitation which when
25 met or exceeded requires that the retiree not receive a retirement benefit
26 for any month for which such retiree serves in a position as described
27 herein shall not apply to retirees who either retired under the provisions of
28 K.S.A. 74-4914(1), and amendments thereto, related to normal retirement,
29 or, if they retired under the provisions of K.S.A. 74-4914(4), and
30 amendments thereto, related to early retirement, were retired more than 60
31 days prior to May 28, 2009, and are subsequently hired in a position that
32 requires a license under K.S.A. 72-1388, and amendments thereto, or other
33 provision of law. The provisions of this subsection shall only apply to
34 retirees who retired prior to May 1, 2015. The provisions of this
35 subsection do not apply to retirees who retired under K.S.A. 74-4914(4),
36 and amendments thereto, which relates to early retirement prior to age 62.
37 Except as otherwise provided, when a retiree is employed by the same
38 school district or a different school district with which such retiree was
39 employed during the final two years of such retiree's participation or
40 employed by a third-party entity who contracts services with a school
41 district to fill a position as described in this subsection, the participating
42 employer of such retiree shall pay to the system the actuarially
43 determined employer contribution based on the retiree's compensation

1 during any such period of employment plus 8%. The participating
2 employer shall enroll all retirees and report to the system when
3 compensation is paid to a retiree as provided in this subsection. Such
4 notice shall contain a certification by the appointing authority of the
5 participating employer that any hired retiree has not been employed by
6 the participating employer within 60 days of such retiree's retirement and
7 that there was no prearranged agreement for employment between the
8 participating employer and the hired retiree. Upon request of the
9 executive director of the system, the participating employer shall provide
10 such information as may be needed by the executive director to carry out
11 the provisions of this subsection. The provisions of this subsection shall
12 not apply to retirees employed as substitute teachers. The provisions of
13 K.S.A. 74-4914(5), and amendments thereto, shall be applicable to
14 retirees employed as described in this subsection, except as specifically
15 provided in this subsection. Nothing in this subsection shall be construed
16 to create any right, or to authorize the creation of any right, which is not
17 subject to amendment or nullification by act of the legislature. The
18 provisions of this subsection shall expire on June 30, 2017. After such date
19 the Kansas public employees retirement system and its actuary shall report
20 the experience to the joint committee on pensions, investments and
21 benefits.

22 (4) (a) On and after July 1, 2016, a school district may hire a retired
23 licensed professional to fill a special teacher position as defined in K.S.A.
24 72-962, and amendments thereto, if such retiree is hired not prior to 60
25 days after such retiree's retirement date without any prearrangement with
26 such school district in the manner prescribed in this subsection. The
27 participating employer shall enroll all retirees and report to the system
28 when compensation is paid to a retiree as provided in this subsection.
29 Such notice shall contain a certification by the appointing authority of the
30 participating employer that any hired retiree has not been employed by
31 the participating employer within 60 days of such retiree's retirement and
32 that there was no prearranged agreement for employment between the
33 participating employer and the hired retiree. Upon request of the
34 executive director of the system, the participating employer shall provide
35 such information as may be needed by the executive director to carry out
36 the provisions of this subsection.

37 (b) A retiree hired under the provisions of this subsection may
38 continue to receive such retiree's full retirement benefit for a period not to
39 exceed three school years or 36 months, whichever is less, and shall not be
40 subject to the provisions of K.S.A. 74-4914(5), and amendments thereto,
41 which relate to a compensation limitation which when met or exceeded
42 requires that the retiree not receive a retirement benefit for any month for
43 which such retiree serves in a position as described herein. Such retiree

1 may be employed by such employer for some or all of a school year, and
 2 in subsequent school years if the employer is unable to permanently fill the
 3 position with active members, so long as the retiree's total term of
 4 employment with all employers under this subsection does not exceed 36
 5 months or three school years, whichever is less. After such period, the
 6 retiree shall be subject to the provisions of K.S.A. 74-4914(7), and
 7 amendments thereto, which relate to a compensation limitation which
 8 when met or exceeded requires that the retiree not receive a retirement
 9 benefit for any month for which such retiree serves in a position as
 10 described herein. The participating employer of such retiree shall pay to
 11 the system the ~~actuarially determined~~ employer contribution based on the
 12 retiree's compensation during any such period of employment ~~plus 8%~~
 13 The provisions of this subsection shall not apply to retirees employed as
 14 substitute teachers. The provisions of K.S.A. 74-4914(5), and amendments
 15 thereto, shall be applicable to retirees employed as special teachers,
 16 except as specifically provided in this subsection.

