

SENATE BILL No. 286

By Committee on Ways and Means

3-2

9 AN ACT concerning state officers and employees; relating to salaries,
10 compensation and certain expense allowances; establishing and imple-
11 menting semimonthly payroll periods; making and concerning appro-
12 priations for the fiscal year ending June 30, 2006; amending K.S.A. 40-
13 102, 46-137a, 46-137b, 75-5501, 75-5501a, 75-5502, 75-5505, 75-5506,
14 75-5507, 75-5509, 75-5510, 75-5511, 75-5512 and 75-5515 and K.S.A.
15 2004 Supp.74-4925, 75-3101, 75-3103, 75-3104, 75-3108, 75-3110 and
16 75-3111a and repealing the existing sections.
17

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

19 New Section 1. (a) The governor is hereby authorized to modify the
20 pay plan for fiscal year 2006 in accordance with this subsection and to
21 adopt such pay plan as so modified. The existing pay plan for fiscal year
22 2006 shall be modified to provide for an increase of 2.5% in the pay rates
23 of such pay plan. The pay plan adopted by the governor under this sub-
24 section shall be the pay plan for the classified service under the Kansas
25 civil service act and shall be effective on the first day of the first biweekly
26 payroll period which is chargeable to the fiscal year ending June 30, 2006.
27 Such pay plan shall be subject to modification and approval as provided
28 under K.S.A. 75-2938 and amendments thereto and to any enactment of
29 the legislature applicable thereto.

30 (b) (1) The governor is hereby authorized to modify or authorize the
31 modification of the salaries of state officers and employees who are in the
32 unclassified service under the Kansas civil service act and whose salaries
33 are subject to approval by the governor under K.S.A. 75-2935b or 75-
34 2935c and amendments thereto to provide for base salary increases, to
35 be effective on the first day of the first payroll period which is chargeable
36 to the fiscal year ending on June 30, 2006, and to be distributed from a
37 salary increase pool, the average of such increases shall not exceed 2.5%
38 of the base salaries of such officers and employees.

39 (2) Each elected state official of the executive branch of state govern-
40 ment, including the state board of education, and the board of directors
41 of the Kansas technology enterprise corporation, Kansas, Inc., the state
42 board of regents and the board of trustees of the Kansas public employees
43 retirement system, in each such official, corporation or board's discretion,

1 are hereby authorized and directed to modify or to authorize the modi-
2 fication of the salaries of the state officers and employees of such official,
3 corporation or board, who are in the unclassified service under the Kansas
4 civil service act and whose salaries are not subject to approval by the
5 governor under K.S.A. 75-2935b and amendments thereto, to provide for
6 base salary increases to be effective on the first day of the first payroll
7 period which is chargeable to the fiscal year ending June 30, 2006, and
8 to be distributed from a salary increase pool, the average of such increases
9 shall not exceed 2.5% of the base salaries of such officers and employees
10 of such official, corporation or board. The provisions of this subsection
11 (b)(2) shall not authorize or provide any salary increase for the governor,
12 lieutenant governor, secretary of state, state treasurer, commissioner of
13 insurance, or attorney general, or for any member of any state board,
14 commission, council or committee receiving per diem compensation as
15 provided by statute.

16 New Sec. 2. (a) There is hereby appropriated for the state finance
17 council from the state general fund for the fiscal year ending June 30,
18 2006, the sum of \$21,296,527 to be used for the purpose of paying the
19 proportionate share of the cost to the state general fund of: (1) The salary
20 increases which are provided for by modification of the pay plan for state
21 officers and employees in the classified service under the Kansas civil
22 service act to provide for an increase of 2.5% in the pay rates of such pay
23 plan for biweekly pay periods which are chargeable to the fiscal year
24 ending June 30, 2006; and (2) the salary increases for state officers and
25 employees in the unclassified service under the Kansas civil service act
26 which are provided for in subsection (b)(1) and subsection (b)(2) of sec-
27 tion 1.

28 (b) To pay the proportionate share of the cost to the state general fund
29 of each state agency for the salary increases specified in subsection (a),
30 including associated employer contributions, upon recommendation of
31 the director of the budget, the state finance council, acting on this matter
32 which is hereby characterized as a matter of legislative delegation and
33 subject to the guidelines prescribed in subsection (c) of K.S.A. 75-3711c
34 and amendments thereto, except paragraph (3) of such subsection (c), is
35 hereby authorized to approve the transfer of moneys from the appropri-
36 ation under subsection (a) by the director of accounts and reports, who
37 is hereby authorized and directed to make such transfers in accordance
38 with such approval, to the proper accounts created by state general fund
39 appropriations for the fiscal year ending June 30, 2006.

40 (c) Upon recommendation of the director of the budget, the state fi-
41 nance council, acting on this matter which is hereby characterized as a
42 matter of legislative delegation and subject to the guidelines prescribed
43 in subsection (c) of K.S.A. 75-3711c and amendments thereto, except

1 paragraph (3) of such subsection (c), is hereby authorized to approve
 2 increases in expenditure limitations on special revenue funds and ac-
 3 counts established for the fiscal year ending June 30, 2006, by the director
 4 of accounts and reports, who is hereby authorized and directed to increase
 5 expenditure limitations on such special revenue funds and accounts in
 6 accordance with such approval, for the purpose of paying from such funds
 7 or accounts the proportionate share of the cost to such funds or accounts,
 8 including associated employer contributions, of the salary increases spec-
 9 ified in subsection (a) for the fiscal year ending June 30, 2006.

