

As Amended by House Committee

Session of 2016

HOUSE BILL No. 2700

By Committee on Taxation

2-12

1 AN ACT concerning retirement and pensions; relating to the Kansas public
2 employees retirement system and systems thereunder; normal
3 retirement; requiring certification that there is no prearranged
4 agreement of employment with participating employers prior to
5 retirement; providing certain penalties for violations thereof;
6 **employment after retirement; special provisions for certain**
7 **retirants; certain duties of the joint committee on pensions,**
8 **investments and benefits; employer rate of contribution; increasing**
9 **compensation limitation for members of the Kansas police and**
10 **firemen's retirement system; amending K.S.A. 74-4957a and K.S.A.**
11 **2015 Supp. 46-2201, 74-4914 and, 74-4937 and 74-4957 and repealing**
12 **the existing sections.**
13

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

15 **Section 1. K.S.A. 2015 Supp. 46-2201 is hereby amended to read**
16 **as follows: 46-2201. (a) There is hereby created the joint committee on**
17 **pensions, investments and benefits which shall be composed of five**
18 **senators and eight members of the house of representatives. The five**
19 **senate members shall be the chairperson of the standing committee on**
20 **ways and means of the senate, or a member of such committee**
21 **appointed by the chairperson, two members appointed by the**
22 **president and two members appointed by the minority leader. The**
23 **eight representative members shall be the chairperson of the standing**
24 **committee on appropriations of the house of representatives, or a**
25 **member of such committee appointed by the chairperson, four**
26 **members appointed by the speaker and three members appointed by**
27 **the minority leader.**

28 **(b) All members of the joint committee on pensions, investments**
29 **and benefits shall serve for terms ending on the first day of the regular**
30 **legislative session in odd-numbered years. ~~The chairperson and vice-~~**
31 **~~chairperson serving on the effective date of this act will continue to serve~~**
32 **~~in such capacities through June 30, 1998. On and after July 1, 1998, and~~**
33 **~~until the first day of the 1999 regular legislative session, the chairperson~~**
34 **~~shall be one of the senate members of the joint committee selected by the~~**
35 **~~president and the vice-chairperson shall be one of the representative~~**
36 **~~members selected by the speaker. Thereafter, On and after the first day~~**

1 of the regular legislative session in odd-numbered years, the
2 chairperson shall be one of the representative members of the joint
3 committee selected by the speaker and the vice-chairperson shall be
4 one of the senate members selected by the president and on and after
5 the first day of the regular legislative session in even-numbered years,
6 the chairperson shall be one of the senate members of the joint
7 committee selected by the president and the vice-chairperson shall be
8 one of the representative members of the joint committee selected by
9 the speaker. The chairperson and vice-chairperson of the joint
10 committee shall serve in such capacities until the first day of the
11 regular legislative session in the ensuing year. The vice-chairperson
12 shall exercise all of the powers of the chairperson in the absence of the
13 chairperson.

14 (c) The joint committee on pensions, investments and benefits
15 shall meet at any time and at any place within the state on call of the
16 chairperson. Members of the joint committee shall receive
17 compensation and travel expenses and subsistence expenses or
18 allowances as provided in K.S.A. 75-3212, and amendments thereto,
19 when attending meetings of such committee authorized by the
20 legislative coordinating council.

21 (d) In accordance with K.S.A. 46-1204, and amendments thereto,
22 the legislative coordinating council may provide for such professional
23 services as may be requested by the joint committee on pensions,
24 investments and benefits.

25 (e) The joint committee on pensions, investments and benefits
26 may introduce such legislation as deemed necessary in performing
27 such committee's functions.

28 (f) The joint committee on pensions, investments and benefits
29 shall:

30 (1) Monitor, review and make recommendations regarding
31 investment policies and objectives formulated by the board of trustees
32 of the Kansas public employees retirement system;

33 (2) review and make recommendations relating to benefits for
34 members under the Kansas public employees retirement system;

35 (3) consider and make recommendations to the standing
36 committee of the senate specified by the president of the senate
37 relating to the confirmation of members of the board of trustees of the
38 Kansas public employees retirement system appointed pursuant to
39 K.S.A. 74-4905, and amendments thereto. The information provided
40 by the Kansas bureau of investigation or other criminal justice agency
41 pursuant to K.S.A. 74-4905(h), and amendments thereto, relating to
42 the confirmation of members of the board to the standing committee
43 of the senate specified by the president shall be forwarded by the

1 **Kansas bureau of investigation or such other criminal justice agency**
2 **to such joint committee for such joint committee's consideration and**
3 **other than conviction data, shall be confidential and shall not be**
4 **disclosed except to members and employees of the joint committee as**
5 **necessary to determine qualifications of such member. The committee,**
6 **in accordance with K.S.A. 75-4319, and amendments thereto, shall**
7 **recess for a closed or executive meeting to receive and discuss**
8 **information received by the committee pursuant to this subsection;**

9 **(4) review and make recommendations relating to the inclusion of**
10 **city and county correctional officers as eligible members of the Kansas**
11 **police and firemen's retirement system; and**

12 **(5) review reports and approve or deny appeals regarding working**
13 **after retirement exceptions pursuant to K.S.A. 74-4914 and 74-4937,**
14 **and amendments thereto. The joint committee may appoint a**
15 **subcommittee to carry out the provisions of this subsection.**