17 (c) Each school district that uses the provisions of this subsection to
 18 hire retirees shall maintain documentation describing their recruiting
 19 efforts to obtain non-retiree employees to fill the special teacher positions.
 20 Upon request of the joint committee on pensions, investments and
 21 benefits, an employer shall provide such documentation to the committee.
 22 If the committee finds that an employer has not made sufficient efforts to
 23 hire a non-retiree for the position or if the committee finds evidence of
 24 prearrangement in violation of this section, the three-year exemption
 25 provided pursuant to this subsection may be revoked. The committee shall
 26 notify the executive director of the system that a retiree's exemption has
 27 been revoked within 30 days of making such a determination.

28 (d) An employer may submit a written appeal to the joint committee
 29 on pensions, investments and benefits to extend the exception provided for
 30 in this subsection by one year. Such written appeal shall include
 31 documentation of the employer's efforts to fill the position with a non-
 32 retiree. Granting or denial of such extension shall be at the sole discretion
 33 of the committee. The committee shall notify the executive director of the
 34 system that a retiree's exemption has been extended within 30 days of
 35 making such a determination.

36 (e) Nothing in this subsection shall be construed to create any right,
 37 or to authorize the creation of any right, which is not subject to
 38 amendment or nullification by act of the legislature.

39 (f) The provisions of this subsection shall expire on July 1, 2021.

40 (5) (a) On and after July 1, 2016, a school district may hire a retired
 41 licensed professional to fill a non-special teacher position if such retiree is
 42 hired not prior to 60 days after such retiree's retirement date without any
 43 prearrangement with such school district, and if such school district hires a

a 30%

On or before July 1, 2019, and at least every three years thereafter, the board, in consultation with the system's consulting actuary, shall evaluate the plan's experience with employment of such retirees and the corresponding employer contribution rate to assess whether the employer contribution rate can be expected to fund adverse experience or higher liabilities accruing under the system in connection with employment of such retirees, to the extent that such liability can be ascertained or estimated. Based on this evaluation of the plan's experience, the board may certify to the division of the budget, in the case of the state, and to the agent for each other participating employer, a new rate if needed to more fully fund such adverse experience or additional liabilities, but such rate shall not be less than 30%.

assurance protocol

system

Such written assurance protocol shall be signed by the superintendent and the board president of the school district.

assurance protocol

state that the position was advertised on multiple platforms for a minimum of 30 calendar days and that at least one of the following conditions occurred:

- (i) No applications were submitted for the position;
- (ii) if applications were submitted, none of the applicants met the reference screening criteria of the employer; or
- (iii) if applications were submitted, none of the applicants possessed an appropriate teaching license for the state of Kansas or possessed the appropriate credentials to receive any type of teaching license from the state of Kansas

1 retirant for a hard-to-fill position in the manner prescribed in this
 2 subsection. The participating employer shall enroll all retirants and report
 3 to the system when compensation is paid to a retirant as provided in this
 4 subsection. *Such notice shall contain a certification by the appointing*
 5 *authority of the participating employer that any hired retirant has not*
 6 *been employed by the participating employer within 60 days of such*
 7 *retirant's retirement and that there was no prearranged agreement for*
 8 *employment between the participating employer and the hired retirant.*
 9 Upon request of the executive director of the system, the participating
 10 employer shall provide such information as may be needed by the
 11 executive director to carry out the provisions of this subsection.