10 (d) Each state agency of the executive branch of state government shall
 11 prepare and submit a budget estimate for such salary increases specified
 12 in subsection (a), and all amendments and revisions of such estimates, to
 13 the director of the budget on forms prescribed by the director of the
 14 budget. At the same time as each state agency submits such estimate, and
 15 all amendments and revisions thereof, each state agency shall submit a
 16 copy of such estimate, and all amendments and revisions thereof, directly
 17 to the legislative research department.

18 New Sec. 3.

19 **LEGISLATIVE COORDINATING COUNCIL**

20 (a) There is appropriated for the above agency from the state general
 21 fund for the fiscal year ending June 30, 2006, the following:

22 Legislative coordinating council — operations	\$16,097
23 Legislative research department — operations.....	\$65,742
24 Office of revisor of statutes — operations	\$47,997

25 New Sec. 4.

26 **LEGISLATURE**

27 (a) There is appropriated for the above agency from the state general
 28 fund for the fiscal year ending June 30, 2006, the following:

29 Operations (including official hospitality)	\$156,185
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30 New Sec. 5.

31 **DIVISION OF POST AUDIT**

32 (a) There is appropriated for the above agency from the state general
 33 fund for the fiscal year ending June 30, 2006, the following:

34 Operations (including legislative post audit committee)....	\$38,112
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35 New Sec. 6.

36 **JUDICIAL BRANCH**

37 (a) There is appropriated for the above agency from the state general
 38 fund for the fiscal year ending June 30, 2006, the following:

39 Judiciary operations	\$2,222,358
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40 Sec. 7. On June 5, 2005, K.S.A. 40-102 is hereby amended to read as
 41 follows: 40-102. There is hereby established a department to be known
 42 as the insurance department, which shall have a chief officer entitled the
 43 commissioner of insurance who shall receive, except as otherwise pro-

1 vided in K.S.A. 75-3111a and amendments thereto, a salary at a biweekly
2 pay rate of ~~\$2,648.45~~ \$3,101.81, and such officer shall be charged with
3 the administration of all laws relating to insurance, insurance companies
4 and fraternal benefit societies doing business in this state, and all other
5 duties which are or may be imposed upon such officer by law.

6 Sec. 8. On June 5, 2005, K.S.A. 46-137a is hereby amended to read
7 as follows: 46-137a. In addition to the compensation provided for by
8 K.S.A. 46-137b, 46-137e and 75-3212 and amendments thereto, each
9 member of the legislature shall receive the following amounts:

10 (a) The sum of ~~\$72.06~~ \$83.14 per calendar day for service at any regular
11 or special session, except as otherwise provided in subsection (e);

12 (b) the sum of \$80 per calendar day for subsistence allowance for any
13 regular or special session of the legislature, except that if the amounts
14 allowable for the capital city of Kansas under applicable federal law and
15 regulations to employees of the executive branch of the federal govern-
16 ment for per diem expenses, while away from home but serving in the
17 United States, are amounts which total greater than \$80, then each mem-
18 ber of the legislature shall receive such greater total amount per calendar
19 day for subsistence allowance for any regular or special session of the
20 legislature;

21 (c) an allowance of ~~\$270~~ \$324 for the two-week period which ~~coincides~~
22 ~~with the first biweekly payroll period commencing in~~ *includes* April 1st
23 and for each of the 19 ensuing two-week periods thereafter, to defray
24 expenses incurred between sessions of the legislature for postage, tele-
25 phone, office and other incidental expenses;

26 (d) an allowance for mileage in an amount equal to the rate per mile
27 prescribed under the provisions of K.S.A. 75-3203a and amendments
28 thereto multiplied by the number of miles traveled by the usual route in
29 going to and returning from the member's place of residence for any
30 regular or special session of the legislature. Such mileage allowances shall
31 be paid for not to exceed the equivalent of one trip for each full week
32 occurring between convening and adjournment sine die in any regular or
33 special session. The mileage allowance provided under the provisions of
34 this subsection shall not be subject to the restrictions relating to the use
35 of vehicles prescribed by K.S.A. 75-3203 and 75-3203a and amendments
36 thereto but shall only be allowed for trips actually made. Compensation
37 and subsistence allowance shall not be allowed under the provisions of
38 subsections (a) and (b) of this section during any period in which the
39 legislature is adjourned for more than two days, Sundays excepted; and

40 (e) whenever the rates of compensation of the pay plan for persons in
41 the classified service under the Kansas civil service act are increased for
42 payroll periods chargeable to fiscal years commencing after June 30, ~~1999~~
43 2006, the rate of compensation per calendar day for members of the

1 legislature for service at any regular or special session of the legislature
2 shall be increased on the effective date of any such pay plan increase by
3 an amount computed by multiplying the average of the percentage in-
4 creases in all steps of such pay plan by the rate of compensation per
5 calendar day which is authorized by this section for service at any regular
6 or special session of the legislature for the day upon which such increase
7 is computed.

8 Sec. 9. On June 5, 2005, K.S.A. 46-137b is hereby amended to read
9 as follows: 46-137b. (a) In addition to the compensation provided for by
10 K.S.A. 46-137a and 75-3212 and amendments thereto, and any other stat-
11 ute, and except as otherwise provided by subsection (b):

12 (1) The president of the senate and the speaker of the house of rep-
13 resentatives shall each receive an allowance at a biweekly pay rate of
14 ~~\$438.82~~ \$506.34 during their terms of office as speaker and president,
15 which compensation shall be for additional services performed in con-
16 nection with discharging the duties assigned to the respective positions;

17 (2) the speaker pro tem of the house of representatives, the vice pres-
18 ident of the senate, the assistant majority leaders of the senate and house
19 of representatives and the assistant minority leaders of the senate and
20 house of representatives shall each receive an allowance at a biweekly pay
21 rate of ~~\$223.97~~ \$258.43 during their respective terms of office which
22 compensation shall be for additional services performed in connection
23 with discharging the duties assigned to the respective positions;

24 (3) the chairperson of the senate committee on ways and means and
25 the chairperson of the house committee on appropriations shall each re-
26 ceive an allowance at a biweekly pay rate of ~~\$352.89~~ \$407.19 during their
27 respective terms of office, which compensation shall be for additional
28 services performed in connection with discharging the duties assigned to
29 the respective positions; and

30 (4) the majority and minority leaders of the senate and the house of
31 representatives shall each receive an allowance at a biweekly pay rate of
32 ~~\$395.89~~ \$456.80 during their respective terms of office, which compen-
33 sation shall be for additional services performed in connection with dis-
34 charging the duties assigned to the respective positions.

