

## 2018 Kansas Statutes

**74-49,308. Retirement annuity account; interest credits; additional interest credits, determination; credits upon termination.** (a) A member's retirement annuity account is the sum of all employer credits to the account plus the interest credits on the account, which shall be credited no less frequently than quarterly, based on the account balances as of the last day of the preceding quarter. Effective January 1, 2015, the interest credits are 4% per annum. The legislature may from time to time prospectively change the interest credits, and expressly reserves the right to do so.

(b) The board shall provide for an annual additional interest credit. The additional interest credit shall be posted to the member's retirement annuity account on March 31 or as soon as practicable, based on the member's account value as of December 31 of the preceding year. The additional interest credit shall be determined as follows:

(1) For the annual additional interest credit based on the member's retirement annuity account balance as of December 31, 2015, the dividend shall be equal to 75% of the average net rate of return as determined by the board for calendar year 2015 on the market value of the system's assets that is above 6%, except that such additional interest credit shall not exceed 1.5%;

(2) for the annual additional interest credit based on the member's retirement annuity account balance as of December 31, 2016, the dividend shall be equal to 75% of the average net rate of return as determined by the board for calendar years 2015 and 2016 on the market value of the system's assets that is above 6%, except that such additional interest credit shall not exceed 1.5%;

(3) for the additional interest credit based on the member's retirement annuity account balance as of December 31, 2017, the dividend shall be equal to 75% of the average net rate of return as determined by the board for calendar years 2015, 2016 and 2017 on the market value of the system's assets that is above 6%, except that such additional interest credit shall not exceed 1.5%;

(4) for the additional interest credit based on the member's retirement annuity account balance as of December 31, 2018, the dividend shall be equal to 75% of the average net rate of return as determined by the board for calendar years 2015, 2016, 2017 and 2018 on the market value of the system's assets that is above 6%, except that such additional interest credit shall not exceed 1.5%; and

(5) for the additional interest credit based on the member's retirement annuity account balance as of December 31, 2019, and all calendar years thereafter, the dividend shall be equal to 75% of the five-year average net compound rate of return as determined by the board for that calendar year and the previous four calendar years on the market value of the system's assets that is above 6%.

(c) For a member to be eligible for an additional interest credit, the member shall have an account balance at the time the interest credit is posted to the account.

(d) Interest credits under subsections (a) and (b) shall not be granted on the member's non-vested retirement annuity account following the end of the second plan year following the member's termination of employment covered under the plan.

**History:** L. 2012, ch. 171, § 8; L. 2013, ch. 132, § 10; L. 2014, ch. 29, § 2; July 1.