

House Substitute for SENATE BILL No. 168

By Committee on Pensions and Benefits

3-18

1 AN ACT concerning retirement and pensions; relating to the Kansas public
2 employees retirement system and systems thereunder; normal
3 retirement; requiring certification that there is no prearranged
4 agreement of employment with participating employers prior to
5 retirement; providing certain penalties for violations thereof;
6 employment after retirement; special provisions for certain retirants;
7 certain duties of the joint committee on pensions, investments and
8 benefits; employer rate of contribution; increasing compensation
9 limitation for members of the Kansas police and firemen's retirement
10 system; amending K.S.A. 74-4957a and K.S.A. 2015 Supp. 46-2201,
11 74-4914, 74-4937 and 74-4957 and repealing the existing sections.
12

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

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

26 (b) All members of the joint committee on pensions, investments and
27 benefits shall serve for terms ending on the first day of the regular
28 legislative session in odd-numbered years. ~~The chairperson and vice-~~
29 ~~chairperson serving on the effective date of this act will continue to serve~~
30 ~~in such capacities through June 30, 1998. On and after July 1, 1998, and~~
31 ~~until the first day of the 1999 regular legislative session, the chairperson~~
32 ~~shall be one of the senate members of the joint committee selected by the~~
33 ~~president and the vice-chairperson shall be one of the representative~~
34 ~~members selected by the speaker. Thereafter, On and after the first day of~~
35 ~~the regular legislative session in odd-numbered years, the chairperson shall~~
36 ~~be one of the representative members of the joint committee selected by~~

1 the speaker and the vice-chairperson shall be one of the senate members
2 selected by the president and on and after the first day of the regular
3 legislative session in even-numbered years, the chairperson shall be one of
4 the senate members of the joint committee selected by the president and
5 the vice-chairperson shall be one of the representative members of the
6 joint committee selected by the speaker. The chairperson and vice-
7 chairperson of the joint committee shall serve in such capacities until the
8 first day of the regular legislative session in the ensuing year. The vice-
9 chairperson shall exercise all of the powers of the chairperson in the
10 absence of the chairperson.

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

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

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

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

25 (1) Monitor, review and make recommendations regarding
26 investment policies and objectives formulated by the board of trustees of
27 the Kansas public employees retirement system;

28 (2) review and make recommendations relating to benefits for
29 members under the Kansas public employees retirement system;

30 (3) consider and make recommendations to the standing committee of
31 the senate specified by the president of the senate relating to the
32 confirmation of members of the board of trustees of the Kansas public
33 employees retirement system appointed pursuant to K.S.A. 74-4905, and
34 amendments thereto. The information provided by the Kansas bureau of
35 investigation or other criminal justice agency pursuant to K.S.A. 74-
36 4905(h), and amendments thereto, relating to the confirmation of members
37 of the board to the standing committee of the senate specified by the
38 president shall be forwarded by the Kansas bureau of investigation or such
39 other criminal justice agency to such joint committee for such joint
40 committee's consideration and other than conviction data, shall be
41 confidential and shall not be disclosed except to members and employees
42 of the joint committee as necessary to determine qualifications of such
43 member. The committee, in accordance with K.S.A. 75-4319, and

1 amendments thereto, shall recess for a closed or executive meeting to
2 receive and discuss information received by the committee pursuant to this
3 subsection;

4 (4) review and make recommendations relating to the inclusion of
5 city and county correctional officers as eligible members of the Kansas
6 police and firemen's retirement system; and

7 (5) review reports ~~and approve or deny appeals~~ regarding working
8 after retirement exceptions pursuant to K.S.A. 74-4914 and 74-4937, and
9 amendments thereto. The joint committee may appoint a subcommittee to
10 carry out the provisions of this subsection.

