

## SENATE BILL No. 268

By Committee on Judiciary

2-7

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AN ACT concerning the retirement system for judges; relating to contribution and retirement annuities; amending K.S.A. 2000 Supp. 20-2603 and 20-2610 and repealing the existing sections.

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

Section 1. K.S.A. 2000 Supp. 20-2603 is hereby amended to read as follows: 20-2603. (a) Except as otherwise provided in this section, each judge shall contribute 6% of the judge's salary for each payroll period to the fund. Commencing with the first payroll period after 20 years of service by the judge and after the judge reaches 65 years of age, and for each payroll period thereafter, such judge shall contribute 2% of such judge's salary to the fund. Commencing with the first payroll period after the judge has enough years of service to entitle such judge upon retirement to the maximum monthly retirement benefit of 70% of the final average salary of such judge as provided under the provisions of K.S.A. 20-2610 and amendments thereto, and for each payroll period thereafter, each judge shall contribute 4% of such judge's salary to the fund or, commencing on and after the effective date of this act, each such judge shall contribute 2% of such judge's salary to the fund.

(b) The director of accounts and reports shall deduct the amount each judge is to contribute to the fund on the payroll of each judge for each payroll period showing the amount deducted and its credit to the fund. Such deductions shall be remitted quarterly, or as the board may otherwise provide, to the executive secretary of the Kansas public employees retirement system for credit to the fund to the credit of the judge's individual account therein.

(c) Interest on each judge's accumulated contributions at the rate determined under subsection (a) of K.S.A. 74-4922 and amendments thereto shall be added annually to the judge's individual account in the fund.

(d) No member who has retired under the retirement system for judges shall make contributions to that system or receive any service credit under that system for any service after the date of such retirement.

(e) (1) Subject to the provisions of K.S.A. 2000 Supp. 74-49,123 and amendments thereto, each participating employer, pursuant to the pro-

1 visions of section 414(h)(2) of the federal internal revenue code, shall  
2 pick up and pay the contributions which would otherwise be payable by  
3 members as prescribed in subsection (a). The contributions so picked up  
4 shall be treated as employer contributions for purposes of determining  
5 the amounts of federal income taxes to withhold from the member's  
6 compensation.

7 (2) Member contributions picked up by the employer shall be paid  
8 from the same source of funds used for the payment of compensation to  
9 a member. A deduction shall be made from each member's compensation  
10 equal to the amount of the member's contributions picked up by the  
11 employer, provided that such deduction shall not reduce the member's  
12 compensation for purposes of computing benefits under the retirement  
13 system for judges.

14 (3) Member contributions picked up by the employer shall be re-  
15 mitted quarterly, or as the board may otherwise provide, to the executive  
16 secretary for credit to the Kansas public employees retirement fund. Such  
17 contributions shall be credited to a separate account within the member's  
18 individual account so that amounts contributed by the member may be  
19 distinguished from the member contributions picked up by the employer.  
20 Interest shall be added annually to members' individual accounts.

21 Sec. 2. K.S.A. 2000 Supp. 20-2610 is hereby amended to read as  
22 follows: 20-2610. (a) (1) A judge who retires under K.S.A. 20-2608, and  
23 amendments thereto, *on and after July 1, 2001*, shall be entitled to receive  
24 an annual annuity payable in monthly amounts subject to subsection (b),  
25 each such annual annuity of which shall be in an amount equal to the  
26 total of 5% of the final average salary of the judge, determined as provided  
27 in subsection (b), multiplied by the number of the judge's years of service  
28 up to 10 years, and 3.5% of the final average salary of the judge, deter-  
29 mined as provided in subsection (b), multiplied by the number of the  
30 judge's years of service in excess of 10 years, but such annual annuity shall  
31 not exceed ~~70%~~ 80% of the final average salary of such judge, determined  
32 as provided in subsection (b). A judge who retires under K.S.A. 20-2608  
33 and amendments thereto, *prior to July 1, 2001*, and who became a mem-  
34 ber of the system after June 30, 1987, shall be entitled to receive an annual  
35 annuity payable in monthly amounts subject to subsection (b), each such  
36 annual amount of which shall be in an amount equal to the total of 3.5%  
37 of the final average salary of the judge, determined as provided in sub-  
38 section (b), multiplied by the number of the judge's years of service, but  
39 such annual annuity shall not exceed 70% of the final average salary of  
40 the judge, determined as provided in subsection (b). *A judge who retires*  
41 *under K.S.A. 20-2608, and amendments thereto, on and after July 1, 2001,*  
42 *and who became a member after June 30, 1987, shall be entitled to receive*  
43 *an annual annuity payable in monthly installments subject to subsection*

