

SENATE BILL No. 375

AN ACT concerning retirement; relating to schools and community colleges; early retirement incentive programs; amending K.S.A. 2001 Supp. 71-212 and 72-5395 and repealing the existing sections.

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

Section 1. K.S.A. 2001 Supp. 71-212 is hereby amended to read as follows: 71-212. (a) The board of trustees of any community college may establish an early retirement incentive program for the benefit of the employees of the community college for retirement of employees prior to the normal retirement age of 65 years. As used in this act, an "early retirement incentive program" is a program that provides cash payments, either in the form of a lump-sum payment at the beginning of the fiscal year, or in regular payments during the fiscal year. No payment pursuant to an early retirement incentive program as provided in this section shall be made prior to the retirement under the provisions of the Kansas public employees retirement system of any such employee of the community college. ~~Commencing in the fiscal year that commenced in calendar year 1996 and at least once every three years thereafter, each board that has established an early retirement incentive program as provided in this section shall employ and pay an actuary who is a member of the American academy of actuaries and the society of actuaries and is an enrolled actuary under the employees retirement income security act to conduct an actuarial valuation of the liabilities of the program, except that the initial 1996 actuarial valuation shall not be required as provided in this section of any board that has conducted such an actuarial valuation of its early retirement incentive program within the preceding 18 months of the effective date of this act. Any early retirement incentive program established as provided in this section after the effective date of this act shall conduct the actuarial valuation as required in this section within six months of such establishment and at least once every three years thereafter. Each actuarial valuation required by this section shall be reported to the joint committee on pensions, investments and benefits by such board no later than January 1, 2000.~~

~~(b) The board of trustees of any community college shall not commence any new early retirement incentive programs from the effective date of this act until July 1, 2000.~~

~~(c) An early retirement incentive program established pursuant to subsection (a) prior to the effective date of this act is hereby declared valid.~~

(b) Commencing in the fiscal year that commenced in calendar year 2002 and every three years thereafter, each board that has established an early retirement incentive program shall prepare and submit a report to the state board of regents related to such early retirement incentive program. Such report shall contain: (1) Three years of budget data of such program, including actual costs, and a current year and future years' budget data for three to five years; (2) current costs and benefits of such program and projected costs and benefits of such program for three to five years; (3) current and projected number of participants in such program; and (4) such other information as required by the state board of regents. The state board of regents shall design and distribute forms to carry out the provisions of this act to the board of trustees of each community college that has established an early retirement incentive program. The state board of regents shall compile and prepare a summary report which shall be submitted to the joint committee on pensions, investments and benefits no later than January 1 of the year that follows the end of the fiscal year in which the reporting is required as provided in this subsection.

Sec. 2. K.S.A. 2001 Supp. 72-5395 is hereby amended to read as follows: 72-5395. (a) The board of education of any school district may establish an early retirement incentive program for the benefit of the employees of the district for retirement prior to the normal retirement age of 65 years. As used in this act, an "early retirement incentive program" is a program that provides cash payments, either in the form of a lump-sum payment at the beginning of the fiscal year, or in regular payments during the fiscal year. No payment pursuant to an early retirement incentive program as provided in this section shall be made prior to the retirement under the provisions of the Kansas public employees retirement system for any employee of the district. ~~Commencing in the fiscal year that commenced in calendar year 1996 and at least once every three~~

~~years thereafter, each board that has established an early retirement incentive program as provided in this section shall employ and pay an actuary who is a member of the American academy of actuaries and the society of actuaries and is an enrolled actuary under the employees retirement income security act to conduct an actuarial valuation of the liabilities of the program, except that the initial 1996 actuarial valuation shall not be required as provided in this section of any board that has conducted such an actuarial valuation of its early retirement incentive program within the preceding 18 months of the effective date of this act. Any early retirement incentive program established as provided in this section after the effective date of this act shall conduct the actuarial valuation as required in this section within six months of such establishment and at least once every three years thereafter. Each actuarial valuation required by this section shall be reported to the joint committee on pensions, investments and benefits by such board no later than January 1, 2000.~~

~~(b) The board of education of any school district shall not commence any new early retirement incentive programs from the effective date of this act until July 1, 2000.~~

~~(c) An early retirement incentive program established pursuant to subsection (a) prior to the effective date of this act is hereby declared valid.~~

(b) Commencing in the fiscal year that commenced in calendar year 2002 and every three years thereafter, each board that has established an early retirement incentive program shall prepare and submit a report to the state board of education related to such early retirement incentive program. Such report shall contain: (1) Three years of budget data of such program, including actual costs, and current year and future years' budget data for three to five years; (2) current costs and benefits of such program and projected costs and benefits of such program for three to five years; (3) current and projected number of participants in such program; and (4) such other information as required by the state board of education. The state board of education shall design and distribute forms to carry out the provisions of this act to the board of education of each school district that has established an early retirement incentive program. The state board of education shall compile and prepare a summary report which shall be submitted to the joint committee on pensions, investments and benefits no later than January 1 of the year that follows the end of the fiscal year in which the reporting is required as provided in this subsection.

Sec. 3. K.S.A. 2001 Supp. 71-212 and 72-5395 are hereby repealed.

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

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE concurred in
HOUSE amendments _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE
as amended _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.