11 Sec. 2. K.S.A. 2015 Supp. 74-4914 is hereby amended to read as
12 follows: 74-4914. (1) The normal retirement date for a member of the
13 system shall be the first day of the month coinciding with or following
14 termination of employment with any participating employer not followed
15 by employment with any participating employer within 60 days *and*
16 *without any prearranged agreement for employment with any*
17 *participating employer*; and the attainment of age 65 or, commencing July
18 1, 1993, age 62 with the completion of 10 years of credited service or the
19 first day of the month coinciding with or following the date that the total
20 of the number of years of credited service and the number of years of
21 attained age of the member is equal to or more than 85. In no event shall a
22 normal retirement date for a member be before six months after the entry
23 date of the participating employer by whom such member is employed. A
24 member may retire on the normal retirement date or on the first day of any
25 month thereafter upon the filing with the office of the retirement system of
26 an application in such form and manner as the board shall prescribe. *Such*
27 *application shall contain a certification by the member that the member*
28 *will not be employed with any participating employer within 60 days of*
29 *retirement and the member has not entered into a prearranged agreement*
30 *for employment with any participating employer*. Nothing herein shall
31 prevent any person, member or retirant from being employed, appointed or
32 elected as an employee, appointee, officer or member of the legislature.
33 Elected officers may retire from the system on any date on or after the
34 attainment of the normal retirement date, but no retirement benefits
35 payable under this act shall be paid until the member has terminated such
36 member's office.

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

39 (3) Any member who is an employee of an affiliating employer
40 pursuant to K.S.A. 74-4954b, and amendments thereto, and has not
41 withdrawn such member's accumulated contributions from the Kansas
42 police and firemen's retirement system may retire before such member's
43 normal retirement date on the first day of any month coinciding with or

1 following the attainment of age 55.

2 (4) Any member may retire before such member's normal retirement
3 date on the first day of any month coinciding with or following
4 termination of employment with any participating employer not followed
5 by employment with any participating employer within 60 days and the
6 attainment of age 55 with the completion of 10 years of credited service,
7 but in no event before six months after the entry date, upon the filing with
8 the office of the retirement system of an application for retirement in such
9 form and manner as the board shall prescribe. *The member's application*
10 *for retirement shall contain a certification by the member that the member*
11 *will not be employed with any participating employer within 60 days of*
12 *retirement and the member has not entered into a prearranged agreement*
13 *for employment with any participating employer.*

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

1 contracts services with any such third-party entity to fill a position covered
2 under K.S.A. 72-5410(a), and amendments thereto, shall include in such
3 contract a provision or condition which requires the third-party entity to
4 provide the participating employer with the necessary compensation paid
5 information related to any such position filled by the third-party entity
6 with a retirant to enable the participating employer to comply with
7 provisions of this subsection relating to the payment of contributions and
8 reporting requirements. The provisions and requirements provided for in
9 amendments made in this act which relate to positions filled with a retirant
10 or employment of a retirant by a third-party entity shall not apply to any
11 contract for services entered into prior to April 1, 2009, between a
12 participating employer and third-party entity as described in this
13 subsection. Any retirant employed by a participating employer or a third-
14 party entity as provided in this subsection shall not make contributions nor
15 receive additional credit under such system for such service except as
16 provided by this section. Upon request of the executive director of the
17 system, the secretary of revenue shall provide such information as may be
18 needed by the executive director to carry out the provisions of this act. The
19 provisions of this subsection shall not apply to retirants employed as
20 substitute teachers or officers, employees or appointees of the legislature.
21 The provisions of this subsection shall not apply to members of the
22 legislature prior to January 8, 2000. The provisions of this subsection shall
23 not apply to any other elected officials prior to the term of office of such
24 elected official which commences on or after July 1, 2000. The provisions
25 of this subsection shall apply to any other elected official, except an
26 elected city or county officer as further provided in this subsection, on and
27 after the term of office of such other elected official which commences on
28 or after July 1, 2000. Notwithstanding any provisions of law to the
29 contrary, when an elected city or county officer is retired under the
30 provisions of subsection (1) or (4) of this section and is paid an amount of
31 compensation of \$25,000 or more in any one calendar year between July 1,
32 2016, and July 1, 2021, such officer may receive such officer's salary, and
33 still be entitled to receive such officer's retirement benefit pursuant to the
34 provisions of K.S.A. 74-4915 et seq., and amendments thereto. Except as
35 otherwise provided, commencing January 8, 2001, the provisions of this
36 subsection shall apply to members of the legislature. For determination of
37 the amount of compensation paid pursuant to this subsection, for members
38 of the legislature, compensation shall include any amount paid as provided
39 pursuant to K.S.A. 46-137a(a), (b), (c) and (d), and amendments thereto,
40 or pursuant to K.S.A. 46-137b, and amendments thereto. Notwithstanding
41 any provision of law to the contrary, when a member of the legislature is
42 paid an amount of compensation of \$20,000 or more in any one calendar
43 year, the member may continue to receive any amount provided in K.S.A.