12 (b) The state board of education shall annually certify the top five
 13 types of licensed positions that are hard to fill. A school district may hire a
 14 retirant to fill a hard-to-fill position for some or all of a school year and in
 15 subsequent school years if the employer is unable to permanently fill the
 16 position with an active member. A retirant first hired under the provisions
 17 of this subsection may be retained by an employer even if such retirant's
 18 type of position is no longer one of the five types of positions certified by
 19 the state board of education. A retirant hired under the provisions of this
 20 subsection may continue to receive such retirant's full retirement benefit
 21 for a period not to exceed three school years or 36 months, whichever is
 22 less, and shall not be subject to the provisions of K.S.A. 74-4914(5), and
 23 amendments thereto, which relate to a compensation limitation which
 24 when met or exceeded requires that the retirant not receive a retirement
 25 benefit for any month for which such retirant serves in a position as
 26 described herein. Such retirant may be employed by such employer for
 27 some or all of a school year, and in subsequent school years if the
 28 employer is unable to permanently fill the position with active members,
 29 so long as the retirant's total term of employment with all employers under
 30 this subsection does not exceed 36 months or three school years,
 31 whichever is less. After such period, the retirant shall be subject to the
 32 provisions of K.S.A. 74-4914(7), and amendments thereto, which relate to
 33 a compensation limitation which when met or exceeded requires that the
 34 retirant not receive a retirement benefit for any month for which such
 35 retirant serves in a position as described herein. The participating
 36 employer of such retirant shall pay to the system the ~~actuarially~~
 37 ~~determined~~ employer contribution based on the retirant's compensation
 38 during any such period of employment ~~plus 8%.~~ The provisions of this
 39 subsection shall not apply to retirants employed as substitute teachers. The
 40 provisions of K.S.A. 74-4914(5), and amendments thereto, shall be
 41 applicable to retirants employed as described in this subsection, except as
 42 specifically provided in this subsection.

43 (c) Each school district that uses the provisions of this subsection to

a 30%

On or before July 1, 2019, and at least every three years thereafter, the board, in consultation with the system's consulting actuary, shall evaluate the plan's experience with employment of such retirants and the corresponding employer contribution rate to assess whether the employer contribution rate can be expected to fund adverse experience or higher liabilities accruing under the system in connection with employment of such retirants, to the extent that such liability can be ascertained or estimated. Based on this evaluation of the plan's experience, the board may certify to the division of the budget, in the case of the state, and to the agent for each other participating employer, a new rate if needed to more fully fund such adverse experience or additional liabilities, but such rate shall not be less than 30%.

1 hire retirees for hard-to-fill positions shall maintain documentation
 2 describing their recruiting efforts to obtain non-retiree employees to fill
 3 the hard-to-fill positions. Upon request of the joint committee on pensions,
 4 investments and benefits, a school district shall provide such
 5 documentation to the committee. If the committee finds that a school
 6 district has not made sufficient efforts to hire a non-retiree for the position
 7 or if the committee finds evidence of prearrangement in violation of this
 8 section, the three-year exemption provided pursuant to this subsection may
 9 be revoked. The committee shall notify the executive director of the
 10 system that a retiree's exemption has been revoked within 30 days of
 11 making such a determination.

12 (d) An employer may submit a written appeal to the joint committee
 13 on pensions, investments and benefits to extend the exception provided for
 14 in this subsection by one year. Such written appeal shall include
 15 documentation of the employer's efforts to fill the position with a non-
 16 retiree. Granting or denial of such extension shall be at the sole discretion
 17 of the committee. The committee shall notify the executive director of the
 18 system that a retiree's exemption has been extended within 30 days of
 19 making such a determination.

20 (e) Nothing in this subsection shall be construed to create any right,
 21 or to authorize the creation of any right, which is not subject to
 22 amendment or nullification by act of the legislature.

23 (f) The provisions of this subsection shall expire on July 1, 2021.

24 (6) The provisions of K.S.A. 74-4914(8), and amendments thereto,
 25 shall apply to retirees under the provisions of this section.

26 Sec. 3. K.S.A. 2015 Supp. 74-4914 and 74-4937 are hereby repealed.

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

assurance protocol

system

Such written assurance protocol shall be signed by the
 superintendent and the board president of the school district.

assurance protocol

state that the position was advertised on multiple platforms for a minimum of 30
 calendar days and that at least one of the following conditions occurred:

- (i) No applications were submitted for the position;
- (ii) if applications were submitted, none of the applicants met the reference
 screening criteria of the employer; or
- (iii) if applications were submitted, none of the applicants possessed an
 appropriate teaching license for the state of Kansas or possessed the appropriate
 credentials to receive any type of teaching license from the state of Kansas

(7) Any retiree hired by any participating employer under the provisions of
 subsections (4) or (5) or K.S.A. 74-4914(7)(d), and amendments thereto, may
 continue to receive such retiree's full retirement benefit so long as such
 retiree's total term of employment with all participating employers under one or
 more of such provisions does not exceed 48 months or four school years,
 whichever is less. After such period, such retiree shall not receive any
 retirement benefit for any month in any calendar year in which such retiree
 receives compensation in an amount equal to \$25,000 or more in such calendar
 year.