16 ~~Section 1.~~ **Sec. 2.** K.S.A. 2015 Supp. 74-4914 is hereby amended to
17 read as follows: 74-4914. (1) The normal retirement date for a member of
18 the system shall be the first day of the month coinciding with or following
19 termination of employment with any participating employer not followed
20 by employment with any participating employer within 60 days *and*
21 *without any prearranged agreement for employment with any*
22 *participating employer*; and the attainment of age 65 or, commencing July
23 1, 1993, age 62 with the completion of 10 years of credited service or
24 the first day of the month coinciding with or following the date that the total
25 of the number of years of credited service and the number of years of
26 attained age of the member is equal to or more than 85. In no event shall a
27 normal retirement date for a member be before six months after the entry
28 date of the participating employer by whom such member is employed. A
29 member may retire on the normal retirement date or on the first day of any
30 month thereafter upon the filing with the office of the retirement system of
31 an application in such form and manner as the board shall prescribe. *Such*
32 *application shall contain a certification by the member that the member*
33 *will not be employed with any participating employer within 60 days of*
34 *retirement and the member has not entered into a prearranged agreement*
35 *for employment with any participating employer.* Nothing herein shall
36 prevent any person, member or retirant from being employed, appointed or
37 elected as an employee, appointee, officer or member of the legislature.
38 Elected officers may retire from the system on any date on or after the
39 attainment of the normal retirement date, but no retirement benefits
40 payable under this act shall be paid until the member has terminated such
41 member's office.

42 (2) No retirant shall make contributions to the system or receive
43 service credit for any service after the date of retirement.

1 (3) Any member who is an employee of an affiliating employer
2 pursuant to K.S.A. 74-4954b, and amendments thereto, and has not
3 withdrawn such member's accumulated contributions from the Kansas
4 police and firemen's retirement system may retire before such member's
5 normal retirement date on the first day of any month coinciding with or
6 following the attainment of age 55.

7 (4) Any member may retire before such member's normal retirement
8 date on the first day of any month coinciding with or following
9 termination of employment with any participating employer not followed
10 by employment with any participating employer within 60 days and the
11 attainment of age 55 with the completion of 10 years of credited service,
12 but in no event before six months after the entry date, upon the filing with
13 the office of the retirement system of an application for retirement in such
14 form and manner as the board shall prescribe. *The member's application*
15 *for retirement shall contain a certification by the member that the member*
16 *will not be employed with any participating employer within 60 days of*
17 *retirement and the member has not entered into a prearranged agreement*
18 *for employment with any participating employer.*

19 (5) Except as provided in subsection (7), on or after July 1, 2006, for
20 any retirant who is first employed or appointed in or to any position or
21 office by a participating employer other than a participating employer for
22 which such retirant was employed or appointed during the final two years
23 of such retirant's participation, and, on or after April 1, 2009, for any
24 retirant who is employed by a third-party entity who contracts services
25 with a participating employer other than a participating employer for
26 which such retirant was employed or appointed during the final two years
27 of such retirant's participation to fill a position covered under K.S.A. 72-
28 5410(a), and amendments thereto, with such retirant, such participating
29 employer shall pay to the system the actuarially determined employer
30 contribution and the statutorily prescribed employee contribution based on
31 the retirant's compensation during any such period of employment or
32 appointment. If a retirant ~~who retired on or after July 1, 1988,~~ is employed
33 or appointed in or to any position or office for which compensation for
34 service is paid in an amount equal to \$20,000 or more in any one such
35 calendar year, or \$25,000 or more in any one calendar year between July 1,
36 2016, and July 1, 2021, by any participating employer for which such
37 retirant was employed or appointed during the final two years of such
38 retirant's participation, and, on or after April 1, 2009, by any third-party
39 entity who contracts services to fill a position covered under K.S.A. 72-
40 5410(a), and amendments thereto, with such retirant with a participating
41 employer for which such retirant was employed or appointed during the
42 final two years of such retirant's participation, such retirant shall not
43 receive any retirement benefit for any month for which such retirant serves

1 in such position or office. The participating employer who employs such
2 retirant whether by contract directly with the retirant or through an
3 arrangement with a third-party entity shall report to the system within 30
4 days of when the compensation paid to the retirant is equal to or exceeds
5 any limitation provided by this section. Any participating employer who
6 contracts services with any such third-party entity to fill a position covered
7 under K.S.A. 72-5410(a), and amendments thereto, shall include in such
8 contract a provision or condition which requires the third-party entity to
9 provide the participating employer with the necessary compensation paid
10 information related to any such position filled by the third-party entity
11 with a retirant to enable the participating employer to comply with
12 provisions of this subsection relating to the payment of contributions and
13 reporting requirements. The provisions and requirements provided for in
14 amendments made in this act which relate to positions filled with a retirant
15 or employment of a retirant by a third-party entity shall not apply to any
16 contract for services entered into prior to April 1, 2009, between a
17 participating employer and third-party entity as described in this
18 subsection. Any retirant employed by a participating employer or a third-
19 party entity as provided in this subsection shall not make contributions nor
20 receive additional credit under such system for such service except as
21 provided by this section. Upon request of the executive director of the
22 system, the secretary of revenue shall provide such information as may be
23 needed by the executive director to carry out the provisions of this act. The
24 provisions of this subsection shall not apply to retirants employed as
25 substitute teachers or officers, employees or appointees of the legislature.
26 The provisions of this subsection shall not apply to members of the
27 legislature prior to January 8, 2000. The provisions of this subsection shall
28 not apply to any other elected officials prior to the term of office of such
29 elected official which commences on or after July 1, 2000. The provisions
30 of this subsection shall apply to any other elected official, except an
31 elected city or county officer as further provided in this subsection, on and
32 after the term of office of such other elected official which commences on
33 or after July 1, 2000. Notwithstanding any provisions of law to the
34 contrary, when an elected city or county officer is retired under the
35 provisions of subsection (1) or (4) of this section and is paid an amount of
36 compensation of \$25,000 or more in any one calendar year between July 1,
37 2016, and July 1, 2021, such officer may receive such officer's salary, and
38 still be entitled to receive such officer's retirement benefit pursuant to the
39 provisions of K.S.A. 74-4915 et seq., and amendments thereto. Except as
40 otherwise provided, commencing January 8, 2001, the provisions of this
41 subsection shall apply to members of the legislature. For determination of
42 the amount of compensation paid pursuant to this subsection, for members
43 of the legislature, compensation shall include any amount paid as provided