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

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

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

33 (b) The provisions of this subsection shall not apply, *except as*
34 *specifically provided in this subsection*, to retirants that are:

35 (i) Licensed professional nurses or licensed practical nurses
36 employed by the state of Kansas in an institution as defined in K.S.A. 76-
37 12a01(b) or 38-2302(f), and amendments thereto, the Kansas soldiers'
38 home or the Kansas veterans' home. The participating employer of such
39 retirant shall pay to the system the actuarially determined employer
40 contribution based on the retirant's compensation and the statutorily
41 prescribed employee contribution during any such period of employment;

42 (ii) employed by a school district in a position as provided in K.S.A.
43 74-4937(3), (4) or (5), and amendments thereto. *Any retirant employed by*

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

6 (iii) employed by a school district in a position that required a license
7 under K.S.A. 72-1388, and amendments thereto, or other provision of law
8 requiring a similar license and subject to the provisions of K.S.A. 74-4940,
9 and amendments thereto, and who retired at age 62 or later. The school
10 district shall pay to the system a 30% employer contribution based on the
11 retirant's compensation during any such period of employment. On or
12 before July 1, 2019, and at least every three years thereafter, the board, in
13 consultation with the system's consulting actuary, shall evaluate the plan's
14 experience with employment of such retirants and the corresponding
15 employer contribution rate to assess whether the employer contribution
16 rate can be expected to fund adverse experience or higher liabilities
17 accruing under the system in connection with employment of such
18 retirants, to the extent that such liability can be ascertained or estimated.
19 Based on this evaluation of the plan's experience, the board may certify to
20 the division of the budget, in the case of the state, and to the agent for
21 each other participating employer, a new rate if needed to more fully fund
22 such adverse experience or additional liabilities, but such rate shall not be
23 less than 30%;

24 (iv) certified law enforcement officers employed by the law
25 enforcement training center. Such law enforcement officers shall receive
26 their benefits notwithstanding this subsection. The law enforcement
27 training center shall pay to the system the actuarial determined employer
28 contribution and the statutorily prescribed employee contribution based on
29 the retirant's compensation during any such period of employment;

30 ~~(iv)~~-(v) members of the Kansas police and firemen's retirement
31 system pursuant to K.S.A. 74-4951 et seq., and amendments thereto, or
32 members of the retirement system for judges pursuant to K.S.A. 20-2601
33 et seq., and amendments thereto;

34 ~~(v)~~-(vi) employed as substitute teachers or officers, employees or
35 appointees of the legislature; and

36 ~~(vi)~~-(vii) employed by, or have accepted employment from, a
37 participating employer prior to May 1, 2015. Any break in continuous
38 employment by a retirant or move to a different position by a retirant
39 during the effective period of this subsection shall be deemed new
40 employment and shall subject the retirant to the provisions of this
41 subsection.

42 (c) The participating employer shall enroll all retirants and report to
43 the system when compensation is paid to a retirant as provided in this

1 subsection. *Such report shall contain a certification by the appointing*
2 *authority of the participating employer that any hired retirant has not*
3 *been employed by the participating employer within 60 days of such*
4 *retirant's retirement and that there was no prearranged agreement for*
5 *employment between the participating employer and the hired retirant.*
6 Upon request of the executive director of the system, the participating
7 employer shall provide such information as may be needed by the
8 executive director to carry out the provisions of this subsection. Any
9 participating employer who hires a retirant covered by this subsection shall
10 pay to the system the statutorily prescribed employer contribution rate for
11 such retirant, without regard to whether the retirant is receiving benefits.
12 No retirant shall receive credit for service while employed under the
13 provisions of this subsection.

14 (d) A participating employer may employ a retirant without regard to
15 the compensation limitation in this subsection for a period of one calendar
16 year or one school year, as the case may be, if the following requirements
17 are met:

18 (i) The employer certifies to the board that the position being filled
19 has been vacated due to an unexpected emergency or the employer has
20 been unsuccessful in filling the position;

