

SENATE BILL No. 27

By Committee on Ways and Means

1-12

Proposed Amendments to SB 27
For Committee on Ways and Means
February 2, 2017
Prepared by: David Wiese
Office of Revisor of Statutes

1 AN ACT making and concerning appropriations for the fiscal years ending
2 June 30, 2017, June 30, 2018, and June 30, 2019, for state agencies;
3 authorizing certain transfers, capital improvement projects and fees,
4 imposing certain restrictions and limitations, and directing or
5 authorizing certain receipts, disbursements, procedures and acts
6 incidental to the foregoing; amending K.S.A. 2016 Supp.[~~74-4914d~~],74-
7 4920, 75-2319 and repealing the existing sections; also repealing
8 K.S.A. 2016 Supp. 75-2319d.
9

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

11 Section 1. (a) For the fiscal years ending June 30, 2017, June 30,
12 2018, and June 30, 2019, appropriations are hereby made, restrictions and
13 limitations are hereby imposed, and transfers, capital improvement
14 projects, fees, receipts, disbursements, procedures and acts incidental to
15 the foregoing are hereby directed or authorized as provided in this act.

16 (b) The agencies named in this act are hereby authorized to initiate
17 and complete the capital improvement projects specified and authorized by
18 this act or for which appropriations are made by this act, subject to the
19 restrictions and limitations imposed by this act.

20 (c) This act shall not be subject to the provisions of K.S.A. 75-
21 6702(a), and amendments thereto.

22 (d) The appropriations made by this act shall not be subject to the
23 provisions of K.S.A. 46-155, and amendments thereto.

24 Sec. 2.

25 **ABSTRACTERS' BOARD OF EXAMINERS**

26 (a) On the effective date of this act, the expenditure limitation
27 established for the fiscal year ending June 30, 2017, by section 30(a) of
28 chapter 104 of the 2015 Session Laws of Kansas on the abstracters' fee
29 fund (016-00-2700-0100) of the abstracters' board of examiners is hereby
30 increased from \$23,348 to \$26,348.

31 (b) On the effective date of this act, or as soon thereafter as moneys
32 are available, the director of accounts and reports shall transfer \$1,995
33 from the abstracters' fee fund (016-00-2700-0100) of the abstracters' board
34 of examiners to the general fees fund (173-00-2197-2020) of the
35 department of administration.

36 Sec. 3.

1 Leavenworth county SFL spillway.....\$350,000
 2 *Provided*, That all expenditures from each such capital improvement
 3 account shall be in addition to any expenditure limitations imposed on the
 4 wildlife fee fund for fiscal year 2017.

5 (j) In addition to the other purposes for which expenditures may be
 6 made by the above agency from the sport fish restoration fund for fiscal
 7 year 2017, expenditures may be made by the above agency from the
 8 following capital improvement account or accounts of the sport fish
 9 restoration fund during fiscal year 2017 for the following capital
 10 improvement project or projects, subject to the expenditure limitations
 11 prescribed therefor:

12 Leavenworth county SFL spillway.....\$1,050,000
 13 *Provided*, That all expenditures from each such capital improvement
 14 account shall be in addition to any expenditure limitations imposed on the
 15 sport fish restoration fund for fiscal year 2017.

16 (k) In addition to the other purposes for which expenditures may be
 17 made by the above agency from the recreational trails program fund for
 18 fiscal year 2017, expenditures may be made by the above agency from the
 19 following capital improvement account or accounts of the recreational
 20 trails program fund during fiscal year 2017 for the following capital
 21 improvement project or projects, subject to the expenditure limitations
 22 prescribed therefor:

23 Flint hills nature trail.....\$1,600,000
 24 *Provided*, That all expenditures from each such capital improvement
 25 account shall be in addition to any expenditure limitations imposed on the
 26 recreational trails program fund for fiscal year 2017.

27 Sec. 72.

28 DEPARTMENT OF TRANSPORTATION

29 (a) On the effective date of this act, the expenditure limitation
 30 established for the fiscal year ending June 30, 2017, by section 97(c) of
 31 chapter 12 of the 2016 Session Laws of Kansas on the agency operations
 32 account (276-00-4100-0403) of the state highway fund is hereby decreased
 33 from \$255,917,332 to \$250,541,503.