1 *(b), each such annual amount of which shall be in an amount equal to 5%*  
2 *of the final average salary of the judge, determined as provided in sub-*  
3 *section (b), multiplied by the number of the judge's years of service after*  
4 *June 30, 2001, to a maximum of 10 years, which will be the first years*  
5 *used in applying toward the maximum benefit provided in this section,*  
6 *and 3.5% of the final average salary of the judge, determined as provided*  
7 *in subsection (b), of all other years of service, but such annual annuity*  
8 *shall not exceed 80% of the final average salary of such judge, determined*  
9 *as provided in subsection (b).*

10 (2) For purposes of this subsection, the date of membership for a  
11 district magistrate judge who became a member of the system as provided  
12 by K.S.A. 20-2620 and amendments thereto and who purchased service  
13 as provided in subsection (c) of K.S.A. 2000 Supp. 20-2620 and K.S.A.  
14 74-49,123, and amendments thereto shall be the day such district mag-  
15 istrate judge became a district magistrate judge and if such district mag-  
16 istrate judge's membership date as determined in this subsection is earlier  
17 than July 1, 1987, such district magistrate judge shall be entitled to the  
18 5% of final average salary calculation for up to 10 years of service as  
19 provided in this subsection. Any additional cost associated with the pro-  
20 visions of this subsection shall be paid by such district magistrate judge  
21 by means of a single lump-sum payment or equal annual payments for  
22 not to exceed five years. The lump-sum or annual payments shall be  
23 determined by the system's actuary by using the member's final average  
24 salary at the time of application, actuarial assumptions and tables cur-  
25 rently in use by the system and the member's attained age.

26 (b) For any judge who retires under K.S.A. 20-2608 or 20-2609, and  
27 amendments thereto, on or after July 1, 1975, the annuity shall be based  
28 on the final average salary of such judge as provided in this subsection.  
29 The final average salary of a judge who becomes permanently physically  
30 or mentally disabled and who is retired under K.S.A. 20-2608 or 20-2609,  
31 and amendments thereto, shall be determined as if such judge had retired  
32 on the date such judge became permanently physically or mentally dis-  
33 abled. The final average salary of a former judge whose service is termi-  
34 nated without retiring and who later retires under K.S.A. 20-2608, and  
35 amendments thereto, shall be determined as if such former judge had  
36 retired at the time such service was terminated.

37 In the case of judges who retire on or after July 1, 1993, the final  
38 average salary shall mean the average highest annual salary paid to the  
39 judge for any three years of the last 10 years of service as a judge im-  
40 mediately preceding retirement or termination of employment, or if serv-  
41 ice as a judge is less than three years, then the final average salary shall  
42 be the average annual salary paid to the judge during the full period of  
43 service as a judge, or if service as a judge is less than one year, then the

1 final average salary shall be computed by multiplying the amount of  
2 monthly salary such judge was receiving at the time of retirement by 12.

3 (c) The provisions of law in effect on the retirement date of a judge  
4 under the retirement system for judges shall govern the retirement ben-  
5 efit payable to the judge, any joint annuitant and any beneficiary.

6 (d) A judge who retires under K.S.A. 20-2608, and amendments  
7 thereto, and who, after such retirement, again is appointed or elected as  
8 a judge, shall have the judge's retirement annuity suspended as provided  
9 in this subsection. Such judge shall become an active member and make  
10 employee contributions to the system and receive service credit for any  
11 service after the date of commencement of service in such position. Upon  
12 again retiring, any credited service such member subsequently accrues  
13 shall be added to all previous service and the retirement annuity shall be  
14 recalculated in accordance with the provisions of this section.

15 Sec. 3. K.S.A. 2000 Supp. 20-2603 and 20-2610 are hereby repealed.

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

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