## **HOUSE BILL No. 2720**

By Committee on Federal and State Affairs

2-8

AN ACT concerning retirement and pensions; relating to the Kansas police and firemen's retirement system; maximum retirement benefits; amending K.S.A. 2017 Supp. 74-4958 and 74-4958a and repealing the existing sections.

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

Section 1. K.S.A. 2017 Supp. 74-4958 is hereby amended to read as follows: 74-4958. (1) Any member who retires on or after July 1, 1993, shall be entitled to receive an age and service retirement benefit equal to 2.5% of such member's final average salary multiplied by the number of years of credited service for which the member contributed at the contribution rate prescribed by—subsection (1) of K.S.A. 74-4965(1), and amendments thereto, or for which such member made a lump sum repayment in accordance with the provisions of K.S.A. 74-4965, and amendments thereto, except that in no case shall such retirement benefit exceed—90% 100% of such member's final average salary.

- (2) Any member who is appointed or employed prior to July 1, 1989, who does not make an election pursuant to K.S.A. 74-4955a, and amendments thereto, and who retires before such member's normal retirement date shall receive an early retirement benefit equal to the annual retirement benefit payable had the member retired on the normal retirement date reduced by an amount equal to the product of (A) such annual retirement benefit payable had the member retired on the normal retirement date, multiplied by (B) the product of 0.4% multiplied by the number of months difference, to the nearest whole month, between the member's attained age at the time of retirement and age 55.
- (3) Upon the death after retirement of a member who was covered, up to the entry date of the member's employer, by a pension system under the provisions of K.S.A. 12-5001—to through 12-5007,—inclusive, and amendments thereto, or K.S.A. 13-14a01—to through 13-14a14,—inclusive, and amendments thereto, or K.S.A. 14-10a01—to through 14-10a15, inclusive, and amendments thereto, and who had not elected to retire under one of the options provided under K.S.A. 74-4964, and amendments thereto, the member's spouse, if such spouse was the member's lawfully wedded spouse for a period of not less than one year at the time of the member's retirement or if such spouse had been the member's lawfully

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1 wedded spouse for at least three years after the time of the member's 2 retirement, shall receive: (A) Pursuant to the provisions of K.S.A. 74-3 49,128, and amendments thereto, a lump-sum benefit equal to \(^{1}/\_{2}\) the 4 member's final average salary at the time of the member's retirement; and 5 (B) an annual spouse's benefit equal to 75% of the member's retirement 6 benefit payable in monthly installments, to accrue from the last day of the 7 month following the member's date of death and ending on the last day of 8 the month in which the spouse dies. Commencing on the effective date of 9 this act, any surviving spouse, who was receiving benefits pursuant to this 10 section and who had such benefits terminated by reason of such spouse's 11 remarriage, shall be entitled to once again receive benefits pursuant to this 12 section, except that such surviving spouse shall not be entitled to recover 13 any benefits not received after the termination of benefits by reason of 14 such surviving spouse's remarriage but before the effective date of this act. 15 If there is no surviving spouse, or if after the death of the spouse there 16 remain one or more children under the age of 18 years or one or more 17 children under the age of 23 years who is a full-time student as provided in 18 K.S.A. 74-49,117, and amendments thereto, the spouse's benefit shall be 19 payable, subject to the provisions of K.S.A. 74-49,123, and amendments 20 thereto, in equal shares to such children and each child's share shall end on 21 the last day of the month in which such child attains the age of 18 years or 22 dies, whichever occurs earlier or in which such child attains the age of 23 23 years if such child is a full-time student as provided in K.S.A. 74-49,117, 24 and amendments thereto. Commencing on the effective date of this act, 25 any child who was receiving benefits pursuant to this section and who had 26 such benefits terminated by reason of such child's marriage, shall be 27 entitled to once again receive benefits pursuant to this section subject to 28 the limitations contained in this section, except that such child shall not be 29 entitled to recover any benefits not received after the termination of 30 benefits by reason of such child's marriage but before the effective date of 31 this act. All payments due under this section to a minor shall be made to a 32 legally appointed conservator of such minor as provided in subsection (7) 33 of K.S.A. 74-4902(7), and amendments thereto. No person shall be entitled 34 to receive more than one benefit under the provisions of this subsection. 35 Any person who otherwise meets the qualifications to receive more than 36 one benefit under this subsection shall elect the benefit such person shall 37 receive. 38

(4) Upon the death after retirement of a member who had not elected to retire under one of the options provided under K.S.A. 74-4964, and amendments thereto, such member's beneficiary shall receive an amount equal to the excess, if any, of such member's accumulated contributions over the sum of all retirement benefit payments made.

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(5) The provisions of law in effect on the retirement date of a member

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under the system shall govern the retirement benefit payable to the retirant, any joint annuitant and any beneficiary.