1 pursuant to K.S.A. 46-137a(a), (b), (c) and (d), and amendments thereto,
2 or pursuant to K.S.A. 46-137b, and amendments thereto. Notwithstanding
3 any provision of law to the contrary, when a member of the legislature is
4 paid an amount of compensation of \$20,000 or more in any one calendar
5 year, the member may continue to receive any amount provided in K.S.A.
6 46-137a(b) and (d), and amendments thereto, and still be entitled to
7 receive such member's retirement benefit. Commencing July 1, 2005, the
8 provisions of this subsection shall not apply to retirants who either retired
9 under the provisions of subsection (1), or, if they retired under the
10 provisions of subsection (4), were retired more than 30 days prior to the
11 effective date of this act and are licensed professional nurses or licensed
12 practical nurses employed by the state of Kansas in an institution as
13 defined in K.S.A. 76-12a01(b) or K.S.A. 38-2302(f), and amendments
14 thereto, the Kansas soldiers' home or the Kansas veterans' home. Nothing
15 in this subsection shall be construed to create any right, or to authorize the
16 creation of any right, which is not subject to amendment or nullification by
17 act of the legislature. The participating employer of such retirant shall pay
18 to the system the actuarially determined employer contribution based on
19 the retirant's compensation during any such period of employment.

20 (6) For purposes of this section, any employee of a local
21 governmental unit which has its own pension plan who becomes an
22 employee of a participating employer as a result of a merger or
23 consolidation of services provided by local governmental units, which
24 occurred on January 1, 1994, may count service with such local
25 governmental unit in determining whether such employee has met the
26 years of credited service requirements contained in this section.

27 (7) (a) Except as provided in K.S.A. 74-4937(3), (4), or (5), and
28 amendments thereto, and the provisions of this subsection, commencing
29 July 1, 2016, and ending July 1, 2021, any retirant who is employed or
30 appointed in or to any position by a participating employer or a third-party
31 entity who contracts services with a participating employer to fill a
32 position, without any prearranged agreement with such participating
33 employer and not prior to 60 days after such retirant's retirement date, shall
34 not receive any retirement benefit for any month in any calendar year in
35 which the retirant receives compensation in an amount equal to \$25,000 or
36 more, pursuant to this subsection. The provisions of this subsection shall
37 apply to members of the legislature.

38 (b) The provisions of this subsection shall not apply, **except as**
39 **specifically provided in this subsection**, to retirants that are:

40 (i) Licensed professional nurses or licensed practical nurses
41 employed by the state of Kansas in an institution as defined in K.S.A. 76-
42 12a01(b) or 38-2302(f), and amendments thereto, the Kansas soldiers'
43 home or the Kansas veterans' home. The participating employer of such

1 retirant shall pay to the system the actuarially determined employer
2 contribution based on the retirant's compensation and the statutorily
3 prescribed employee contribution during any such period of employment;

4 (ii) employed by a school district in a position as provided in K.S.A.
5 74-4937(3), (4) or (5), and amendments thereto. **Any retirant employed**
6 **by a school district in a position under K.S.A. 74-4937(4) or (5), and**
7 **amendments thereto, shall be subject to the provisions of subsection**
8 **(7)(h) which relate to a limitation on the total term of employment**
9 **with any participating employer in which a retirant may receive such**
10 **retirant's full retirement benefit;**

11 (iii) employed by a school district in a position that required a
12 license under K.S.A. 72-1388, and amendments thereto, or other
13 provision of law requiring a similar license and subject to the
14 provisions of K.S.A. 74-4940, and amendments thereto, and who
15 retired at age 62 or later. The school district shall pay to the system a
16 **30% employer contribution based on the retirant's compensation**
17 **during any such period of employment. On or before July 1, 2019, and**
18 **at least every three years thereafter, the board, in consultation with**
19 **the system's consulting actuary, shall evaluate the plan's experience**
20 **with employment of such retirants and the corresponding employer**
21 **contribution rate to assess whether the employer contribution rate can**
22 **be expected to fund adverse experience or higher liabilities accruing**
23 **under the system in connection with employment of such retirants, to**
24 **the extent that such liability can be ascertained or estimated. Based on**
25 **this evaluation of the plan's experience, the board may certify to the**
26 **division of the budget, in the case of the state, and to the agent for**
27 **each other participating employer, a new rate if needed to more fully**
28 **fund such adverse experience or additional liabilities, but such rate**
29 **shall not be less than 30%;**