34 Sec. 73. (a) On the effective date of this act, the amount authorized to
 35 be expended from each appropriation from the state general fund during
 36 the fiscal year ending June 30, 2017, for employer contributions for
 37 eligible employers as specified in K.S.A. 74-4931(1), (2) and (3), and
 38 amendments thereto, under the Kansas public employees retirement
 39 system pursuant to K.S.A. 74-4939, and amendments thereto, in the
 40 aggregate, is hereby decreased by ~~[\$84,258,099]~~

\$90,000,000

41 (b) (1) On and after the date certified by the director of the budget
 42 under subsection (b)(2), and notwithstanding the provisions of K.S.A. 74-
 43 4920 and 74-4939, and amendments thereto, or any other statute, no state

1 agency shall pay to the Kansas public employees retirement system any
2 amounts during the remainder of the fiscal year ending June 30, 2017, that
3 constitute the state's contribution for employer contributions for eligible
4 employers as specified in K.S.A. 74- 4931(1), (2) and (3), and
5 amendments thereto, under the Kansas public employees retirement
6 system pursuant to K.S.A. 74-4939, and amendments thereto.

7 (2) During the fiscal year ending June 30, 2017, the director of the
8 budget shall continuously monitor the status of the state general fund with
9 regard to expenditures for any item of appropriation for employer
10 contributions to the Kansas public employee retirement system for the
11 employers who are eligible employers as specified in K.S.A. 74-4931(1),
12 (2) and (3), and amendments thereto, under the Kansas public employees
13 retirement system pursuant to K.S.A. 74-4939, and amendments thereto.
14 Periodically, the director of the budget shall estimate such expenditures in
15 fiscal year 2017 and the total amount of anticipated expenditures, demand
16 transfers and encumbrances of moneys in the state general fund for such
17 expenditures during the remainder of fiscal year 2017. Based on such
18 expenditure estimates, the director of the budget shall determine the
19 effective date under subsection (b)(1) necessary to provide the expenditure
20 reduction in subsection (a) and shall certify such effective date to the board
21 of trustees of the Kansas public employees retirement system. At the same
22 time as the director of the budget transmits such certification to the board
23 of trustees of the Kansas public employees retirement system, the director
24 of the budget shall transmit a copy of such certification to the director of
25 legislative research.

26 ~~[Sec. 74. (a) On the effective date of this act, the amount authorized to~~
27 ~~be expended from each appropriation from the state general fund during~~
28 ~~the fiscal year ending June 30, 2017, for employer contributions to the~~
29 ~~Kansas public employees retirement system for the state of Kansas~~
30 ~~pursuant to K.S.A. 74-4920, and amendments thereto, in the aggregate, is~~
31 ~~hereby decreased by \$1,611,667.~~

32 ~~(b) On the effective date certified by the director of the budget under~~
33 ~~subsection (e)(2), the amount authorized to be expended from each~~
34 ~~appropriation from the state water plan fund during the fiscal year ending~~
35 ~~June 30, 2017, for employer contributions to the Kansas public employees~~
36 ~~retirement system for the state of Kansas pursuant to K.S.A. 74-4920, and~~
37 ~~amendments thereto, is hereby decreased by the amount resulting from the~~
38 ~~suspension of employer contributions for the state of Kansas under~~
39 ~~subsection (e)(1) on and after the effective date certified by the director of~~
40 ~~the budget under subsection (e)(2).~~

41 ~~(c) On the effective date certified by the director of the budget under~~
42 ~~subsection (e)(2), the amount authorized to be expended from each~~
43 ~~appropriation from the state economic development initiatives fund during~~

1 ~~the fiscal year ending June 30, 2017, for employer contributions to the~~
2 ~~Kansas public employees retirement system for the state of Kansas~~
3 ~~pursuant to K.S.A. 74-4920, and amendments thereto, is hereby decreased~~
4 ~~by the amount resulting from the suspension of employer contributions for~~
5 ~~the state of Kansas under subsection (e)(1) on and after the effective date~~
6 ~~certified by the director of the budget under subsection (e)(2).~~