35 (b) Whenever the rates of compensation of the pay plan for persons in
36 the classified service under the Kansas civil service act are increased for
37 payroll periods chargeable to fiscal years commencing after June 30, ~~1999~~
38 2006, the biweekly pay rate of officers of the legislature specified in sub-
39 section (a) shall be increased on the effective date of any such pay plan
40 increase by an amount computed by multiplying the average of the per-
41 centage increases in all steps of such pay plan by the biweekly pay rate
42 of such officers which is being received as provided by law and which is
43 in effect prior to the effective date of such pay plan increase.

1 Sec. 10. On June 5, 2005, K.S.A. 2004 Supp. 75-3101 is hereby
2 amended to read as follows: 75-3101. Except as otherwise provided in
3 K.S.A. 75-3111a and amendments thereto, the governor of the state shall
4 receive for services a salary at a biweekly pay rate of ~~\$3,409.22~~ \$3,992.81.
5 Sec. 11. On June 5, 2005, K.S.A. 2004 Supp. 75-3103 is hereby
6 amended to read as follows: 75-3103. (a) The lieutenant governor shall
7 receive, as reimbursement for expenses the following: (1) Biweekly the
8 sum of \$72.12, and (2) when attending the duties of office or attending
9 any authorized meeting, in addition to other provisions of this section,
10 travel expenses and subsistence expenses and allowances in amounts
11 equal to those provided for by K.S.A. 75-3212 and amendments thereto.
12 In addition to any other compensation provided by law and except as
13 otherwise provided in K.S.A. 75-3111a and amendments thereto, the lieu-
14 tenant governor shall also receive for services in the performance of duties
15 imposed by law compensation at the biweekly pay rate of ~~\$964.29~~
16 \$1,129.36. While acting as governor, the lieutenant governor shall receive
17 the same salary as the governor. The lieutenant governor may appoint an
18 administrative assistant and office and stenographic employees, all of
19 whom shall be in the unclassified service of the Kansas civil service act.
20 Such administrative assistant shall receive travel expenses and subsistence
21 expenses or allowances as provided by K.S.A. 75-3212 and amendments
22 thereto when traveling as authorized by the lieutenant governor.
23 (b) If the lieutenant governor is appointed by the governor under the
24 provision of K.S.A. 75-303 and amendments thereto, the lieutenant gov-
25 ernor shall receive a salary to be fixed by the governor or a salary as
26 provided for in subsection (a) of this section, whichever is greater.
27 Sec. 12. On June 5, 2005, K.S.A. 2004 Supp. 75-3104 is hereby
28 amended to read as follows: 75-3104. Except as otherwise provided in
29 K.S.A. 75-3111a and amendments thereto, the secretary of state shall
30 receive for services a salary at a biweekly pay rate of ~~\$2,648.45~~ \$3,101.81.
31 Sec. 13. On June 5, 2005, K.S.A. 2004 Supp. 75-3108 is hereby
32 amended to read as follows: 75-3108. Except as otherwise provided in
33 K.S.A. 75-3111a and amendments thereto, the state treasurer shall re-
34 ceive for services a salary at a biweekly pay rate of ~~\$2,648.45~~ \$3,101.81.
35 Sec. 14. On June 5, 2005, K.S.A. 2004 Supp. 75-3110 is hereby
36 amended to read as follows: 75-3110. Except as otherwise provided in
37 K.S.A. 75-3111a and amendments thereto, the attorney general shall re-
38 ceive for services a salary at a biweekly pay rate of ~~\$3,045.64~~ \$3,567.00.
39 Sec. 15. On June 5, 2005, K.S.A. 2004 Supp. 75-3111a is hereby
40 amended to read as follows: 75-3111a. Whenever the rates of compen-
41 sation of the pay plan for persons in the classified service under the Kansas
42 civil service act are increased for payroll periods chargeable to fiscal years
43 commencing after June 30, ~~1999~~ 2006, the salary of the governor, the

1 lieutenant governor, the attorney general, the secretary of state, the state
2 treasurer and the commissioner of insurance shall be increased by an
3 amount computed by multiplying the average of the percentage increases
4 in all steps of such pay plan by the salary of the elected state officer which
5 is being received as provided by law and which is in effect prior to the
6 effective date of such increase in the rates of compensation of the pay
7 plan for persons in the classified service under the Kansas civil service
8 act.