30 (iv) certified law enforcement officers employed by the law
31 enforcement training center. Such law enforcement officers shall receive
32 their benefits notwithstanding this subsection. The law enforcement
33 training center shall pay to the system the actuarial determined employer
34 contribution and the statutorily prescribed employee contribution based on
35 the retirant's compensation during any such period of employment;

36 ~~(iv)~~ (v) members of the Kansas police and firemen's retirement
37 system pursuant to K.S.A. 74-4951 et seq., and amendments thereto, or
38 members of the retirement system for judges pursuant to K.S.A. 20-2601
39 et seq., and amendments thereto;

40 ~~(v)~~ (vi) employed as substitute teachers or officers, employees or
41 appointees of the legislature; and

42 ~~(vi)~~ (vii) employed by, or have accepted employment from, a
43 participating employer prior to May 1, 2015. Any break in continuous

1 employment by a retirant or move to a different position by a retirant
2 during the effective period of this subsection shall be deemed new
3 employment and shall subject the retirant to the provisions of this
4 subsection.

5 (c) The participating employer shall enroll all retirants and report to
6 the system when compensation is paid to a retirant as provided in this
7 subsection. *Such report shall contain a certification by the appointing*
8 *authority of the participating employer that any hired retirant has not*
9 *been employed by the participating employer within 60 days of such*
10 *retirant's retirement and that there was no prearranged agreement for*
11 *employment between the participating employer and the hired retirant.*
12 Upon request of the executive director of the system, the participating
13 employer shall provide such information as may be needed by the
14 executive director to carry out the provisions of this subsection. Any
15 participating employer who hires a retirant covered by this subsection shall
16 pay to the system the statutorily prescribed employer contribution rate for
17 such retirant, without regard to whether the retirant is receiving benefits.
18 No retirant shall receive credit for service while employed under the
19 provisions of this subsection.

20 (d) A participating employer may employ a retirant without regard to
21 the compensation limitation in this subsection for a period of one calendar
22 year or one school year, as the case may be, if the following requirements
23 are met:

24 (i) The employer certifies to the board that the position being filled
25 has been vacated due to an unexpected emergency or the employer has
26 been unsuccessful in filling the position;

27 (ii) the employer pays to the system ~~the actuarially determined a 30%~~
28 employer contribution based on the retirant's compensation during any
29 such period of employment ~~plus 8%.~~ **On or before July 1, 2019, and at**
30 **least every three years thereafter, the board, in consultation with the**
31 **system's consulting actuary, shall evaluate the plan's experience with**
32 **employment of such retirants and the corresponding employer**
33 **contribution rate to assess whether the employer contribution rate can**
34 **be expected to fund adverse experience or higher liabilities accruing**
35 **under the system in connection with employment of such retirants, to**
36 **the extent that such liability can be ascertained or estimated. Based on**
37 **this evaluation of the plan's experience, the board may certify to the**
38 **division of the budget, in the case of the state, and to the agent for**
39 **each other participating employer, a new rate if needed to more fully**
40 **fund such adverse experience or additional liabilities, but such rate**
41 **shall not be less than 30% ; and**

42 (iii) the employer maintains documentation of its efforts to fill the
43 position with a non-retirant and provides such documentation to the joint

1 committee on pensions, investments and benefits upon request of the
2 committee.

3 (e) An employer may submit a written ~~appeal~~ **assurance protocol** to
4 ~~the joint committee on pensions, investments and benefits system~~
5 extend the exception provided for in subsection (7)(d) by ~~one year~~ **one-**
6 **year increments for a total extension not to exceed three years. A**
7 **written assurance protocol shall be submitted to the system for each**
8 **one-year increment extension. If a school district submits a written**
9 **assurance protocol, such written assurance protocol shall be signed by**
10 **the superintendent and the board president of such school district. If a**
11 **municipality, as defined in K.S.A. 75-1117, and amendments thereto,**
12 **other than a school district, submits a written assurance protocol, such**
13 **written assurance protocol shall be signed by the governing body or**
14 **such governing body's designee for such municipality. Such written**
15 ~~appeal assurance protocol shall include documentation of the employer's~~
16 ~~efforts to fill the position with a non-retirant. Granting or denial of such~~
17 ~~extension shall be at the sole discretion of the committee~~ **state that the**
18 **position was advertised on multiple platforms for a minimum of 30**
19 **calendar days and that at least one of the following conditions**
20 **occurred:**

21 (i) No applications were submitted for the position;

22 (ii) if applications were submitted, none of the applicants met the
23 reference screening criteria of the employer; or

24 (iii) if applications were submitted, none of the applicants
25 possessed the appropriate licensure, certification or other necessary
26 credentials for the position.

27 (f) On July 1, 2016, and at least every five years thereafter, the joint
28 committee on pensions, investments and benefits shall study the issue of
29 whether the compensation limitation prescribed in this subsection should
30 be adjusted. The committee shall consider the effect of inflation and data
31 on member retirement benefits and active employee compensation.

32 (g) Nothing in this subsection shall be construed to create any right,
33 or to authorize the creation of any right, which is not subject to
34 amendment or nullification by act of the legislature.