7 ~~(d) On the effective date certified by the director of the budget under~~
8 ~~subsection (e)(2), the amount authorized to be expended from each special~~
9 ~~revenue fund during the fiscal year ending June 30, 2017, for employer~~
10 ~~contributions to the Kansas public employees retirement system for the~~
11 ~~state of Kansas pursuant to K.S.A. 74-4920, and amendments thereto, is~~
12 ~~hereby decreased by the amount resulting from the suspension of employer~~
13 ~~contributions for the state of Kansas under subsection (e)(1) on and after~~
14 ~~the effective date certified by the director of the budget under subsection~~
15 ~~(e)(2).~~

16 ~~(e)(1) On and after the date certified by the director of the budget~~
17 ~~under subsection (e)(2), and notwithstanding the provisions of K.S.A. 74-~~
18 ~~4914b and 74-4920, and amendments thereto, or any other statute, no state~~
19 ~~agency shall pay to the Kansas public employees retirement system any~~
20 ~~amounts during the remainder of the fiscal year ending June 30, 2017, that~~
21 ~~constitute employer contributions for the state of Kansas.~~

22 ~~(2) During the fiscal year ending June 30, 2017, the director of the~~
23 ~~budget shall continuously monitor the status of the state general fund with~~
24 ~~regard to expenditures for any item of appropriation for employer~~
25 ~~contributions to the Kansas public employee retirement system for the~~
26 ~~state of Kansas pursuant to K.S.A. 74-4920, and amendments thereto.~~
27 ~~Periodically, the director of the budget shall estimate such expenditures in~~
28 ~~fiscal year 2017 and the total amount of anticipated expenditures, demand~~
29 ~~transfers and encumbrances of moneys in the state general fund for such~~
30 ~~expenditures during the remainder of fiscal year 2017. Based on such~~
31 ~~expenditure estimates, the director of the budget shall determine the~~
32 ~~effective date under subsection (e)(1) necessary to provide the expenditure~~
33 ~~reduction in subsection (a) and shall certify such effective date to the board~~
34 ~~of trustees of the Kansas public employees retirement system. At the same~~
35 ~~time as the director of the budget transmits such certification to the board~~
36 ~~of trustees of the Kansas public employees retirement system, the director~~
37 ~~of the budget shall transmit a copy of such certification to the director of~~
38 ~~legislative research.~~

39 ~~Sec. 75. On the effective date of this act, the provisions of section 50~~
40 ~~of chapter 111 of the 2016 Session Laws of Kansas are hereby declared to~~
41 ~~be null and void and shall have no force and effect.]~~

42 ~~Sec. 76. (a) During fiscal year 2017, if the director of the budget~~
43 ~~certified and the director of accounts and reports transferred any amount~~

1 appropriated from the following funds: expanded lottery act revenue fund,
2 state water plan fund, economic development initiatives fund, children's
3 initiatives fund, endowment for youth fund, educational buildings fund,
4 state institutions building fund or the correctional institutions building
5 fund, to the state general fund, pursuant to the authority granted in section
6 98(a)(2) of chapter 12 of the 2016 Session Laws of Kansas, then on the
7 effective date of this act, the director of accounts and reports shall lapse
8 the same amount certified and transferred from such fund: *Provided*, That
9 the director of the budget shall notify the director of legislative research of
10 any such lapse.

11 (b) During fiscal year 2017, if the director of the budget certifies any
12 amount appropriated from the following funds: expanded lottery act
13 revenue fund, state water plan fund, economic development initiatives
14 fund, children's initiatives fund, endowment for youth fund, educational
15 buildings fund, state institutions building fund or the correctional
16 institutions building fund, to the state general fund, pursuant to the
17 authority granted in section 98(a)(2) of chapter 12 of the 2016 Session
18 Laws of Kansas, then upon such certification, the director of accounts and
19 reports shall transfer the amount certified and lapse the same amount
20 certified and transferred from such fund: *Provided*, That the director of the
21 budget shall notify the director of legislative research of any such lapse.