9 Sec. 16. K.S.A. 75-5501 is hereby amended to read as follows: 75-
10 5501. (a) The director of accounts and reports shall formulate a system
11 of payroll accounting, including timekeeping, payroll calculation and pay
12 distribution (delivery) and labor cost distribution and analysis, and shall
13 install and operate such system of payroll accounting for all state agencies.
14 The system shall include provision for centralized records, which shall
15 include payroll data for all individuals which with the common law em-
16 ployer-employee relationship is created by agencies of the state of Kansas
17 and which shall be coordinated with records maintained by the division
18 of personnel services and other state agencies. ~~If biweekly payroll periods~~
19 ~~are established under K.S.A. 75-5501a,~~ The system of payroll accounting
20 shall be modified to implement ~~such biweekly~~ *semimonthly* payroll per-
21 *iods in accordance with K.S.A. 75-5501a, and amendments thereto.* State
22 agencies shall utilize the system of payroll accounting to the extent pre-
23 scribed by the director of accounts and reports, and shall submit such
24 reports and statements as may be required by the director in order to
25 carry out the provisions of this act. The director of accounts and reports
26 shall design, revise and direct the use of records and procedures and
27 prescribe classifications of coding payroll data, methods of funding labor
28 cost through the central payroll account and a system of prepayment and
29 postpayment debit and credit transactions and entries on the records cre-
30 ated from payroll data and the necessary forms to be used by all state
31 agencies in connection with such system of payroll accounting. The pay-
32 roll system so designed shall include generally accepted accounting prin-
33 ciples of internal check, and may include timekeeping for attendance and
34 performance, as prescribed in this act.

35 (b) The director of accounts and reports shall provide, as a part of the
36 system of payroll accounting, a plan for the deduction from the salary or
37 wages of an amount equal to regular membership dues for state officers
38 and employees who are members of the Kansas troopers association or
39 who are in any employee organization which has filed an annual report
40 pursuant to K.S.A. 75-4337, *and amendments thereto*, or which has a
41 business agent registered pursuant to K.S.A. 75-4336, *and amendments*
42 *thereto*. Such plan, in addition to such provisions as are negotiated by the
43 director of accounts and reports and the employee organization, shall

1 provide for:

2 (1) A written authorization-assignment by a state officer or employee
3 prior to any dues deduction from the salary or wages of such officer or
4 employee, which authorization-assignment shall remain effective for not
5 less than 180 days and shall be terminated at any time thereafter upon
6 30 days' prior notice by the state officer or employee of termination of
7 the authorization-assignment;

8 (2) change in the amount of regular membership dues to be deducted,
9 but not more often than twice in any fiscal year;

10 (3) renewal of an authorization-assignment by an officer or employee
11 after termination of a prior authorization-assignment upon 90 days' prior
12 notice by the officer or employee who has terminated a membership dues
13 deduction; and

14 (4) payment of all moneys deducted each payroll period pursuant to
15 this section to the employee organization less the amount of actual direct
16 expenses incurred by this state for the membership dues deduction.

17 Sec. 17. K.S.A. 75-5501a is hereby amended to read as follows: 75-
18 5501a. (a) ~~The secretary of administration shall approve the establishment~~
19 ~~of biweekly~~ *establish semimonthly* payroll periods for all officers and em-
20 ~~ployees of the university of Kansas medical center. The secretary of ad-~~
21 ~~ministration may approve the establishment of biweekly payroll periods~~
22 ~~for any officers and employees of one or more other of all state agencies~~
23 ~~in accordance with this act. As used in this act, the term "approval date"~~
24 ~~means the date on which such approval is given by the secretary of ad-~~
25 ~~ministration.~~

26 (b) Subject to the provisions of subsection (c), the secretary of admin-
27 istration shall integrate ~~biweekly~~ *semimonthly* payroll periods into the
28 system of payroll accounting ~~established under this act, for purposes of~~
29 ~~the officers and employees to whom the biweekly payroll periods estab-~~
30 ~~lished apply, on a date fixed by the secretary of administration~~ *adminis-*
31 *tered and maintained as authorized and prescribed by statute. As used in*
32 *this act, the term "implementation date" means the date fixed under this*
33 ~~subsection by the secretary of administration. The implementation date~~
34 *for semimonthly payroll periods shall be May 21, 2006, for all state agen-*
35 *cies. The first semimonthly payroll period shall commence on May 21,*
36 *2006, and shall end with June 1, 2006. The pay date for the first semi-*
37 *monthly payroll period shall be June 15, 2006. The second semimonthly*
38 *payroll period shall commence on June 2, 2006, and shall end with June*
39 *15, 2006. The pay date for the second semimonthly payroll period shall*
40 *be July 3, 2006.*

41 (c) The period preceding ~~an~~ *the* implementation date for ~~biweekly~~ *sem-*
42 *imonthly* payroll periods shall be a transition period during which the
43 secretary of administration may vary the procedures and requirements of

1 this act concerning ~~biweekly~~ *semimonthly* payroll periods, *other than the*
 2 *commencing and ending dates and the pay dates specified for the first*
 3 *and second semimonthly payroll periods*, in order to provide ~~the an~~ an order-
 4 ~~ly transition contemplated by this act from biweekly payroll periods~~
 5 *to semimonthly payroll periods.*

6 (d) The provisions of this section shall be controlling over any statute
 7 making reference to monthly or ~~semimonthly~~ *biweekly* payment of sala-
 8 ries or compensation of state officers and employees.

9 Sec. 18. K.S.A. 75-5502 is hereby amended to read as follows: 75-
 10 5502. The system of payroll accounting may provide for the fixing of
 11 staggered or cycled payroll periods or pay dates by designation of the days
 12 of the month or week on which certain employees' payroll periods shall
 13 be fixed and by designation of the date of payment for the earnings during
 14 a designated payroll period. Such established pay dates, as far as practi-
 15 cable, shall be uniform for all *state officers and* employees of each state
 16 agency employed in the same geographical area, ~~and if biweekly.~~ *Under*
 17 *the system of semimonthly* payroll periods ~~are~~ established under K.S.A.
 18 75-5501a, ~~and amendments thereto~~, such established pay dates shall not
 19 be more than ~~fourteen (14)~~ 20 calendar days following the close of the
 20 payroll period. For the purpose of implementing this section, the director
 21 of accounts and reports may alter any established payroll period or pay
 22 date by not more than seven calendar days by establishing a schedule of
 23 staggered payroll periods and pay dates as provided in this section.