35 (h) Any retirant hired by any participating employer under the
36 provisions of subsection (7)(d) or K.S.A. 74-4937(4) or (5), and
37 amendments thereto, may continue to receive such retirant's full
38 retirement benefit so long as such retirant's total term of employment
39 with all participating employers under one or more of such provisions
40 does not exceed 48 months or four school years, whichever is less.
41 After such period, such retirant shall not receive any retirement
42 benefit for any month in any calendar year in which such retirant
43 receives compensation in an amount equal to \$25,000 or more in such

1 **calendar year.**

2 (8) *If determined by the retirement system that a retirant entered into*
3 *a prearranged agreement for employment with a participating employer*
4 *prior to such retirant's retirement, the monthly retirement benefit of such*
5 *retirant shall be suspended during the period that begins on the month in*
6 *which the retirant is re-employed and ends six months after the retirant's*
7 *termination of such employment. The retirant shall repay to the retirement*
8 *system all monthly retirement benefits paid to the retirant by the retirement*
9 *system that the retirant received after such employment began.*

10 Sec. 2. 3. K.S.A. 2015 Supp. 74-4937 is hereby amended to read as
11 follows: 74-4937. (1) The normal retirement date of a member of the
12 system who is in school employment and who is subject to K.S.A. 74-
13 4940, and amendments thereto, shall be the first day of the month
14 coinciding with or following termination of employment not followed by
15 employment with any participating employer within 60 days *and without*
16 *any prearranged agreement for employment with any participating*
17 *employer*; and the attainment of age 65 or, commencing July 1, 1986, age
18 65 or age 60 with the completion of 35 years of credited service or at any
19 age with the completion of 40 years of credited service, or commencing
20 July 1, 1993, any alternative normal retirement date already prescribed by
21 law or age 62 with the completion of 10 years of credited service or the
22 first day of the month coinciding with or following the date that the total
23 of the number of years of credited service and the number of years of
24 attained age of the member is equal to or more than 85. Each member
25 upon giving prior notice to the appointing authority and the retirement
26 system may retire on the normal retirement date or the first day of any
27 month thereafter. *Such member's application for retirement shall contain a*
28 *certification by the member that the member will not be employed with any*
29 *participating employer within 60 days of retirement and the member has*
30 *not entered into a prearranged agreement for employment with any*
31 *participating employer.*

32 (2) Any member who is in school employment and who is subject to
33 K.S.A. 74-4940, and amendments thereto, may retire before such
34 member's normal retirement date on the first day of the month coinciding
35 with or following termination of employment not followed by employment
36 with any participating employer within 60 days and the attainment of age
37 55 with the completion of 10 years of credited service, upon the filing with
38 the office of the retirement system of an application for retirement in such
39 form and manner as the board shall prescribe. *The member's application*
40 *for retirement shall contain a certification by the member that the member*
41 *will not be employed with any participating employer within 60 days of*
42 *retirement and the member has not entered into a prearranged agreement*
43 *for employment with any participating employer.*

1 (3) Before July 1, ~~2017~~ **2020**, the provisions of K.S.A. 74-4914(5),
2 and amendments thereto, which relate to an earnings limitation which
3 when met or exceeded requires that the retirant not receive a retirement
4 benefit for any month for which such retirant serves in a position as
5 described herein shall not apply to retirants who either retired under the
6 provisions of K.S.A. 74-4914(1), and amendments thereto, related to
7 normal retirement, or, if they retired under the provisions of K.S.A. 74-
8 4914(4), and amendments thereto, related to early retirement, were retired
9 more than 60 days prior to May 28, 2009, and are subsequently hired in a
10 position that requires a license under K.S.A. 72-1388, and amendments
11 thereto, or other provision of law. The provisions of this subsection shall
12 only apply to retirants who retired prior to May 1, 2015. The provisions of
13 this subsection do not apply to retirants who retired under K.S.A. 74-
14 4914(4), and amendments thereto, which relates to early retirement prior
15 to age 62. Except as otherwise provided, when a retirant is employed by
16 the same school district or a different school district with which such
17 retirant was employed during the final two years of such retirant's
18 participation or employed by a third-party entity who contracts services
19 with a school district to fill a position as described in this subsection, the
20 participating employer of such retirant shall pay to the system the
21 actuarially determined employer contribution based on the retirant's
22 compensation during any such period of employment plus 8%. The
23 participating employer shall enroll all retirants and report to the system
24 when compensation is paid to a retirant as provided in this subsection.
25 *Such notice shall contain a certification by the appointing authority of the*
26 *participating employer that any hired retirant has not been employed by*
27 *the participating employer within 60 days of such retirant's retirement and*
28 *that there was no prearranged agreement for employment between the*
29 *participating employer and the hired retirant.* Upon request of the
30 executive director of the system, the participating employer shall provide
31 such information as may be needed by the executive director to carry out
32 the provisions of this subsection. The provisions of this subsection shall
33 not apply to retirants employed as substitute teachers. The provisions of
34 K.S.A. 74-4914(5), and amendments thereto, shall be applicable to
35 retirants employed as described in this subsection, except as specifically
36 provided in this subsection. Nothing in this subsection shall be construed
37 to create any right, or to authorize the creation of any right, which is not
38 subject to amendment or nullification by act of the legislature. The
39 provisions of this subsection shall expire on June 30, ~~2017~~ **2020**. After
40 such date the Kansas public employees retirement system and its actuary
41 shall report the experience to the joint committee on pensions, investments
42 and benefits.