22 ~~Sec. 77. K.S.A. 2016 Supp. 74-4914d is hereby amended to read as~~
23 ~~follows: 74-4914d. (1) Any additional cost resulting from the normal~~
24 ~~retirement date and retirement before such normal retirement date for~~
25 ~~security officers as provided in K.S.A. 74-4914c, and amendments thereto,~~
26 ~~and disability benefits as provided in K.S.A. 74-4914e, and amendments~~
27 ~~thereto, shall be added to the employer rate of contribution for the~~
28 ~~department of corrections as otherwise determined under K.S.A. 74-4920,~~
29 ~~and amendments thereto, except that the employer rate of contribution for~~
30 ~~the department of corrections including any such additional cost added to~~
31 ~~such employer rate of contribution pursuant to this section shall in no~~
32 ~~event exceed the employer rate of contribution for the department of~~
33 ~~corrections for the immediately preceding fiscal year by more than the~~
34 ~~following amounts expressed as a percentage of compensation upon which~~
35 ~~security officers contribute during the period: (a) For the fiscal year~~
36 ~~commencing in calendar years 2010 through 2012, an amount not to~~
37 ~~exceed more than 0.6% of the amount of the immediately preceding fiscal~~
38 ~~year; (b) for the fiscal year commencing in calendar year 2013, an amount~~
39 ~~not to exceed more than 0.9% of the amount of the immediately preceding~~
40 ~~fiscal year; (c) for the fiscal year commencing in calendar year 2014, an~~
41 ~~amount not to exceed more than 1% of the amount of the immediately~~
42 ~~preceding fiscal year; (d) for the fiscal year commencing in calendar year~~
43 ~~2015, the employer rate of contribution shall be 10.91%; (e) for the fiscal~~

Remove K.S.A. 74-4914d from the bill

~~1 year commencing in calendar year 2016, the employer rate of contribution
2 shall be 10.81%, except as provided by section 74(e), and amendments
3 thereto; and (f) in each subsequent calendar year, an amount not to exceed
4 more than 1.2% of the amount of the immediately preceding fiscal year, to
5 be calculated without regard to transfers made pursuant to section 50 of
6 chapter 111 of the 2016 Session Laws of Kansas. As used in this section,
7 "capitalized interest" means interest payments on the bonds that are
8 prefunded or financed from bond proceeds as part of the issue for a
9 specified period of time in order to offset one or more initial debt service
10 payments.~~

11 Sec. 78. K.S.A. 2016 Supp. 74-4920 is hereby amended to read as
12 follows: 74-4920. (1) (a) Upon the basis of each annual actuarial valuation
13 and appraisal as provided for in K.S.A. 74-4908(3)(a), and amendments
14 thereto, the board shall certify, on or before July 15 of each year, to the
15 division of the budget in the case of the state and to the agent for each
16 other participating employer an actuarially determined estimate of the rate
17 of contribution which will be required, together with all accumulated
18 contributions and other assets of the system, to be paid by each such
19 participating employer to pay all liabilities which shall exist or accrue
20 under the system, including amortization of the actuarial accrued liability
21 as determined by the board. The board shall determine the actuarial cost
22 method to be used in annual actuarial valuations, to determine the
23 employer contribution rates that shall be certified by the board. Such
24 certified rate of contribution, amortization methods and periods and
25 actuarial cost method shall be based on the standards set forth in K.S.A.
26 74-4908(3)(a), and amendments thereto, and shall not be based on any
27 other purpose outside of the needs of the system.

28 (b) (i) For employers affiliating on and after January 1, 1999, upon
29 the basis of an annual actuarial valuation and appraisal of the system
30 conducted in the manner provided for in K.S.A. 74-4908, and amendments
31 thereto, the board shall certify, on or before July 15 of each year to each
32 such employer an actuarially determined estimate of the rate of
33 contribution which shall be required to be paid by each such employer to
34 pay all of the liabilities which shall accrue under the system from and after
35 the entry date as determined by the board, upon recommendation of the
36 actuary. Such rate shall be termed the employer's participating service
37 contribution and shall be uniform for all participating employers. Such
38 additional liability shall be amortized as determined by the board. For all
39 participating employers described in this section, the board shall determine
40 the actuarial cost method to be used in annual actuarial valuations to
41 determine the employer contribution rates that shall be certified by the
42 board.