24 Sec. 19. K.S.A. 75-5505 is hereby amended to read as follows: 75-
 25 5505. (a) It is the policy of the state that a forty-hour workweek shall be
 26 the standard workweek of state employees, and all pay rates established
 27 for such employees shall be based on a forty-hour workweek, except that
 28 workweeks which deviate from the forty-hour workweek may be estab-
 29 lished by appointing authorities in order to meet the varying needs of the
 30 different state agencies, and in such cases the pay rates established shall
 31 be based on the workweek so established.

32 (b) Every state agency shall submit information to the director of ac-
 33 counts and reports:

34 (1) Necessary for determining the number of hours per day and the
 35 number of days per week or, in case of irregular workweeks, the number
 36 of hours per week which shall constitute full-time employment for each
 37 position within its jurisdiction;

38 (2) showing such schedules of work time assignment that are in effect
 39 for each employee in the agency;

40 (3) describing the system of accruing credits and charges for all rec-
 41 ognized annual, sick and other compensable leave for all officers and
 42 employees of the state agency who are not covered for such purposes by
 43 the Kansas civil service act ~~and, if biweekly payroll periods are established~~

1 ~~for officers or employees of the state agency under K.S.A. 75-5501a, the~~
 2 ~~balances of such accrued credits for such officers or employees on the~~
 3 ~~implementation date; and~~

4 (4) specifying the terms of any contractual obligations that affect any
 5 employment relationship.

6 (c) Nothing in this section shall apply to individual elective state offi-
 7 cers.

8 Sec. 20. K.S.A. 75-5506 is hereby amended to read as follows: 75-
 9 5506. (a) ~~If biweekly payroll periods are established under K.S.A. 75-~~
 10 ~~5501a, Salaries, salary ranges and wage rates approved by the governor~~
 11 ~~under K.S.A. 75-2935b for state officers or employees in the unclassified~~
 12 ~~service under the Kansas civil service act in the executive branch of state~~
 13 ~~government which are fixed and approved as provided by law and the~~
 14 ~~existing schedule of salaries or wage rates and ranges established under~~
 15 ~~K.S.A. 75-2938, and amendments thereto, for each class, grade or group~~
 16 ~~of positions in the classification plan for state officers or employees in the~~
 17 ~~classified service under the Kansas civil service act, which are in effect~~
 18 ~~on the approval date for the last biweekly payroll period preceding the~~
 19 ~~implementation date, as specified by K.S.A. 75-5501a, and amendments~~
 20 ~~thereto, shall be converted to hourly and biweekly semimonthly pay rates~~
 21 ~~for the officers and employees of each state agency for which biweekly~~
 22 ~~payroll periods are established, in accordance with a plan prepared by the~~
 23 ~~director of accounts and reports and approved or modified and approved~~
 24 ~~by the secretary of administration.~~

25 (b) ~~If biweekly payroll periods are established under K.S.A. 75-5501a~~
 26 ~~which are applicable to officers or employees of the university of Kansas~~
 27 ~~medical center who are under a semimonthly compensation system under~~
 28 ~~K.S.A. 75-4315, such system shall no longer apply to such officers and~~
 29 ~~employees and such officers and employees shall be converted to a bi-~~
 30 ~~weekly system for pay earned on and after the implementation date, and~~
 31 ~~the pay rates for such officers and employees shall be converted to hourly~~
 32 ~~and biweekly pay rates, in accordance with a plan prepared by the director~~
 33 ~~of accounts and reports and approved or modified and approved by the~~
 34 ~~secretary of administration.~~

35 ~~—(c) Notwithstanding any existing provision of law to the contrary, if~~
 36 ~~biweekly when semimonthly payroll periods are established under K.S.A.~~
 37 ~~75-5501a, and amendments thereto, for a state officer or employee whose~~
 38 ~~salary is fixed by statute, such salary shall be converted to hourly and~~
 39 ~~biweekly semimonthly pay rates in accordance with a plan prepared by~~
 40 ~~the director of accounts and reports and approved or modified and ap-~~
 41 ~~proved by the secretary of administration, subject to the statutory amount~~
 42 ~~of such salary.~~

43 Sec. 21. K.S.A. 75-5507 is hereby amended to read as follows: 75-

1 5507. ~~If biweekly payroll periods are established under K.S.A. 75-5501a,~~
 2 Whenever time and attendance records indicate that the number of hours
 3 pay due in any payroll period to ~~an a state~~ officer or employee, ~~to whom~~
 4 ~~such biweekly payroll periods apply,~~ is for more or less than the time fixed
 5 for full-time employment, considering the balance and usage of holiday,
 6 annual, sick and compensating time, or other compensable leave, the pay
 7 for such payroll period shall be calculated on the basis of the number of
 8 hours of pay due multiplied by the hourly rate or rates fixed for such
 9 *officer or employee*. Rules and regulations may be adopted by the sec-
 10 retary of administration, as provided in K.S.A. 75-3706, *and amendments*
 11 *thereto*, to provide for exceptions to this section.