43 (4) (a) On and after July 1, 2016, a school district may hire a retired

1 licensed professional to fill a special teacher position as defined in K.S.A.
2 72-962, and amendments thereto, if such retirant is hired not prior to 60
3 days after such retirant's retirement date without any prearrangement with
4 such school district in the manner prescribed in this subsection. The
5 participating employer shall enroll all retirants and report to the system
6 when compensation is paid to a retirant as provided in this subsection.
7 *Such notice shall contain a certification by the appointing authority of the*
8 *participating employer that any hired retirant has not been employed by*
9 *the participating employer within 60 days of such retirant's retirement and*
10 *that there was no prearranged agreement for employment between the*
11 *participating employer and the hired retirant. Upon request of the*
12 *executive director of the system, the participating employer shall provide*
13 *such information as may be needed by the executive director to carry out*
14 *the provisions of this subsection.*

15 (b) A retirant hired under the provisions of this subsection may
16 continue to receive such retirant's full retirement benefit for a period not to
17 exceed three school years or 36 months, whichever is less, and shall not be
18 subject to the provisions of K.S.A. 74-4914(5), and amendments thereto,
19 which relate to a compensation limitation which when met or exceeded
20 requires that the retirant not receive a retirement benefit for any month for
21 which such retirant serves in a position as described herein. Such retirant
22 may be employed by such employer for some or all of a school year, and
23 in subsequent school years if the employer is unable to permanently fill the
24 position with active members, so long as the retirant's total term of
25 employment with all employers under this subsection does not exceed 36
26 months or three school years, whichever is less. After such period, the
27 retirant shall be subject to the provisions of K.S.A. 74-4914(7), and
28 amendments thereto, which relate to a compensation limitation which
29 when met or exceeded requires that the retirant not receive a retirement
30 benefit for any month for which such retirant serves in a position as
31 described herein. The participating employer of such retirant shall pay to
32 the system ~~the actuarially determined~~ **a 30% employer contribution based**
33 **on the retirant's compensation during any such period of employment plus**
34 **8%. On or before July 1, 2019, and at least every three years**
35 **thereafter, the board, in consultation with the system's consulting**
36 **actuary, shall evaluate the plan's experience with employment of such**
37 **retirants and the corresponding employer contribution rate to assess**
38 **whether the employer contribution rate can be expected to fund**
39 **adverse experience or higher liabilities accruing under the system in**
40 **connection with employment of such retirants, to the extent that such**
41 **liability can be ascertained or estimated. Based on this evaluation of**
42 **the plan's experience, the board may certify to the division of the**
43 **budget, in the case of the state, and to the agent for each other**

1 **participating employer, a new rate if needed to more fully fund such**
2 **adverse experience or additional liabilities, but such rate shall not be**
3 **less than 30%.** The provisions of this subsection shall not apply to
4 retirants employed as substitute teachers. The provisions of K.S.A. 74-
5 4914(5), and amendments thereto, shall be applicable to retirants
6 employed as special teachers, except as specifically provided in this
7 subsection.

8 (c) Each school district that uses the provisions of this subsection to
9 hire retirants shall maintain documentation describing their recruiting
10 efforts to obtain non-retirant employees to fill the special teacher positions.
11 Upon request of the joint committee on pensions, investments and
12 benefits, an employer shall provide such documentation to the committee.
13 If the committee finds that an employer has not made sufficient efforts to
14 hire a non-retirant for the position or if the committee finds evidence of
15 prearrangement in violation of this section, the three-year exemption
16 provided pursuant to this subsection may be revoked. The committee shall
17 notify the executive director of the system that a retirant's exemption has
18 been revoked within 30 days of making such a determination.

19 (d) An employer may submit a written ~~appeal~~ **assurance protocol** to
20 the ~~joint committee on pensions, investments and benefits system~~
21 to extend the exception provided for in this subsection by one year. **Such**
22 **written assurance protocol shall be signed by the superintendent and**
23 **the board president of the school district.** Such written ~~appeal~~
24 **assurance protocol** shall ~~include documentation of the employer's efforts~~
25 ~~to fill the position with a non-retirant. Granting or denial of such extension~~
26 ~~shall be at the sole discretion of the committee. The committee shall notify~~
27 ~~the executive director of the system that a retirant's exemption has been~~
28 ~~extended within 30 days of making such a determination~~ **state that the**
29 **position was advertised on multiple platforms for a minimum of 30**
30 **calendar days and that at least one of the following conditions**
31 **occurred:**

32 (i) **No applications were submitted for the position;**
33 (ii) **if applications were submitted, none of the applicants met the**
34 **reference screening criteria of the employer; or**
35 (iii) **if applications were submitted, none of the applicants**
36 **possessed an appropriate teaching license for the state of Kansas or**
37 **possessed the appropriate credentials to receive any type of teaching**
38 **license from the state of Kansas.**

39 (e) Nothing in this subsection shall be construed to create any right,
40 or to authorize the creation of any right, which is not subject to
41 amendment or nullification by act of the legislature.

42 (f) The provisions of this subsection shall expire on July 1, 2021.

43 (5) (a) On and after July 1, 2016, a school district may hire a retired

1 licensed professional to fill a non-special teacher position if such retirant is
2 hired not prior to 60 days after such retirant's retirement date without any
3 prearrangement with such school district, and if such school district hires a
4 retirant for a hard-to-fill position in the manner prescribed in this
5 subsection. The participating employer shall enroll all retirants and report
6 to the system when compensation is paid to a retirant as provided in this
7 subsection. *Such notice shall contain a certification by the appointing*
8 *authority of the participating employer that any hired retirant has not*
9 *been employed by the participating employer within 60 days of such*
10 *retirant's retirement and that there was no prearranged agreement for*
11 *employment between the participating employer and the hired retirant.*
12 Upon request of the executive director of the system, the participating
13 employer shall provide such information as may be needed by the
14 executive director to carry out the provisions of this subsection.