43 (ii) The board shall determine for each such employer separately an

1 amount sufficient to amortize all liabilities for prior service costs which
2 shall have accrued at the time of entry into the system. On the basis of
3 such determination the board shall annually certify to each such employer
4 separately an actuarially determined estimate of the rate of contribution
5 which shall be required to be paid by that employer to pay all of the
6 liabilities for such prior service costs. Such rate shall be termed the
7 employer's prior service contribution.

8 (2) The division of the budget and the governor shall include in the
9 budget and in the budget request for appropriations for personal services
10 the sum required to satisfy the state's obligation under this act as certified
11 by the board and shall present the same to the legislature for allowance and
12 appropriation.

13 (3) Each other participating employer shall appropriate and pay to the
14 system a sum sufficient to satisfy the obligation under this act as certified
15 by the board.

16 (4) Each participating employer is hereby authorized to pay the
17 employer's contribution from the same fund that the compensation for
18 which such contribution is made is paid from or from any other funds
19 available to it for such purpose. Each political subdivision, other than an
20 instrumentality of the state, which is by law authorized to levy taxes for
21 other purposes, may levy annually at the time of its levy of taxes, a tax
22 which may be in addition to all other taxes authorized by law for the
23 purpose of making its contributions under this act and, in the case of cities
24 and counties, to pay a portion of the principal and interest on bonds issued
25 under the authority of K.S.A. 12-1774, and amendments thereto, by cities
26 located in the county, which tax, together with any other fund available,
27 shall be sufficient to enable it to make such contribution. In lieu of levying
28 the tax authorized in this subsection, any taxing subdivision may pay such
29 costs from any employee benefits contribution fund established pursuant to
30 K.S.A. 12-16,102, and amendments thereto. Each participating employer
31 which is not by law authorized to levy taxes as described above, but which
32 prepares a budget for its expenses for the ensuing year and presents the
33 same to a governing body which is authorized by law to levy taxes as
34 described above, may include in its budget an amount sufficient to make
35 its contributions under this act which may be in addition to all other taxes
36 authorized by law. Such governing body to which the budget is submitted
37 for approval, may levy a tax sufficient to allow the participating employer
38 to make its contributions under this act, which tax, together with any other
39 fund available, shall be sufficient to enable the participating employer to
40 make the contributions required by this act.

41 (5) (a) The rate of contribution certified to a participating employer as
42 provided in this section shall apply during the fiscal year of the
43 participating employer which begins in the second calendar year following

1 the year of the actuarial valuation.

2 (b) (i) Except as specifically provided in this section, for fiscal years
3 commencing in calendar year 1996 and in each subsequent calendar year,
4 the rate of contribution certified to the state of Kansas shall in no event
5 exceed the state's contribution rate for the immediately preceding fiscal
6 year by more than 0.2% of the amount of compensation upon which
7 members contribute during the period.

8 (ii) Except as specifically provided in this subsection, for the fiscal
9 years commencing in the following calendar years, the rate of contribution
10 certified to the state of Kansas and to the participating employers under
11 K.S.A. 74-4931, and amendments thereto, shall in no event exceed the
12 state's contribution rate for the immediately preceding fiscal year by more
13 than the following amounts expressed as a percentage of compensation
14 upon which members contribute during the period: (A) For the fiscal year
15 commencing in calendar years 2010 through 2012, an amount not to
16 exceed more than 0.6% of the amount of the immediately preceding fiscal
17 year; (B) for the fiscal year commencing in calendar year 2013, an amount
18 not to exceed more than 0.9% of the amount of the immediately preceding
19 fiscal year; (C) for the fiscal year commencing in calendar year 2014, an
20 amount not to exceed more than 1% of the amount of the immediately
21 preceding fiscal year; (D) for the fiscal year commencing in calendar year
22 2015, the employer rate of contribution shall be 10.91%; (E) for the fiscal
23 year commencing in calendar year 2016, the employer rate of contribution
24 shall be 10.81%, *except as provided by section 73(b), and amendments*
25 *thereto, for the participating employers under K.S.A. 74-4931, and*
26 *amendments thereto, and section 74(e), and amendments thereto, for the*
27 *state of Kansas*; and (F) in each subsequent calendar year, an amount not
28 to exceed more than 1.2% of the amount of the immediately preceding
29 fiscal year ~~to be calculated without regard to transfers made pursuant to~~
30 ~~section 50 of chapter 111 of the 2016 Session Laws of Kansas.~~ As used in
31 this subsection, "capitalized interest" means interest payments on the
32 bonds that are pre-funded or financed from bond proceeds as part of the
33 issue for a specified period of time in order to offset one or more initial
34 debt service payments.