12 Sec. 22. K.S.A. 75-5509 is hereby amended to read as follows: 75-
 13 5509. ~~If biweekly payroll periods are established under K.S.A. 75-5501a,~~
 14 ~~which apply to~~ *The pay rates for nine-month employees of the state who*
 15 *are employed and engaged in school employment as teachers, or higher*
 16 *education faculty, or who have as their principal duty academic supervi-*
 17 *sion over such teachers or faculty, the monthly pay of such employees*
 18 *shall be calculated for payment on the prescribed biweekly payroll pay-*
 19 *ment system in effect for a school year under all contracts entered into*
 20 *for the such school year commencing in the year in which the implemen-*
 21 *tation date occurs.*

22 Sec. 23. K.S.A. 75-5510 is hereby amended to read as follows: 75-
 23 5510. ~~If biweekly payroll periods are established under K.S.A. 75-5501a~~
 24 ~~which apply to state officers or employees who are receiving~~ *The biweekly*
 25 *rates fixed for housing, food service or other employee maintenance from*
 26 *furnished by a state agency under K.S.A. 75-2961a, the existing monthly*
 27 *rates fixed and amendments thereto, shall be converted by the secretary*
 28 *of administration to semimonthly rates for such housing, food service or*
 29 *other employee maintenance, as provided under K.S.A. 75-2961a, shall*
 30 *be converted by the secretary of administration to biweekly rates for use*
 31 *in the semimonthly payroll periods under the system of payroll account-*
 32 *ing, by multiplying the monthly biweekly rate by twelve (12) 26 and by*
 33 *dividing such annualized rate by twenty-six (26) 24, rounding off any*
 34 *fraction of such biweekly semimonthly rate to the next highest cent \$0.01.*

35 Sec. 24. K.S.A. 75-5511 is hereby amended to read as follows: 75-
 36 5511. Notwithstanding any other provision of law to the contrary, ~~if bi-~~
 37 ~~weekly payroll periods are established under K.S.A. 75-5501a,~~ wherever
 38 in the statutes reference is made to monthly pay *or biweekly pay* of state
 39 officers and employees ~~to whom such biweekly payroll periods apply,~~ such
 40 reference shall continue in effect *and shall mean biweekly pay* until the
 41 implementation date, *as specified by K.S.A. 75-5501a, and amendments*
 42 *thereto*, and thereafter such reference shall mean ~~biweekly~~ *semimonthly*
 43 *pay*. When any conflict arises as a result of any change ~~made by this act~~

1 *enacted in any statute amended by this act*, such conflict shall be resolved
2 by the governor and such decision shall be final.

3 Sec. 25. K.S.A. 75-5512 is hereby amended to read as follows: 75-
4 5512. ~~If biweekly payroll periods are established under K.S.A. 75-5501a,~~
5 The provisions of all contracts and ~~memorandums~~ *memoranda* of agree-
6 ment entered into under authority of K.S.A. 75-4321 to 75-4335, inclu-
7 sive, ~~relating to officers or employees to whom such biweekly payroll~~
8 ~~periods apply and amendments thereto~~, relating to payments to such of-
9 ficers and employees and concerning the method of payment of salaries
10 or wages or the recognition and furnishing of non-cash employee remun-
11 eration, and all salaries and salary reduction or deduction agreements
12 which are authorized by statute and which relate to such officers and
13 employees, shall be made to comply and be administered in accordance
14 with ~~provisions of this act~~ *the establishment and implementation of sem-*
15 *imonthly payroll periods under the system of payroll accounting admin-*
16 *istered and maintained as authorized and prescribed by statute.* The ~~pro-~~
17 ~~visions of this act~~ *establishment and implementation of semimonthly*
18 *payroll periods under the system of payroll accounting* shall not apply to
19 contracts between a state agency and an independent contractor, whether
20 for professional services or for any other services or thing, except that the
21 secretary of administration may adopt rules and regulations, as provided
22 in K.S.A. 75-3706, *and amendments thereto*, which may make all or any
23 part of this act applicable to any or all such contracts.

24 Sec. 26. K.S.A. 75-5515 is hereby amended to read as follows: 75-
25 5515. (a) Except as may be otherwise fixed under the Kansas civil service
26 act or other applicable laws, salaries and wages shall be fixed on an annual
27 basis prior to the beginning of each fiscal year.

28 (b) Changes in such salaries or wages made during the fiscal year shall
29 be reported to the secretary of administration.

30 (c) *Subject to the provisions of this act*, the secretary of administration
31 shall specify the payroll period beginning and ending dates and the pay-
32 ment dates for payroll periods. *Notwithstanding the provisions of K.S.A.*
33 *44-314, and amendments thereto, and subject to the provisions of K.S.A.*
34 *75-5501a, and amendments thereto, the secretary of administration may*
35 *specify a payment date for any payroll period up to 20 days after the end*
36 *of such payroll period for the purposes of specifying a payment date that*
37 *does not occur on a Saturday or Sunday or on a legal holiday. For the*
38 *fiscal year ending June 30, 2007, and each fiscal year thereafter, not more*
39 *than 24 semimonthly payroll pay dates be charged to such fiscal year.*

40 (d) For budget and accounting purposes each payment of salaries and
41 wages shall be charged to appropriations for the fiscal period or year in
42 which the payment occurs.

43 (e) (1) The wages for any officers and employees in positions which are

1 not exempt under the federal fair labor standards act, 29 U.S.C. 201 *et*
2 *seq.*, may be paid on an hourly basis, when authorized by the secretary
3 of administration. The provisions of this section shall be controlling over
4 any statute making reference to monthly payment of salaries or compen-
5 sation of state officers and employees. The wages for employees who are
6 paid hourly shall be determined by dividing the annual wages for the
7 employee's job position by the number of hours required for the position
8 on an annual basis as specified in paragraph (2) of this subsection. The
9 annual wages for each position shall be as fixed pursuant to the Kansas
10 civil service act for classified positions and as fixed by other applicable
11 law for unclassified positions.

12 (2) In determining hourly wage rates, the number of hours required
13 for the position on an annual basis shall be:

14 (A) The amount of 2,080 hours for employees working the standard
15 workweek specified by K.S.A. 75-5505, and amendments thereto; or

16 (B) for those classes of positions for which a deviation has been estab-
17 lished pursuant to K.S.A. 75-5505, and amendments thereto, the number
18 of hours required for the position on an annual basis, as determined by
19 the director of personnel services, subject to approval by the secretary of
20 administration.

