

**SENATE BILL No. 505**

By Committee on Ways and Means

2-13

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1 AN ACT concerning retirement and pensions; relating to the Kansas public  
2 employees retirement system; increasing the retirement benefit  
3 multiplier for members who are security officers of the department of  
4 corrections; amending K.S.A. 74-4915 and 74-49,205 and repealing the  
5 existing sections.  
6

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

8 Section 1. K.S.A. 74-4915 is hereby amended to read as follows: 74-  
9 4915. (1) (A) Any member who retires on or after such member's normal  
10 retirement date shall be entitled to receive an annual retirement benefit  
11 equal to the sum obtained by adding an amount for participating service  
12 and an amount for prior service determined as provided in this section. The  
13 amount for prior service shall be equal to 1% of the member's prior service  
14 annual salary multiplied by the number of years of prior service entitled to  
15 credit as provided in K.S.A. 74-4913, and amendments thereto, except that  
16 for members retiring on or after July 1, 1981, who were last employed by a  
17 participating employer which had affiliated with the system under K.S.A.  
18 74-4910, 74-4912, 74-4929 or 74-4991, and amendments thereto, and for  
19 the period commencing January 1, 1986, for members retiring before July  
20 1, 1981, who were last employed by a participating employer which had  
21 affiliated with the system under K.S.A. 74-4910, 74-4912, 74-4929 or 74-  
22 4991, and amendments thereto, except that any increase in benefits under  
23 this section shall be reduced by any postretirement benefit adjustments  
24 received by such member prior to July 2, 1985, the amount for prior  
25 service shall be calculated using final average salary in lieu of prior  
26 service annual salary and, in the case of any such member who became a  
27 member under ~~subsection (3) of K.S.A. 74-4925(3)~~, and amendments  
28 thereto, and for whom a final average salary cannot be otherwise  
29 determined, such member's final average salary shall be based on all  
30 service for which such member received assistance in a plan under  
31 ~~subsection (2) of K.S.A. 74-4925(2)~~, and amendments thereto, as certified  
32 by such employer upon request of the board.

33 (B) *Except as provided by paragraph (C)*, for any member who  
34 retires on or after July 1, 1993, the amount for participating service shall  
35 be equal to the total of 1.75% of the member's final average salary  
36 multiplied by the number of years of participating service earned prior to

1 January 1, 2014, and, subject to any election made pursuant to the  
2 provisions of K.S.A. 74-49,135, and amendments thereto, 1.4% or 1.85%  
3 of the member's final average salary multiplied by the number of years of  
4 participating service earned on and after January 1, 2014. If the federal  
5 internal revenue service fails to grant an approval or issues an adverse  
6 decision as described in K.S.A. 74-49,135, and amendments thereto, the  
7 amount for participating service earned on and after January 1, 2014, shall  
8 be 1.85% of the member's final average salary multiplied by the number of  
9 years of participating service earned on and after January 1, 2014.  
10 Notwithstanding any provision of law to the contrary, service that is  
11 purchased under the provisions of K.S.A. 74-4919a et seq., and  
12 amendments thereto, shall be credited at a rate which equals 1.4% of the  
13 member's final average salary for members that elect the 1.4% multiplier  
14 pursuant to subsection ~~(b)(2)~~ of K.S.A. 74-49,135(b)(2), and amendments  
15 thereto, and 1.75% of the member's final average salary for members that  
16 elect the 1.85% multiplier pursuant to ~~subsection (b)(1)~~ of K.S.A. 74-  
17 49,135(b)(1), and amendments thereto.

18 *(C) For any member who is a security officer as defined by K.S.A.*  
19 *74-4914a, and amendments thereto, and who retires on or after July 1,*  
20 *2024, the amount for participating service shall be equal to the total of 2%*  
21 *of the member's final average salary multiplied by the number of years of*  
22 *participating service.*

23 (2) (A) Any member who retires on or after July 1, 1993, but before  
24 the normal retirement date and has attained age 60 but has not attained age  
25 62 with the completion of 10 years of credited service, shall receive an  
26 annual retirement benefit equal to the annual retirement benefit payable  
27 had the member retired on the normal retirement date but based upon the  
28 member's final average salary and years of participating and prior service  
29 credited to the date of actual retirement reduced by an amount equal to the  
30 product of (i) such annual retirement benefit payable had the member  
31 retired on the normal retirement date, multiplied by (ii) the product of .2%  
32 multiplied by the number of months' difference, to the nearest whole  
33 month, between the member's attained age at the time of retirement and  
34 age 62.

35 (B) Any member who retires on or after July 1, 1993, but before the  
36 normal retirement date and has attained age 55 but has not attained age 60  
37 with the completion of 10 years of credited service, shall receive an annual  
38 retirement benefit equal to the annual retirement benefit payable had the  
39 member retired on the normal retirement date but based upon the member's  
40 final average salary and years of participating and prior service credited to  
41 the date of actual retirement reduced by an amount equal to the total of: (i)  
42 (a) The product of such annual retirement benefit payable had the member  
43 retired on the normal retirement date, multiplied by (b) the product of .6%

1 multiplied by the number of months' difference, to the nearest whole  
2 month, between the member's attained age at the time of retirement and  
3 age 60; and

4 (ii) on and after July 1, 1993, the product of such annual retirement  
5 benefit payable had the member retired on the normal retirement date,  
6 multiplied by 4.8%.