15 (b) The state board of education shall annually certify the top five
16 types of licensed positions that are hard to fill. A school district may hire a
17 retirant to fill a hard-to-fill position for some or all of a school year and in
18 subsequent school years if the employer is unable to permanently fill the
19 position with an active member. A retirant first hired under the provisions
20 of this subsection may be retained by an employer even if such retirant's
21 type of position is no longer one of the five types of positions certified by
22 the state board of education. A retirant hired under the provisions of this
23 subsection may continue to receive such retirant's full retirement benefit
24 for a period not to exceed three school years or 36 months, whichever is
25 less, and shall not be subject to the provisions of K.S.A. 74-4914(5), and
26 amendments thereto, which relate to a compensation limitation which
27 when met or exceeded requires that the retirant not receive a retirement
28 benefit for any month for which such retirant serves in a position as
29 described herein. Such retirant may be employed by such employer for
30 some or all of a school year, and in subsequent school years if the
31 employer is unable to permanently fill the position with active members,
32 so long as the retirant's total term of employment with all employers under
33 this subsection does not exceed 36 months or three school years,
34 whichever is less. After such period, the retirant shall be subject to the
35 provisions of K.S.A. 74-4914(7), and amendments thereto, which relate to
36 a compensation limitation which when met or exceeded requires that the
37 retirant not receive a retirement benefit for any month for which such
38 retirant serves in a position as described herein. The participating
39 employer of such retirant shall pay to the system ~~the actuarially~~
40 ~~determined a 30%~~ employer contribution based on the retirant's
41 compensation during any such period of employment ~~plus 8%.~~ **On or**
42 **before July 1, 2019, and at least every three years thereafter, the**
43 **board, in consultation with the system's consulting actuary, shall**

1 evaluate the plan's experience with employment of such retirants and
2 the corresponding employer contribution rate to assess whether the
3 employer contribution rate can be expected to fund adverse
4 experience or higher liabilities accruing under the system in
5 connection with employment of such retirants, to the extent that such
6 liability can be ascertained or estimated. Based on this evaluation of
7 the plan's experience, the board may certify to the division of the
8 budget, in the case of the state, and to the agent for each other
9 participating employer, a new rate if needed to more fully fund such
10 adverse experience or additional liabilities, but such rate shall not be
11 less than 30%. The provisions of this subsection shall not apply to
12 retirants employed as substitute teachers. The provisions of K.S.A. 74-
13 4914(5), and amendments thereto, shall be applicable to retirants
14 employed as described in this subsection, except as specifically provided
15 in this subsection.

16 (c) Each school district that uses the provisions of this subsection to
17 hire retirants for hard-to-fill positions shall maintain documentation
18 describing their recruiting efforts to obtain non-retirant employees to fill
19 the hard-to-fill positions. Upon request of the joint committee on pensions,
20 investments and benefits, a school district shall provide such
21 documentation to the committee. If the committee finds that a school
22 district has not made sufficient efforts to hire a non-retirant for the position
23 or if the committee finds evidence of prearrangement in violation of this
24 section, the three-year exemption provided pursuant to this subsection may
25 be revoked. The committee shall notify the executive director of the
26 system that a retirant's exemption has been revoked within 30 days of
27 making such a determination.

28 (d) An employer may submit a written ~~appeal~~ **assurance protocol** to
29 ~~the joint committee on pensions, investments and benefits system~~
30 extend the exception provided for in this subsection by one year. **Such**
31 **written assurance protocol shall be signed by the superintendent and**
32 **the board president of the school district.** Such written ~~appeal~~
33 ~~assurance protocol~~ shall include documentation of the employer's efforts
34 to fill the position with a non-retirant. Granting or denial of such extension
35 shall be at the sole discretion of the committee. The committee shall notify
36 the executive director of the system that a retirant's exemption has been
37 extended within 30 days of making such a determination **state that the**
38 **position was advertised on multiple platforms for a minimum of 30**
39 **calendar days and that at least one of the following conditions**
40 **occurred:**

- 41 (i) No applications were submitted for the position;
42 (ii) if applications were submitted, none of the applicants met the
43 reference screening criteria of the employer; or

1 **(iii) if applications were submitted, none of the applicants**
2 **possessed an appropriate teaching license for the state of Kansas or**
3 **possessed the appropriate credentials to receive any type of teaching**
4 **license from the state of Kansas.**

5 (e) Nothing in this subsection shall be construed to create any right,
6 or to authorize the creation of any right, which is not subject to
7 amendment or nullification by act of the legislature.

8 (f) The provisions of this subsection shall expire on July 1, 2021.

9 (6) *The provisions of K.S.A. 74-4914(8), and amendments thereto,*
10 *shall apply to retirants under the provisions of this section.*

11 (7) **Any retirant hired by any participating employer under the**
12 **provisions of subsection (4) or (5) or K.S.A. 74-4914(7)(d), and**
13 **amendments thereto, may continue to receive such retirant's full**
14 **retirement benefit so long as such retirant's total term of employment**
15 **with all participating employers under one or more of such provisions**
16 **does not exceed 48 months or four school years, whichever is less.**
17 **After such period, such retirant shall not receive any retirement**
18 **benefit for any month in any calendar year in which such retirant**
19 **receives compensation in an amount equal to \$25,000 or more in such**
20 **calendar year.**

21 Sec. 4. K.S.A. 2015 Supp. 74-4957 is hereby amended to read as
22 follows: 74-4957. (1) The normal retirement date for a member of the
23 system who is appointed or employed prior to July 1, 1989, and who
24 does not make an election pursuant to K.S.A. 74-4955a, and
25 amendments thereto, shall be the first day of the month coinciding
26 with or following termination of employment not followed by
27 employment with any participating employer within 30 days, and the
28 attainment of age 55 and the completion of 20 years of credited service
29 or the completion of 32 years of credited service regardless of the age
30 of the member. Any member may retire on such member's normal
31 retirement date or on the first day of any month thereafter.

