

2018 Kansas Statutes

74-4919h. Purchase of participating service credit for certain military service; terms and conditions; payroll deductions or lump-sum payment. (1) In addition to any military service credited under the provisions of K.S.A. 74-4913 or 74-4936, and amendments thereto, or in the event that an active contributing member does not qualify for credit for military service as defined in subsection (22) of K.S.A. 74-4902, and amendments thereto, such member may purchase, subject to the provisions of K.S.A. 74-49,123, and amendments thereto, participating credit for periods of active service in the armed forces of the United States or in the commissioned corps of the United States public health service and for periods of service required to fulfill the requirements of section 651 of title 10, United States code, which are not otherwise creditable, which when added to any creditable military service do not exceed six years. Except as provided in subsection (4)(a) for such purchase of participating credit for such periods of such military service which is the basis for military pension rights, such member shall be entitled to purchase one quarter of participating service credit for each year of service required to fulfill the requirements of section 651 of title 10, United States code. Except as otherwise provided in this section, such purchase shall be effected by the member submitting proof of such service acceptable to the board and, if first commenced prior to January 1, 1996, electing in writing to have employee contributions as provided in K.S.A. 74-4919, and amendments thereto, deducted from such member's compensation at a percentage rate equal to two times or three times the employee's rate of contribution as provided in K.S.A. 74-4919, and amendments thereto, for such periods of service. Such deductions shall commence at the beginning of the quarter following such election and shall remain in effect until all of the full quarters of such service have been purchased. Any person may make any such purchase as described in this section, subject to the provisions of K.S.A. 74-49,123, and amendments thereto, if first commenced in calendar year 1996 or thereafter, at an additional rate of contribution, in addition to the employee's rate of contribution as provided in K.S.A. 74-4919, and amendments thereto, based upon the member's attained age at the time of purchase and using actuarial assumptions and tables in use by the retirement system at such time of purchase, for such periods of service, in lieu of a lump-sum amount as provided in this section. Such additional rate of contribution shall commence at the beginning of the quarter following such election and shall remain in effect until all quarters of such service have been purchased.

(2) (a) Such purchase of participating service credit must be completed prior to such member's retirement.

(b) For members purchasing such participating service credit on or after July 1, 1993, whose purchase is completed within five years before such member's retirement, subject to the provisions of K.S.A. 74-49,123, and amendments thereto, such member shall pay the actuarially determined amount by means of a single lump-sum payment or equal annual payments which shall be completed prior to retirement. The lump-sum payment or annual payments shall be determined by the system's actuary by using the member's current annual salary at the time, actuarial assumptions and tables currently in use by the system and the member's attained age. Any member who purchases such participating service credit and who does not make the lump-sum payment or annual payments as required by this subsection shall have any previously credited service under this section voided and such member shall be refunded such member's payments previously made for such purchase plus interest. The provisions of this subsection shall not apply to any member who is employed by an institution that is closed or abolished or otherwise ceases operations or that is scheduled for such closure, abolition or cessation of operations and has a budget reduction imposed that is associated with such closure, abolition or cessation of operations, and who is laid off from employment with such institution for the reason of such closure, abolition or cessation. As used in this subsection, "institution" means Topeka state hospital or Winfield state hospital and training center; and "laid off" means, in the case of a state officer or employee in the classified service under the Kansas civil service act, being laid off under K.S.A. 75-2948, and amendments thereto and in the case of a state officer or employee in the unclassified service under the Kansas civil service act, being terminated from employment with the state agency by the appointing authority, except that "laid off" shall not include any separation from employment pursuant to budget reduction or expenditure authority reduction and reduction of F.T.E. positions under K.S.A. 75-6801, and amendments thereto.

(3) In the event such member has elected to purchase participating service credit as provided in K.S.A. 74-4919a to 74-4919e, inclusive, and any amendments thereto, the increased employee contributions and purchase of participating service credit provided herein shall not commence until after the purchase of participating service credit under K.S.A. 74-4919a to 74-4919e, inclusive, and any amendments thereto, has been completed. If a member terminates employment before completing the purchase of all participating service credit as such member may be entitled to, such member shall only receive such credit for those full quarters as the percentage rate equal to two times or three times the employee's rate of contribution as provided in K.S.A. 74-4919, and amendments thereto or those full quarters as the additional rate of contribution, in addition to the employee's rate of contribution as provided in K.S.A. 74-4919, and amendments thereto, has been deducted from such member's compensation.

(4) (a) Any member of the system who has not yet retired may purchase participating service credit for military service as described in this section which is the basis for military pension rights at an additional rate of contribution in addition to the employee's rate of contribution as provided in K.S.A. 74-4919, and amendments thereto, based upon the member's attained age at the time of purchase and using actuarial assumptions and tables in use by the retirement system at the time of such purchase. Such additional rate of contribution shall commence at the beginning of the quarter following such election and shall remain in effect until all quarters of such service have been purchased. Any such member may purchase, subject to the provisions of K.S.A. 74-49,123, and amendments thereto, participating service credit for military service as described in this section by electing to effect such purchase by means of a single lump-sum payment in lieu of employee contributions as provided in this section. The lump-sum payment shall be an amount determined by the actuary using the member's then current annual rate of compensation, or if not actively employed, the member's annual rate of compensation when last participating, the actuarial assumptions and tables currently in use by the retirement system and the member's attained age.

(b) Any member of the retirement system who has not retired may purchase, subject to the provisions of K.S.A. 74-49,123, and amendments thereto, participating service credit for military service as described in this section which is not the basis for military pension rights by electing to effect such purchase by means of a single lump-sum payment in lieu of employee contributions as provided in this section. The lump-sum payment shall be an amount determined by the actuary using the member's then current annual rate of compensation or the member's final average salary at the time the member elects to purchase such service credit, whichever is higher, the actuarial assumptions and tables currently in use by the retirement system and the member's attained age.

History: L. 1974, ch. 332, § 5; L. 1975, ch. 406, § 3; L. 1977, ch. 275, § 2; L. 1985, ch. 254, § 12; L. 1987, ch. 299, § 19; L. 1989, ch. 232, § 10; L. 1993, ch. 227, § 24; L. 1994, ch. 293, § 14; L. 1995, ch. 267, § 15; L. 1996, ch. 266, § 11; L. 1998, ch. 64, § 44; L. 1998, ch. 201, § 21; L. 2006, ch. 143, § 13; July 1.