21 (ii) the employer pays to the system ~~the actuarially determined a 30%~~
22 ~~employer contribution based on the retirant's compensation during any~~
23 ~~such period of employment plus 8%. On or before July 1, 2019, and at~~
24 ~~least every three years thereafter, the board, in consultation with the~~
25 ~~system's consulting actuary, shall evaluate the plan's experience with~~
26 ~~employment of such retirants and the corresponding employer~~
27 ~~contribution rate to assess whether the employer contribution rate can be~~
28 ~~expected to fund adverse experience or higher liabilities accruing under~~
29 ~~the system in connection with employment of such retirants, to the extent~~
30 ~~that such liability can be ascertained or estimated. Based on this~~
31 ~~evaluation of the plan's experience, the board may certify to the division of~~
32 ~~the budget, in the case of the state, and to the agent for each other~~
33 ~~participating employer, a new rate if needed to more fully fund such~~
34 ~~adverse experience or additional liabilities, but such rate shall not be less~~
35 ~~than 30% ; and~~

36 (iii) the employer maintains documentation of its efforts to fill the
37 position with a non-retirant and provides such documentation to the joint
38 committee on pensions, investments and benefits upon request of the
39 committee.

40 (e) An employer may submit a written ~~appeal~~ *assurance protocol* to
41 ~~the joint committee on pensions, investments and benefits system~~ to extend
42 the exception provided for in subsection (7)(d) by ~~one year~~ *one-year*
43 *increments for a total extension not to exceed three years. A written*

1 assurance protocol shall be submitted to the system for each one-year
2 increment extension. If a school district submits a written assurance
3 protocol, such written assurance protocol shall be signed by the
4 superintendent and the board president of such school district. If a
5 municipality, as defined in K.S.A. 75-1117, and amendments thereto, other
6 than a school district, submits a written assurance protocol, such written
7 assurance protocol shall be signed by the governing body or such
8 governing body's designee for such municipality. Such written ~~appeal~~
9 assurance protocol shall ~~include documentation of the employer's efforts~~
10 ~~to fill the position with a non-retirant. Granting or denial of such extension~~
11 ~~shall be at the sole discretion of the committee state that the position was~~
12 ~~advertised on multiple platforms for a minimum of 30 calendar days and~~
13 ~~that at least one of the following conditions occurred:~~

14 (i) No applications were submitted for the position;
15 (ii) if applications were submitted, none of the applicants met the
16 reference screening criteria of the employer; or
17 (iii) if applications were submitted, none of the applicants possessed
18 the appropriate licensure, certification or other necessary credentials for
19 the position.

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

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

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

37 (8) If determined by the retirement system that a retirant entered into
38 a prearranged agreement for employment with a participating employer
39 prior to such retirant's retirement, the monthly retirement benefit of such
40 retirant shall be suspended during the period that begins on the month in
41 which the retirant is re-employed and ends six months after the retirant's
42 termination of such employment. The retirant shall repay to the retirement
43 system all monthly retirement benefits paid to the retirant by the retirement

1 *system that the retirant received after such employment began.*

2 Sec. 3. K.S.A. 2015 Supp. 74-4937 is hereby amended to read as
3 follows: 74-4937. (1) The normal retirement date of a member of the
4 system who is in school employment and who is subject to K.S.A. 74-
5 4940, and amendments thereto, shall be the first day of the month
6 coinciding with or following termination of employment not followed by
7 employment with any participating employer within 60 days *and without*
8 *any prearranged agreement for employment with any participating*
9 *employer*, and the attainment of age 65 or, commencing July 1, 1986, age
10 65 or age 60 with the completion of 35 years of credited service or at any
11 age with the completion of 40 years of credited service, or commencing
12 July 1, 1993, any alternative normal retirement date already prescribed by
13 law or age 62 with the completion of 10 years of credited service or the
14 first day of the month coinciding with or following the date that the total
15 of the number of years of credited service and the number of years of
16 attained age of the member is equal to or more than 85. Each member
17 upon giving prior notice to the appointing authority and the retirement
18 system may retire on the normal retirement date or the first day of any
19 month thereafter. *Such member's application for retirement shall contain a*
20 *certification by the member that the member will not be employed with any*
21 *participating employer within 60 days of retirement and the member has*
22 *not entered into a prearranged agreement for employment with any*
23 *participating employer.*

24 (2) Any member who is in school employment and who is subject to
25 K.S.A. 74-4940, and amendments thereto, may retire before such
26 member's normal retirement date on the first day of the month coinciding
27 with or following termination of employment not followed by employment
28 with any participating employer within 60 days and the attainment of age
29 55 with the completion of 10 years of credited service, upon the filing with
30 the office of the retirement system of an application for retirement in such
31 form and manner as the board shall prescribe. *The member's application*
32 *for retirement shall contain a certification by the member that the member*
33 *will not be employed with any participating employer within 60 days of*
34 *retirement and the member has not entered into a prearranged agreement*
35 *for employment with any participating employer.*