32 (2) *Early retirement.* Any member who is appointed or employed
33 prior to July 1, 1989, and who does not make an election pursuant to
34 K.S.A. 74-4955a, and amendments thereto, may retire before such
35 member's normal retirement date on the first day of any month
36 coinciding with or following termination of employment not followed
37 by employment with any participating employer within 30 days and
38 the attainment of age 50 and the completion of 20 years of credited
39 service.

40 (3) Notwithstanding the provisions of subsections (1) and (2) of
41 this section and K.S.A. 74-4955a, 74-4957a, 74-4958a, 74-4960a, 74-
42 4963a and 74-4964a, and amendments thereto, the normal retirement
43 date for any member who was, up to the entry date of such member's

1 employer, covered by a pension system under the provisions of K.S.A.
2 13-14a01 to 13-14a14, inclusive, or 14-10a01 to 14-10a15, inclusive,
3 and amendments thereto, shall be the first day of the month coinciding
4 with or following the attainment of age 50 and the completion of 25
5 years of credited service.

6 (4) In no event shall a member be eligible to retire until such
7 member has been a contributing member of the system for 12 months
8 of participating service, and shall have given such member's employer
9 prior notice of retirement.

10 (5) If a retirant who retired on or after July 1, 1994, is employed,
11 elected or appointed in or to any position or office for which
12 compensation for service is paid in an amount equal to ~~\$15,000~~
13 ~~\$25,000~~ or more in any one such calendar year, by the same state
14 agency or the same police or fire department of any county, city,
15 township or special district or the same sheriff's office of a county
16 during the final two years of such retirant's participation, such
17 retirant shall not receive any retirement benefit for any month for
18 which such retirant serves in such position or office. The participating
19 employer shall report to the system within 30 days of when the
20 compensation paid to the retirant is equal to or exceeds any limitation
21 provided by this section. Any retirant employed by a participating
22 employer in the Kansas police and firemen's retirement system shall
23 not make contributions nor receive additional credit under such
24 system for such service except as provided by this section. Upon
25 request of the executive director of the system, the secretary of
26 revenue shall provide such information as may be needed by the
27 executive director to carry out the provisions of this act.

28 Sec. 5. K.S.A. 74-4957a is hereby amended to read as follows: 74-
29 4957a. (1) The normal retirement date for a member of the system
30 who is appointed or employed on or after July 1, 1989, or who makes
31 an election pursuant to K.S.A. 74-4955a, and amendments thereto, to
32 be covered by the provisions of this act shall be the first day of the
33 month coinciding with or following termination of employment not
34 followed by employment with any participating employer within 30
35 days and the attainment of age 55 and the completion of 20 years of
36 credited service, age 50 and the completion of 25 years of credited
37 service or age 60 with the completion of 15 years of credited service.
38 Any such member may retire on such member's normal retirement
39 date or on the first day of any month thereafter.

40 (2) Any member may retire before such member's normal
41 retirement date on the first day of any month coinciding with or
42 following termination of employment not followed by employment
43 with any participating employer within 30 days and the attainment of

1 age 50 and the completion of 20 years of credited service.

2 (3) In no event shall a member be eligible to retire until such
3 member has been a contributing member of the system for 12 months
4 of participating service, and shall have given such member's employer
5 prior notice of retirement.

6 (4) If a retirant who retired on or after July 1, 1996, is employed,
7 elected or appointed in or to any position or office for which
8 compensation for service is paid in an amount equal to ~~\$15,000~~
9 \$25,000 or more in any one such calendar year, by the same state
10 agency or the same police or fire department of any county, city,
11 township or special district or the same sheriff's office of a county
12 during the final two years of such retirant's participation, such
13 retirant shall not receive any retirement benefit for any month for
14 which such retirant serves in such position or office. The participating
15 employer shall report to the system within 30 days of when the
16 compensation paid to the retirant is equal to or exceeds any limitation
17 provided by this section. Any retirant employed by a participating
18 employer in the Kansas police and firemen's retirement system shall
19 not make contributions nor receive additional credit under such
20 system for such service except as provided by this section. Upon
21 request of the executive director of the system, the secretary of
22 revenue shall provide such information as may be needed by the
23 executive director to carry out the provisions of this act.

24 (5) The provisions of this section shall be effective on and after
25 July 1, 1989, and shall apply only to members who were appointed or
26 employed prior to July 1, 1989, and who made an election pursuant to
27 K.S.A. 74-4955a, and amendments thereto; and persons appointed or
28 employed on or after July 1, 1989.

29 ~~Sec.-3-~~ 6. K.S.A. 74-4957a and K.S.A. 2015 Supp. 46-2201, 74-4914
30 and, 74-4937 and 74-4957 are hereby repealed.

31 ~~Sec.-4-~~ 7. This act shall take effect and be in force from and after its
32 publication in the statute book.