35 (iii) Except as specifically provided in this section, for fiscal years
36 commencing in calendar year 1997 and in each subsequent calendar year,
37 the rate of contribution certified to participating employers other than the
38 state of Kansas shall in no event exceed such participating employer's
39 contribution rate for the immediately preceding fiscal year by more than
40 0.15% of the amount of compensation upon which members contribute
41 during the period.

42 (iv) Except as specifically provided in this subsection, for the fiscal
43 years commencing in the following calendar years, the rate of contribution

, to be calculated without regard to transfers made pursuant to section 50 of chapter 111 of the 2016 Session Laws of Kansas, and for participating employers under K.S.A. 74-4931, and amendments thereto, an additional percentage of compensation corresponding to the level dollar repayment amount certified by the board pursuant to subsection (17)

1 certified to participating employers other than the state of Kansas shall in
2 no event exceed the contribution rate for such employers for the
3 immediately preceding fiscal year by more than the following amounts
4 expressed as a percentage of compensation upon which members
5 contribute during the period: (A) For the fiscal year commencing in
6 calendar years 2010 through 2013, an amount not to exceed more than
7 0.6% of the amount of the immediately preceding fiscal year; (B) for the
8 fiscal year commencing in calendar year 2014, an amount not to exceed
9 more than 0.9% of the amount of the immediately preceding fiscal year;
10 (C) for the fiscal year commencing in calendar year 2015, an amount not
11 to exceed more than 1% of the amount of the immediately preceding fiscal
12 year; (D) for the fiscal year commencing in calendar year 2016, an amount
13 not to exceed more than 1.1% of the amount of the immediately preceding
14 fiscal year; and (E) for the fiscal year commencing in calendar year 2017,
15 and in each subsequent calendar year, an amount not to exceed more than
16 1.2% of the amount of the immediately preceding fiscal year.

17 (v) As part of the annual actuarial valuation, there shall be a separate
18 employer rate of contribution calculated for the state of Kansas, a separate
19 employer rate of contribution calculated for participating employers under
20 K.S.A. 74-4931, and amendments thereto, a combined employer rate of
21 contribution calculated for the state of Kansas and participating employers
22 under K.S.A. 74-4931, and amendments thereto, and a separate employer
23 rate of contribution calculated for all other participating employers.

24 (vi) There shall be a combined employer rate of contribution certified
25 to the state of Kansas and participating employers under K.S.A. 74-4931,
26 and amendments thereto. There shall be a separate employer rate of
27 contribution certified to all other participating employers.

28 (vii) If the combined employer rate of contribution calculated for the
29 state of Kansas and participating employers under K.S.A. 74-4931, and
30 amendments thereto, is greater than the separate employer rate of
31 contribution for the state of Kansas, the difference in the two rates applied
32 to the actual payroll of the state of Kansas for the applicable fiscal year
33 shall be calculated. This amount shall be certified by the board for deposit
34 as additional employer contributions to the retirement benefit
35 accumulation reserve for the participating employers under K.S.A. 74-
36 4931, and amendments thereto.

37 (6) The actuarial cost of any legislation enacted in the 1994 session of
38 the Kansas legislature will be included in the June 30, 1994, actuarial
39 valuation in determining contribution rates for participating employers.

40 (7) The actuarial cost of the provisions of K.S.A. 74-4950i, and
41 amendments thereto, will be included in the June 30, 1998, actuarial
42 valuation in determining contribution rates for participating employers.
43 The actuarial accrued liability incurred for the provisions of K.S.A. 74-

1 4950i, and amendments thereto, shall be amortized over 15 years.