36 (3) Before July 1, ~~2017~~ 2020, the provisions of K.S.A. 74-4914(5),
37 and amendments thereto, which relate to an earnings limitation which
38 when met or exceeded requires that the retirant not receive a retirement
39 benefit for any month for which such retirant serves in a position as
40 described herein shall not apply to retirants who either retired under the
41 provisions of K.S.A. 74-4914(1), and amendments thereto, related to
42 normal retirement, or, if they retired under the provisions of K.S.A. 74-
43 4914(4), and amendments thereto, related to early retirement, were retired

1 more than 60 days prior to May 28, 2009, and are subsequently hired in a
2 position that requires a license under K.S.A. 72-1388, and amendments
3 thereto, or other provision of law. The provisions of this subsection shall
4 only apply to retirants who retired prior to May 1, 2015. The provisions of
5 this subsection do not apply to retirants who retired under K.S.A. 74-
6 4914(4), and amendments thereto, which relates to early retirement prior
7 to age 62. Except as otherwise provided, when a retirant is employed by
8 the same school district or a different school district with which such
9 retirant was employed during the final two years of such retirant's
10 participation or employed by a third-party entity who contracts services
11 with a school district to fill a position as described in this subsection, the
12 participating employer of such retirant shall pay to the system the
13 actuarially determined employer contribution based on the retirant's
14 compensation during any such period of employment plus 8%. The
15 participating employer shall enroll all retirants and report to the system
16 when compensation is paid to a retirant as provided in this subsection.
17 *Such notice shall contain a certification by the appointing authority of the*
18 *participating employer that any hired retirant has not been employed by*
19 *the participating employer within 60 days of such retirant's retirement and*
20 *that there was no prearranged agreement for employment between the*
21 *participating employer and the hired retirant.* Upon request of the
22 executive director of the system, the participating employer shall provide
23 such information as may be needed by the executive director to carry out
24 the provisions of this subsection. The provisions of this subsection shall
25 not apply to retirants employed as substitute teachers. The provisions of
26 K.S.A. 74-4914(5), and amendments thereto, shall be applicable to
27 retirants employed as described in this subsection, except as specifically
28 provided in this subsection. Nothing in this subsection shall be construed
29 to create any right, or to authorize the creation of any right, which is not
30 subject to amendment or nullification by act of the legislature. The
31 provisions of this subsection shall expire on June 30, ~~2017~~ 2020. After
32 such date the Kansas public employees retirement system and its actuary
33 shall report the experience to the joint committee on pensions, investments
34 and benefits.

35 (4) (a) On and after July 1, 2016, a school district may hire a retired
36 licensed professional to fill a special teacher position as defined in K.S.A.
37 72-962, and amendments thereto, if such retirant is hired not prior to 60
38 days after such retirant's retirement date without any prearrangement with
39 such school district in the manner prescribed in this subsection. The
40 participating employer shall enroll all retirants and report to the system
41 when compensation is paid to a retirant as provided in this subsection.
42 *Such notice shall contain a certification by the appointing authority of the*
43 *participating employer that any hired retirant has not been employed by*

1 *the participating employer within 60 days of such retirant's retirement and*
2 *that there was no prearranged agreement for employment between the*
3 *participating employer and the hired retirant. Upon request of the*
4 *executive director of the system, the participating employer shall provide*
5 *such information as may be needed by the executive director to carry out*
6 *the provisions of this subsection.*