- Sec. 2. K.S.A. 2017 Supp. 74-4958a is hereby amended to read as follows: 74-4958a. (1) Any member who retires on or after July 1, 1993, shall be entitled to receive an age and service retirement benefit equal to 2.5% of such member's final average salary multiplied by the number of years of credited service for which the member contributed at the contribution rate prescribed by—subsection (1) of K.S.A. 74-4965(1), and amendments thereto, or for which such member made a lump sum repayment in accordance with the provisions of K.S.A. 74-4965, and amendments thereto, except that in no case shall such retirement benefit exceed-90% 100% of such member's final average salary.
- (2) Any member who retires before such member's normal retirement date shall receive an early retirement benefit equal to the annual retirement benefit payable had the member retired on the normal retirement date reduced by an amount equal to the product of (A) such annual retirement benefit payable had the member retired on the normal retirement date, multiplied by (B) the product of 0.4% multiplied by the number of months difference, to the nearest whole month, between the member's attained age at the time of retirement and age 55.
- (3) Pursuant to the provisions of K.S.A. 74-49,128, and amendments thereto, upon the death after retirement of a member who was covered, up to the entry date of the member's employer, by a pension system under the provisions of K.S.A. 12-5001—to through 12-5007,—inclusive, and amendments thereto, or K.S.A. 13-14a01-to through 13-14a14, inclusive. and amendments thereto, or K.S.A. 14-10a01-to through 14-10a15, inclusive, and amendments thereto, and who had not elected to retire under one of the options provided under K.S.A. 74-4964, and amendments thereto, the member's spouse, if such spouse was the member's lawfully wedded spouse for a period of not less than one year at the time of the member's retirement or if such spouse had been the member's lawfully wedded spouse for at least three years after the time of the member's retirement, shall receive: (A) Pursuant to the provisions of K.S.A. 74-49,128, and amendments thereto, a lump-sum benefit equal to \(^{1}/\_{2}\) the member's final average salary at the time of the member's retirement; and (B) an annual spouse's benefit equal to 75% of the member's retirement benefit payable in monthly installments, to accrue from the first day of the month following the member's date of death and ending on the last day of the month in which the spouse dies. Commencing on the effective date of this act, any surviving spouse, who was receiving benefits pursuant to this section and who had such benefits terminated by reason of such spouse's remarriage, shall be entitled to once again receive benefits pursuant to this section, except that such surviving spouse shall not be entitled to recover

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1 any benefits not received after the termination of benefits by reason of 2 such surviving spouse's remarriage but before the effective date of this act. 3 If there is no surviving spouse, or if after the death of the spouse there 4 remain one or more children under the age of 18 years or one or more 5 children under the age of 23 years who is a full-time student as provided in 6 K.S.A. 74-49,117, and amendments thereto, the spouse's benefit shall be 7 payable, subject to the provisions of K.S.A. 74-49,123, and amendments 8 thereto, in equal shares to such children and each child's share shall end on 9 the last day of the month in which such child attains the age of 18 years or 10 dies, whichever occurs earlier or in which such child attains the age of 23 years, if such child is a full-time student as provided in K.S.A. 74-49,117, 11 12 and amendments thereto. Commencing on the effective date of this act, 13 any child who was receiving benefits pursuant to this section and who had 14 such benefits terminated by reason of such child's marriage, shall be 15 entitled to once again receive benefits pursuant to this section subject to 16 the limitations contained in this section, except that such child shall not be 17 entitled to recover any benefits not received after the termination of 18 benefits by reason of such child's marriage but before the effective date of 19 this act. All payments due under this section to a minor shall be made to a 20 legally appointed conservator of such minor as provided in subsection (7) 21 of K.S.A. 74-4902(7), and amendments thereto. No person shall be entitled 22 to receive more than one benefit under the provisions of this subsection. 23 Any person who otherwise meets the qualifications to receive more than 24 one benefit under this subsection shall elect the benefit such person shall 25 receive. 26

- (4) Upon the death after retirement of a member who had not elected to retire under one of the options provided under K.S.A. 74-4964, and amendments thereto, such member's beneficiary shall receive an amount equal to the excess, if any, of such member's accumulated contributions over the sum of all retirement benefit payments made.
- (5) The provisions of this section shall be effective on and after July 1, 1989, and shall apply only to members who were appointed or employed prior to July 1, 1989, and who made an election pursuant to K.S.A. 74-4955a, and amendments thereto; and persons appointed or employed on or after July 1, 1989.
- (6) The provisions of law in effect on the retirement date of a member under the system shall govern the retirement benefit payable to the retirant, any joint annuitant and any beneficiary.
- Sec. 3. K.S.A. 2017 Supp. 74-4958 and 74-4958a are hereby repealed.

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