2 (8) Except as otherwise provided by law, the actuarial cost of any
3 legislation enacted by the Kansas legislature, except the actuarial cost of
4 K.S.A. 74-49,114a, and amendments thereto, shall be in addition to the
5 employer contribution rates certified for the employer contribution rate in
6 the fiscal year immediately following such enactment. Such actuarial cost
7 shall be determined by the qualified actuary employed or retained by the
8 system pursuant to K.S.A. 74-4908, and amendments thereto, and reported
9 to the system and the joint committee on pensions, investments and
10 benefits.

11 (9) Notwithstanding the provisions of subsection (8), the actuarial
12 cost of the provisions of K.S.A. 74-49,109 et seq., and amendments
13 thereto, shall be first reflected in employer contribution rates effective with
14 the first day of the first payroll period for the fiscal year 2005. The
15 actuarial accrued liability incurred for the provisions of K.S.A. 74-49,109
16 et seq., and amendments thereto, shall be amortized over 10 years.

17 (10) The cost of the postretirement benefit payment provided
18 pursuant to the provisions of K.S.A. 2016 Supp. 74-49,114b, and
19 amendments thereto, for retirants other than local retirants as described in
20 subsection (11) or insured disability benefit recipients shall be paid in the
21 fiscal year commencing on July 1, 2007.

22 (11) The actuarial accrued liability incurred for the provisions of
23 K.S.A. 2016 Supp. 74-49,114b, and amendments thereto, for the KPERS
24 local group and retirants who were employees of local employers which
25 affiliated with the Kansas police and firemen's retirement system shall be
26 amortized over 10 years.

27 (12) The cost of the postretirement benefit payment provided
28 pursuant to the provisions of K.S.A. 2016 Supp. 74-49,114c, and
29 amendments thereto, for retirants other than local retirants as described in
30 subsection (13) or insured disability benefit recipients shall be paid in the
31 fiscal year commencing on July 1, 2008.

32 (13) The actuarial accrued liability incurred for the provisions of
33 K.S.A. 2016 Supp. 74-49,114c, and amendments thereto, for the KPERS
34 local group and retirants who were employees of local employers which
35 affiliated with the Kansas police and firemen's retirement system shall be
36 amortized over 10 years.

37 (14) The board with the advice of the actuary may fix the contribution
38 rates for participating employers joining the system after one year from the
39 first entry date or for employers who exercise the option contained in
40 K.S.A. 74-4912, and amendments thereto, at rates different from the rate
41 fixed for employers joining within one year of the first entry date.

42 (15) Employer contributions shall in no way be limited by any other
43 act which now or in the future establishes or limits the compensation of

1 any member.

2 (16) Notwithstanding any provision of law to the contrary, each
 3 participating employer shall remit quarterly, or as the board may otherwise
 4 provide, all employee deductions and required employer contributions to
 5 the executive director for credit to the Kansas public employees retirement
 6 fund within three days after the end of the period covered by the
 7 remittance by electronic funds transfer. Remittances of such deductions
 8 and contributions received after such date are delinquent. Delinquent
 9 payments due under this subsection shall be subject to interest at the rate
 10 established for interest on judgments under K.S.A. 16-204(a), and
 11 amendments thereto. At the request of the board, delinquent payments
 12 which are due or interest owed on such payments, or both, may be
 13 deducted from any other moneys payable to such employer by any
 14 department or agency of the state.

15 Sec. 79. K.S.A. 2016 Supp. 75-2319 is hereby amended to read as
 16 follows: 75-2319. (a) There is hereby established in the state treasury the
 17 school district capital improvements fund. The fund shall consist of all
 18 amounts transferred thereto under the provisions of subsection (c).

19 (b) In each school year, each school district which is obligated to
 20 make payments from its capital improvements fund shall be entitled to
 21 receive payment from the school district capital improvements fund in an
 22 amount determined by the state board of education as provided in this
 23 subsection.