7 (b) A retirant hired under the provisions of this subsection may
8 continue to receive such retirant's full retirement benefit for a period not to
9 exceed three school years or 36 months, whichever is less, and shall not be
10 subject to the provisions of K.S.A. 74-4914(5), and amendments thereto,
11 which relate to a compensation limitation which when met or exceeded
12 requires that the retirant not receive a retirement benefit for any month for
13 which such retirant serves in a position as described herein. Such retirant
14 may be employed by such employer for some or all of a school year, and
15 in subsequent school years if the employer is unable to permanently fill the
16 position with active members, so long as the retirant's total term of
17 employment with all employers under this subsection does not exceed 36
18 months or three school years, whichever is less. After such period, the
19 retirant shall be subject to the provisions of K.S.A. 74-4914(7), and
20 amendments thereto, which relate to a compensation limitation which
21 when met or exceeded requires that the retirant not receive a retirement
22 benefit for any month for which such retirant serves in a position as
23 described herein. The participating employer of such retirant shall pay to
24 the system ~~the actuarially determined~~ a 30% employer contribution based
25 on the retirant's compensation during any such period of employment ~~plus~~
26 8%. *On or before July 1, 2019, and at least every three years thereafter,*
27 *the board, in consultation with the system's consulting actuary, shall*
28 *evaluate the plan's experience with employment of such retirants and the*
29 *corresponding employer contribution rate to assess whether the employer*
30 *contribution rate can be expected to fund adverse experience or higher*
31 *liabilities accruing under the system in connection with employment of*
32 *such retirants, to the extent that such liability can be ascertained or*
33 *estimated. Based on this evaluation of the plan's experience, the board*
34 *may certify to the division of the budget, in the case of the state, and to the*
35 *agent for each other participating employer, a new rate if needed to more*
36 *fully fund such adverse experience or additional liabilities, but such rate*
37 *shall not be less than 30%. The provisions of this subsection shall not*
38 *apply to retirants employed as substitute teachers. The provisions of*
39 *K.S.A. 74-4914(5), and amendments thereto, shall be applicable to*
40 *retirants employed as special teachers, except as specifically provided in*
41 *this subsection.*

42 (c) Each school district that uses the provisions of this subsection to
43 hire retirants shall maintain documentation describing their recruiting

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

10 (d) An employer may submit a written ~~appeal~~ *assurance protocol* to
11 ~~the joint committee on pensions, investments and benefits system~~ to extend
12 the exception provided for in this subsection by one year. *Such written*
13 *assurance protocol shall be signed by the superintendent and the board*
14 *president of the school district.* Such written ~~appeal~~ *assurance protocol*
15 ~~shall include documentation of the employer's efforts to fill the position~~
16 ~~with a non-retirant. Granting or denial of such extension shall be at the~~
17 ~~sole discretion of the committee. The committee shall notify the executive~~
18 ~~director of the system that a retirant's exemption has been extended within~~
19 ~~30 days of making such a determination state that the position was~~
20 ~~advertised on multiple platforms for a minimum of 30 calendar days and~~
21 ~~that at least one of the following conditions occurred:~~

22 (i) *No applications were submitted for the position;*

23 (ii) *if applications were submitted, none of the applicants met the*
24 *reference screening criteria of the employer; or*

25 (iii) *if applications were submitted, none of the applicants possessed*
26 *an appropriate teaching license for the state of Kansas or possessed the*
27 *appropriate credentials to receive any type of teaching license from the*
28 *state of Kansas.*

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

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

33 (5) (a) On and after July 1, 2016, a school district may hire a retired
34 licensed professional to fill a non-special teacher position if such retirant is
35 hired not prior to 60 days after such retirant's retirement date without any
36 prearrangement with such school district, and if such school district hires a
37 retirant for a hard-to-fill position in the manner prescribed in this
38 subsection. The participating employer shall enroll all retirants and report
39 to the system when compensation is paid to a retirant as provided in this
40 subsection. *Such notice shall contain a certification by the appointing*
41 *authority of the participating employer that any hired retirant has not*
42 *been employed by the participating employer within 60 days of such*
43 *retirant's retirement and that there was no prearranged agreement for*

1 *employment between the participating employer and the hired retireant.*
2 Upon request of the executive director of the system, the participating
3 employer shall provide such information as may be needed by the
4 executive director to carry out the provisions of this subsection.