46-2201,

Section 1. K.S.A. 2015 Supp. 46-2201 is hereby amended to read as follows: 46-2201. (a) There is hereby created the joint committee on pensions, investments and benefits which shall be composed of five senators and eight members of the house of representatives. The five senate members shall be the chairperson of the standing committee on ways and means of the senate, or a member of such committee appointed by the chairperson, two members appointed by the president and two members appointed by the minority leader. The eight representative members shall be the chairperson of the standing committee on appropriations of the house of representatives, or a member of such committee appointed by the chairperson, four members appointed by the speaker and three members appointed by the minority leader.

(b) All members of the joint committee on pensions, investments and benefits shall serve for terms ending on the first day of the regular legislative session in odd-numbered years. The chairperson and vice-chairperson serving on the effective date of this act will continue to serve in such capacities through June 30, 1998. On and after July 1, 1998, and until the first day of the 1999 regular legislative session, the chairperson shall be one of the senate members of the joint committee selected by the president and the vice-chairperson shall be one of the representative members selected by the speaker. Thereafter, on and after the first day of the regular legislative session in odd-numbered years, the chairperson shall be one of the representative members of the joint committee selected by the speaker and the vice-chairperson shall be one of the senate members selected by the president and on and after the first day of the regular legislative session in even-numbered years, the chairperson shall be one of the senate members of the joint committee selected by the president and the vice-chairperson shall be one of the representative members of the joint committee selected by the speaker. The chairperson and vice-chairperson of the joint committee shall serve in such capacities until the first day of the regular legislative session in the ensuing year. The vice-chairperson shall exercise all of the powers of the chairperson in the absence of the chairperson.

(c) The joint committee on pensions, investments and benefits shall meet at any time and at any place within the state on call of the chairperson. Members of the joint committee shall receive compensation and travel expenses and subsistence expenses or allowances as provided in K.S.A. 75-3212, and amendments thereto, when attending meetings of such committee authorized by the legislative coordinating council.

(d) In accordance with K.S.A. 46-1204, and amendments thereto, the legislative coordinating council may provide for such professional services as may be requested by the joint committee on pensions, investments and benefits.

(e) The joint committee on pensions, investments and benefits may introduce such legislation as deemed necessary in performing such committee's functions.

(f) The joint committee on pensions, investments and benefits shall:

- (1) Monitor, review and make recommendations regarding investment policies and objectives formulated by the board of trustees of the Kansas public employees retirement system;
- (2) review and make recommendations relating to benefits for members under the Kansas public employees retirement system;
- (3) consider and make recommendations to the standing committee of the senate specified by the president of the senate relating to the confirmation of members of the board of trustees of the Kansas public employees retirement system appointed pursuant to K.S.A. 74-4905, and amendments thereto. The information provided by the Kansas bureau of investigation or other criminal justice agency pursuant to K.S.A. 74-4905(h), and amendments thereto, relating to the confirmation of members of the board to the standing committee of the senate specified by the president shall be forwarded by the Kansas bureau of investigation or such other criminal justice agency to such joint committee for such joint committee's consideration and other than conviction data, shall be confidential and shall not be disclosed except to members and employees of the joint committee as necessary to determine qualifications of such member. The committee, in accordance with K.S.A. 75-4319, and amendments thereto, shall recess for a closed or executive meeting to receive and discuss information received by the committee pursuant to this subsection;
- (4) review and make recommendations relating to the inclusion of city and county correctional officers as eligible members of the Kansas police and firemen's retirement system; and
- (5) review reports and ~~approve or deny~~ appeals regarding working after retirement exceptions pursuant to K.S.A. 74-4914 and 74-4937, and amendments thereto. The joint committee may appoint a subcommittee to carry out the provisions of this subsection.