21 Sec. 27. K.S.A. 2004 Supp. 74-4925 is hereby amended to read as
22 follows: 74-4925. (1) The state board of regents shall:

23 (a) Assist all those members of the faculty and other persons who are
24 employed by the state board of regents or by educational institutions
25 under its management and who are in the unclassified service under the
26 Kansas civil service act as provided in subsection (1)(f) of K.S.A. 75-2935
27 and amendments thereto, except health care employees, as defined by
28 subsection (1)(f) of K.S.A. 75-2935 and amendments thereto, in the pur-
29 chase of retirement annuities for their service rendered after December
30 31, 1961. Effective on the first day of the first payroll period commencing
31 with or following July 1, 1994, county extension agents employed by Kan-
32 sas state university under K.S.A. 2-615 and amendments thereto shall be
33 eligible for assistance by the state board of regents in the purchase of
34 retirement annuities under this section. The state board of regents shall
35 not assist any such person who is employed after December 31, 1961,
36 until such person has been employed for a waiting period of at least one
37 year except that (i) the state board of regents may assist any newly em-
38 ployed person immediately if at the time of the commencement of em-
39 ployment the person is covered by a valid retirement annuity contract
40 issued by a company described in subsection (2) which was entered into
41 pursuant to a retirement pension plan adopted for faculty members or
42 other persons, or both, employed by an institution of higher education
43 and to which such person or such person's employer on such person's

1 behalf has been making contributions for at least one year, and (ii) all
2 periods of employment with (A) participating employers under the Kansas
3 public employees retirement system, for which employment participating
4 service credit accrued, or (B) institutions of higher education in other
5 states for which employment retirement benefits accrued under a retire-
6 ment system or plan provided for such employment, shall be credited
7 toward satisfaction of such one-year waiting period if served, in either
8 case, during the five years immediately preceding employment with the
9 state board of regents or with an educational institution under its man-
10 agement in the unclassified service under the Kansas civil service act as
11 provided in subsection (1)(f) of K.S.A. 75-2935 and amendments thereto,
12 in addition to such employment with the state board of regents or with
13 an educational institution under its management; no period of employ-
14 ment as a student employee, as a seasonal or temporary employee or as
15 a part-time employee, whose employment requires less than 1,000 hours
16 of work per year, shall be credited toward the one-year waiting period
17 under subsection (1)(a); this act shall not apply to persons employed in
18 such temporary and part-time positions designated by the state board of
19 regents as exceptions hereto;

20 (b) require such members of the faculty and others described in sub-
21 section (1)(a) who are so assisted by the state board of regents to con-
22 tribute an amount toward the purchase of such retirement annuities of
23 5.5% of their salaries, such contributions to be made through payroll
24 deductions and on a pretax basis;

25 (c) contribute an amount toward the purchase of such retirement an-
26 nuities equal to the percentage amount, as prescribed by K.S.A. 74-4925e
27 and amendments thereto, of the total amount of the salaries on which
28 such members of the faculty and others described in subsection (1)(a)
29 contribute during such period for which the contribution of the state
30 board of regents is made;

31 (d) provide, under such rules and regulations as the state board of
32 regents may adopt, for the retirement of any such member of the faculty
33 or other person described in subsection (1)(a) on account of age or con-
34 dition of health, retirement of such member of the faculty or other person
35 described in subsection (1)(a) on account of age to be not earlier than the
36 55th birthday and prior to January 1, 1994, not later than the end of the
37 academic year following the 70th year. On and after January 1, 1994, there
38 shall be no mandatory retirement on account of age. Any person who
39 retires under this section and who receives benefits from the Kansas pub-
40 lic employees retirement system for prior service credit shall have such
41 benefits calculated in accordance with the applicable provisions of K.S.A.
42 74-4914 and 74-4915 and amendments thereto.

43 (2) For the purposes of this section the state board of regents may

1 contract with:

2 (a) Any life insurance company authorized to do business in this state;
3 or

4 (b) any life insurance company organized and operated without profit
5 to any private shareholder or individual exclusively for the purpose of
6 aiding and strengthening educational institutions by issuing insurance and
7 annuity contracts only to or for the benefit of such institution and indi-
8 viduals engaged in the services of such institutions, whether or not such
9 company is authorized to do business in Kansas. No premium tax or in-
10 come tax shall be due or payable on such annuity contract or contracts
11 for such retirement programs issued by a company described in this sub-
12 section (2)(b), except that neither the purchase nor the issuance of such
13 retirement annuities from or by a company described in this subsection
14 (2)(b) shall constitute the effecting of a contract of insurance.

15 (3) (a) Such member of the faculty or other person described in sub-
16 section (1)(a) shall also be a member of the Kansas public employees
17 retirement system, but only for the purpose of granting retirement ben-
18 efits based on prior service only which was rendered prior to January 1,
19 1962, which shall be credited to the member as provided in subsection
20 (1) of K.S.A. 74-4913 and amendments thereto, except that such member
21 of the faculty or other person described in subsection (1)(a) who was
22 employed prior to July 1, 1962, who has not yet retired and who is em-
23 ployed on July 1, 1988, on an academic year contract, shall receive credit
24 for 12 months of prior service for each nine months of prior service for
25 which such member or person was employed on an academic year con-
26 tract prior to July 1, 1962. For the purpose of determining eligibility for
27 a vested benefit, service by such a member of the faculty or other person
28 after December 31, 1961, shall be construed to be credited service under
29 subsection (2) of K.S.A. 74-4917 and amendments thereto.