5 (b) The state board of education shall annually certify the top five
6 types of licensed positions that are hard to fill. A school district may hire a
7 retireant to fill a hard-to-fill position for some or all of a school year and in
8 subsequent school years if the employer is unable to permanently fill the
9 position with an active member. A retireant first hired under the provisions
10 of this subsection may be retained by an employer even if such retireant's
11 type of position is no longer one of the five types of positions certified by
12 the state board of education. A retireant hired under the provisions of this
13 subsection may continue to receive such retireant's full retirement benefit
14 for a period not to exceed three school years or 36 months, whichever is
15 less, and shall not be subject to the provisions of K.S.A. 74-4914(5), and
16 amendments thereto, which relate to a compensation limitation which
17 when met or exceeded requires that the retireant not receive a retirement
18 benefit for any month for which such retireant serves in a position as
19 described herein. Such retireant may be employed by such employer for
20 some or all of a school year, and in subsequent school years if the
21 employer is unable to permanently fill the position with active members,
22 so long as the retireant's total term of employment with all employers under
23 this subsection does not exceed 36 months or three school years,
24 whichever is less. After such period, the retireant shall be subject to the
25 provisions of K.S.A. 74-4914(7), and amendments thereto, which relate to
26 a compensation limitation which when met or exceeded requires that the
27 retireant not receive a retirement benefit for any month for which such
28 retireant serves in a position as described herein. The participating
29 employer of such retireant shall pay to the system ~~the actuarially~~
30 ~~determined~~ a 30% employer contribution based on the retireant's
31 compensation during any such period of employment ~~plus 8%.~~ *On or*
32 *before July 1, 2019, and at least every three years thereafter, the board, in*
33 *consultation with the system's consulting actuary, shall evaluate the plan's*
34 *experience with employment of such retireants and the corresponding*
35 *employer contribution rate to assess whether the employer contribution*
36 *rate can be expected to fund adverse experience or higher liabilities*
37 *accruing under the system in connection with employment of such*
38 *retireants, to the extent that such liability can be ascertained or estimated.*
39 *Based on this evaluation of the plan's experience, the board may certify to*
40 *the division of the budget, in the case of the state, and to the agent for*
41 *each other participating employer; a new rate if needed to more fully fund*
42 *such adverse experience or additional liabilities, but such rate shall not be*
43 *less than 30%. The provisions of this subsection shall not apply to retireants*

1 employed as substitute teachers. The provisions of K.S.A. 74-4914(5), and
2 amendments thereto, shall be applicable to retirants employed as described
3 in this subsection, except as specifically provided in this subsection.

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

16 (d) An employer may submit a written ~~appeal~~ *assurance protocol* to
17 the ~~joint committee on pensions, investments and benefits system~~ to extend
18 the exception provided for in this subsection by one year. *Such written*
19 *assurance protocol shall be signed by the superintendent and the board*
20 *president of the school district. Such written ~~appeal~~ assurance protocol*
21 ~~shall include documentation of the employer's efforts to fill the position~~
22 ~~with a non-retirant. Granting or denial of such extension shall be at the~~
23 ~~sole discretion of the committee. The committee shall notify the executive~~
24 ~~director of the system that a retirant's exemption has been extended within~~
25 ~~30 days of making such a determination~~ *state that the position was*
26 *advertised on multiple platforms for a minimum of 30 calendar days and*
27 *that at least one of the following conditions occurred:*

28 (i) *No applications were submitted for the position;*
29 (ii) *if applications were submitted, none of the applicants met the*
30 *reference screening criteria of the employer; or*
31 (iii) *if applications were submitted, none of the applicants possessed*
32 *an appropriate teaching license for the state of Kansas or possessed the*
33 *appropriate credentials to receive any type of teaching license from the*
34 *state of Kansas.*

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

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

39 (6) *The provisions of K.S.A. 74-4914(8), and amendments thereto,*
40 *shall apply to retirants under the provisions of this section.*

41 (7) *Any retirant hired by any participating employer under the*
42 *provisions of subsection (4) or (5) or K.S.A. 74-4914(7)(d), and*
43 *amendments thereto, may continue to receive such retirant's full retirement*

1 *benefit so long as such retirant's total term of employment with all*
2 *participating employers under one or more of such provisions does not*
3 *exceed 48 months or four school years, whichever is less. After such*
4 *period, such retirant shall not receive any retirement benefit for any month*
5 *in any calendar year in which such retirant receives compensation in an*
6 *amount equal to \$25,000 or more in such calendar year.*

7 Sec. 4. K.S.A. 2015 Supp. 74-4957 is hereby amended to read as
8 follows: 74-4957. (1) The normal retirement date for a member of the
9 system who is appointed or employed prior to July 1, 1989, and who does
10 not make an election pursuant to K.S.A. 74-4955a, and amendments
11 thereto, shall be the first day of the month coinciding with or following
12 termination of employment not followed by employment with any
13 participating employer within 30 days, and the attainment of age 55 and
14 the completion of 20 years of credited service or the completion of 32
15 years of credited service regardless of the age of the member. Any member
16 may retire on such member's normal retirement date or on the first day of
17 any month thereafter.