24 (1) For general obligation bonds approved for issuance at an election
 25 held prior to July 1, 2015, the state board of education shall:

26 (A) Determine the amount of the assessed valuation per pupil (AVPP)
 27 of each school district in the state and round such amount to the nearest
 28 \$1,000. The rounded amount is the AVPP of a school district for the
 29 purposes of this subsection (b)(1);

30 (B) determine the median AVPP of all school districts;

31 (C) prepare a schedule of dollar amounts using the amount of the
 32 median AVPP of all school districts as the point of beginning. The
 33 schedule of dollar amounts shall range upward in equal \$1,000 intervals
 34 from the point of beginning to and including an amount that is equal to the
 35 amount of the AVPP of the school district with the highest AVPP of all
 36 school districts and shall range downward in equal \$1,000 intervals from
 37 the point of beginning to and including an amount that is equal to the
 38 amount of the AVPP of the school district with the lowest AVPP of all
 39 school districts;

40 (D) determine a state aid percentage factor for each school district by
 41 assigning a state aid computation percentage to the amount of the median
 42 AVPP shown on the schedule, decreasing the state aid computation
 43 percentage assigned to the amount of the median AVPP by one percentage

(17) The actuarial cost of the reduction of employer contributions for eligible employers as specified in K.S.A. 74-4931(1), (2) and (3), and amendments thereto, pursuant to the provisions of section 73, and amendments thereto, shall be amortized over 20 years as a level dollar amount, as certified by the board upon recommendation of the consulting actuary, through an additional percentage of compensation for participating employers under K.S.A. 74-4931, and amendments thereto. This additional percentage of compensation shall first be reflected in employer contribution rates for participating employers under K.S.A. 74-4931, and amendments thereto, effective with the first day of the first payroll period for the fiscal year 2018.

1 the amount determined or allocated to the district by the state board of
2 education pursuant to subsection (b)(4), is the amount of payment the
3 school district is entitled to receive from the school district capital
4 improvements fund in the school year.

5 (c) The state board of education shall certify to the director of
6 accounts and reports the entitlements of school districts determined under
7 the provisions of subsection (b), and an amount equal thereto shall be
8 transferred by the director from the state general fund to the school district
9 capital improvements fund for distribution to school districts. All transfers
10 made in accordance with the provisions of this subsection shall be
11 considered to be demand transfers from the state general fund, except that
12 all such transfers during the fiscal years ending ~~June 30, 2013~~; June 30,
13 ~~2014~~ 2017, June 30, ~~2015~~ 2018, and June 30, ~~2016~~ 2019, shall be
14 considered to be revenue transfers from the state general fund.

15 (d) Payments from the school district capital improvements fund shall
16 be distributed to school districts at times determined by the state board of
17 education to be necessary to assist school districts in making scheduled
18 payments pursuant to contractual bond obligations. The state board of
19 education shall certify to the director of accounts and reports the amount
20 due each school district entitled to payment from the fund, and the director
21 of accounts and reports shall draw a warrant on the state treasurer payable
22 to the treasurer of the school district. Upon receipt of the warrant, the
23 treasurer of the school district shall credit the amount thereof to the bond
24 and interest fund of the school district to be used for the purposes of such
25 fund.

26 (e) The provisions of this section apply only to contractual
27 obligations incurred by school districts pursuant to general obligation
28 bonds issued upon approval of a majority of the qualified electors of the
29 school district voting at an election upon the question of the issuance of
30 such bonds.

31 (f) On or before the first day of the legislative session in 2017, and
32 each year thereafter, the state board of education shall prepare and submit
33 a report to the legislature that includes information on school district
34 elections held on or after July 1, 2016, to approve the issuance of general
35 obligation bonds and the amount of payments school districts were
36 approved to receive from the school district capital improvements fund
37 pursuant to subsection (b)(4)(C).

38 Sec. 80. K.S.A. 2016 Supp. [~~74-4914d,~~] 74-4920, 75-2319 and 75-
39 2319d are hereby repealed.

40 Sec. 81. If any fund or account name described by words and the
41 numerical accounting code which follows such fund or account name do
42 not match, it shall be conclusively presumed that the legislature intended
43 that the fund or account name described by words is the correct fund or