7 (3) Upon death of a retirant, there shall be paid to such retirant's  
8 beneficiary an amount equal to the excess, if any, of such retirant's  
9 accumulated contributions over the sum of all retirement benefit payments  
10 made.

11 (4) Such annual retirement benefits shall be paid in equal monthly  
12 installments, except that the board may provide for the payment of  
13 retirement benefits which total less than \$240 a year on other than a  
14 monthly basis.

15 (5) In the event that an application in such form as may be prescribed  
16 by the board for any amount due under the provisions of this act, is not  
17 filed with the office of the retirement system by the person entitled to same  
18 within five years of the date such amount became due and payable, an  
19 amount equal to same shall be transferred to the retirement benefit  
20 accumulation reserve and such amount shall no longer be due and payable,  
21 except that if any such person shall present evidence satisfactory to the  
22 board that such person's failure to file such application within that time  
23 period was due to lack of knowledge or incapacity on such person's part,  
24 the amount equal to the amount originally due shall be transferred from the  
25 retirement benefit accumulation reserve to the reserve or reserves from  
26 which such transfer was initially made and the amount originally due shall  
27 be paid to such person.

28 (6) The participating employer, when an employee files an  
29 application for retirement, shall certify to the system all member  
30 contributions of such employee which have not been reported previously.  
31 In the event the amount certified results in an overpayment of retirement  
32 benefits, the employer shall be held responsible for the contribution  
33 amount previously certified from the time of commencement of the  
34 overpayment of retirement benefits until the time that such overpayment is  
35 discovered by the system. At the time that such overpayment of retirement  
36 benefits is discovered by the system, the system shall adjust the amount of  
37 retirement benefits paid to the employee to the correct amount based on  
38 the participating employer's certification of member contributions which  
39 had not been previously reported. The participating employer of the  
40 employee who has had such member's retirement benefits adjusted as  
41 provided in this subsection shall notify such employee of such  
42 overpayment and such adjustment of retirement benefits. If the  
43 contributions previously certified are lower than the actual amount

1 reported, the employer shall be responsible for remitting the correct  
2 amount and the member's monthly benefit shall be recalculated based on  
3 the amount reported by the employer. When an employee in school  
4 employment files such an application, the participating employer  
5 responsible for any such amounts as provided in this subsection shall be  
6 the employee's eligible employer as specified in ~~subsection (1), (2) or (3)~~  
7 ~~of~~ K.S.A. 74-4931(1), (2) or (3), and amendments thereto, and shall not be  
8 the state of Kansas. The provisions of law in effect on the retirement date  
9 of a member under the system shall govern the retirement benefit payable  
10 to the retirant, any joint annuitant and any beneficiary.

11 Sec. 2. K.S.A. 74-49,205 is hereby amended to read as follows: 74-  
12 49,205. (a) *Except as provided in subsection (b)*, for any member who is  
13 first employed by a participating employer on or after July 1, 2009, and  
14 who retires on or after such member's normal retirement date, or such  
15 member's retirement date pursuant to early retirement as provided pursuant  
16 to K.S.A. 74-49,206, and amendments thereto, but prior to July 1, 2012,  
17 the amount for participating service shall be equal to the total of 1.75% of  
18 the member's final average salary, and for any member who retires on or  
19 after such member's normal retirement date, or such member's retirement  
20 date pursuant to early retirement as provided pursuant to K.S.A. 74-  
21 49,206, and amendments thereto, and on and after July 1, 2012, the  
22 amount for participating service shall be equal to 1.85% of the member's  
23 final average salary, multiplied by the number of years of participating  
24 service to be used in determining such member's annual retirement benefit.  
25 Notwithstanding any law to the contrary, for any member who retired on  
26 and after July 1, 2012, but prior to the effective date of this act, such  
27 member's annual retirement benefit shall be redetermined with the amount  
28 for participating service to be used in determining such member's annual  
29 retirement benefit equal to 1.85% of the member's final average salary.  
30 Any underpayment to such member for any monthly retirement benefit as  
31 determined pursuant to this section shall be paid to such member by the  
32 system by means of a one-time redetermination benefit payment in a form  
33 and manner prescribed by the board.

34 (b) *For any member who is a security officer as defined by K.S.A. 74-  
35 4914a, and amendments thereto, and who retires on or after July 1, 2024,  
36 the amount for participating service shall be equal to the total of 2% of the  
37 member's final average salary multiplied by the number of years of  
38 participating service.*

39 Sec. 3. K.S.A. 74-4915 and 74-49,205 are hereby repealed.

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