18 (2) *Early retirement.* Any member who is appointed or employed
19 prior to July 1, 1989, and who does not make an election pursuant to
20 K.S.A. 74-4955a, and amendments thereto, may retire before such
21 member's normal retirement date on the first day of any month coinciding
22 with or following termination of employment not followed by employment
23 with any participating employer within 30 days and the attainment of age
24 50 and the completion of 20 years of credited service.

25 (3) Notwithstanding the provisions of subsections (1) and (2) of this
26 section and K.S.A. 74-4955a, 74-4957a, 74-4958a, 74-4960a, 74-4963a
27 and 74-4964a, and amendments thereto, the normal retirement date for any
28 member who was, up to the entry date of such member's employer,
29 covered by a pension system under the provisions of K.S.A. 13-14a01 to
30 13-14a14, inclusive, or 14-10a01 to 14-10a15, inclusive, and amendments
31 thereto, shall be the first day of the month coinciding with or following the
32 attainment of age 50 and the completion of 25 years of credited service.

33 (4) In no event shall a member be eligible to retire until such member
34 has been a contributing member of the system for 12 months of
35 participating service, and shall have given such member's employer prior
36 notice of retirement.

37 (5) If a retirant who retired on or after July 1, 1994, is employed,
38 elected or appointed in or to any position or office for which compensation
39 for service is paid in an amount equal to ~~\$15,000~~ \$25,000 or more in any
40 one such calendar year, by the same state agency or the same police or fire
41 department of any county, city, township or special district or the same
42 sheriff's office of a county during the final two years of such retirant's
43 participation, such retirant shall not receive any retirement benefit for any

1 month for which such retirant serves in such position or office. The
2 participating employer shall report to the system within 30 days of when
3 the compensation paid to the retirant is equal to or exceeds any limitation
4 provided by this section. Any retirant employed by a participating
5 employer in the Kansas police and firemen's retirement system shall not
6 make contributions nor receive additional credit under such system for
7 such service except as provided by this section. Upon request of the
8 executive director of the system, the secretary of revenue shall provide
9 such information as may be needed by the executive director to carry out
10 the provisions of this act.

11 Sec. 5. K.S.A. 74-4957a is hereby amended to read as follows: 74-
12 4957a. (1) The normal retirement date for a member of the system who is
13 appointed or employed on or after July 1, 1989, or who makes an election
14 pursuant to K.S.A. 74-4955a, and amendments thereto, to be covered by
15 the provisions of this act shall be the first day of the month coinciding with
16 or following termination of employment not followed by employment with
17 any participating employer within 30 days and the attainment of age 55
18 and the completion of 20 years of credited service, age 50 and the
19 completion of 25 years of credited service or age 60 with the completion
20 of 15 years of credited service. Any such member may retire on such
21 member's normal retirement date or on the first day of any month
22 thereafter.

23 (2) Any member may retire before such member's normal retirement
24 date on the first day of any month coinciding with or following
25 termination of employment not followed by employment with any
26 participating employer within 30 days and the attainment of age 50 and the
27 completion of 20 years of credited service.

28 (3) In no event shall a member be eligible to retire until such member
29 has been a contributing member of the system for 12 months of
30 participating service, and shall have given such member's employer prior
31 notice of retirement.

32 (4) If a retirant who retired on or after July 1, 1996, is employed,
33 elected or appointed in or to any position or office for which compensation
34 for service is paid in an amount equal to ~~\$15,000~~ \$25,000 or more in any
35 one such calendar year, by the same state agency or the same police or fire
36 department of any county, city, township or special district or the same
37 sheriff's office of a county during the final two years of such retirant's
38 participation, such retirant shall not receive any retirement benefit for any
39 month for which such retirant serves in such position or office. The
40 participating employer shall report to the system within 30 days of when
41 the compensation paid to the retirant is equal to or exceeds any limitation
42 provided by this section. Any retirant employed by a participating
43 employer in the Kansas police and firemen's retirement system shall not

1 make contributions nor receive additional credit under such system for
2 such service except as provided by this section. Upon request of the
3 executive director of the system, the secretary of revenue shall provide
4 such information as may be needed by the executive director to carry out
5 the provisions of this act.

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

11 Sec. 6. K.S.A. 74-4957a and K.S.A. 2015 Supp. 46-2201, 74-4914,
12 74-4937 and 74-4957 are hereby repealed.

13 Sec. 7. This act shall take effect and be in force from and after its
14 publication in the statute book.