30 (b) Any member of the faculty or other person described in subsection
31 (1)(a) who retires after 10 years of continuous service immediately pre-
32 ceding retirement shall be granted a retirement benefit based on prior
33 service only which was rendered prior to January 1, 1962. Application for
34 such benefit shall be in such form and manner as the board shall pre-
35 scribe.

36 (4) For the purpose of establishing a procedure whereby the state
37 board of regents and any member of the faculty or other person described
38 in subsection (1)(a), subject to rules and regulations of the state board of
39 regents, may take advantage of section 403(a) or (b) of the federal internal
40 revenue code of 1986 or any other section of the federal internal revenue
41 code of 1986 which defers or excludes amounts from inclusion in income,
42 any member of the faculty or any other person described in subsection
43 (1)(a), whether or not such person has satisfied the one-year waiting pe-

1 riod requirement under subsection (1)(a), may request in writing that the
2 state board of regents reduce such person's annual salary, as fixed by the
3 board, in an amount equal to not less than 5% nor more than the per-
4 centage allowed under section 403(b) of the federal internal revenue code
5 of 1986, as designated by such member of the faculty or other person
6 described in subsection (1)(a), of the gross amount of such annual salary.
7 In the event of such request by a faculty member or other person who is
8 required to make the contribution as provided in subsection (1)(b), such
9 person shall not be required to make such contribution and the state
10 board of regents shall provide a sum equal to the percentage amount, as
11 prescribed by K.S.A. 74-4925e and amendments thereto, of the gross
12 annual salary of the member of the faculty or other person and shall
13 purchase for and on behalf of each such person whose salary has been so
14 reduced a retirement annuity contract or contracts, the annual premiums
15 for which shall be equal to the sum of the amount of the salary reduction
16 of the member of the faculty or other person and the amount paid by the
17 state board of regents. In the event of such request by a faculty member
18 or other person who is serving the one-year waiting period pursuant to
19 subsection (1)(a) who is not required to make the contribution as provided
20 in subsection (1)(b), the state board of regents shall purchase for and on
21 behalf of each such person whose salary has been so reduced a retirement
22 annuity contract or contracts, the annual premiums for which shall be
23 equal to the sum of the amount of the salary reduction of the member
24 of the faculty or other person, but the state board of regents shall not
25 provide the sum equal to the percentage amount, as prescribed by K.S.A.
26 74-4925e and amendments thereto, of the gross annual salary of such
27 person as provided for such person who is required to make the contri-
28 bution as provided in subsection (1)(b). Such retirement annuity contracts
29 may be purchased by the state board of regents from companies described
30 in subsection (2)(a) and subsection (2)(b) or from noninsurance compa-
31 nies who offer retirement plans that meet the requirements of section
32 403(b) of the federal internal revenue code of 1986, except that the state
33 board of regents may require that the first 5% of the gross amount of
34 such person's annual salary which is reduced under this subsection (4)
35 and the amount equal to the percentage amount, as prescribed by K.S.A.
36 74-4925e and amendments thereto, of the gross amount of such person's
37 annual salary which is provided by the state board of regents for the
38 purchase of retirement annuity contracts under this subsection (4), if
39 required to be provided under this subsection (4), shall be used to pur-
40 chase such retirement annuity contracts from such company or companies
41 as may be designated by the state board of regents for such purposes.
42 The director of accounts and reports is authorized to draw warrants on
43 the state treasurer upon the filing with the director of proper vouchers

1 for the amount of the premium on the retirement annuity contract to be
2 paid pursuant to the terms of such contracts and this act.

3 (5) All employees who are described in subsection (1)(a) and who com-
4 mence such employment on and after July 1, 1976, shall receive assistance
5 under subsection (1) and shall be covered by a valid retirement annuity
6 contract issued by a company described in subsection (2).

7 (6) Any employee of the state board of regents or of an educational
8 institution under its management, other than an elected official, who is
9 receiving or is eligible for assistance by the state board of regents in the
10 purchase of a retirement annuity under this section and who becomes
11 ineligible for such assistance because such employee's position is reclas-
12 sified to a position in the classified service under the Kansas civil service
13 act or who becomes ineligible for such assistance because such employee
14 transfers to a position in the classified service under the Kansas civil serv-
15 ice act with the state board of regents or an educational institution under
16 its management, shall become a member of the Kansas public employees
17 retirement system in accordance with the provisions of subsection (5) of
18 K.S.A. 74-4911 and amendments thereto, unless such employee files a
19 written election in the office of the Kansas public employees retirement
20 system, in the form and manner prescribed by the board of trustees
21 thereof, to remain eligible for assistance by the state board of regents
22 under this section prior to the first day of the first complete payroll period
23 occurring after the effective date of such reclassification or transfer. Fail-
24 ure to file such written election shall be presumed to be an election not
25 to remain eligible for assistance by the state board of regents under this
26 section and to become a member of the Kansas public employees retire-
27 ment system under subsection (5) of K.S.A. 74-4911 and amendments
28 thereto. Such election, whether to remain eligible for such assistance or
29 to become a member of such system, shall be effective as of the effective
30 date of such reclassification or transfer and shall be irrevocable.

31 (7) The state board of regents shall adopt uniform policies applicable
32 to members of the faculty and other persons, who are employed by the
33 state board of regents or by any educational institution under its man-
34 agement and who are in the unclassified service under the Kansas civil
35 service act as provided in subsection (1)(f) of K.S.A. 75-2935 and amend-
36 ments thereto, except health care employees, as defined by subsection
37 (1)(f) of K.S.A. 75-2935 and amendments thereto, for the purposes of
38 administering the provisions of this section and the provision of retire-
39 ment annuities and other benefits hereunder. All assistance provided by
40 the state board of regents for such persons, and agreements entered into
41 therefor, pursuant to this section prior to the effective date are hereby
42 authorized, confirmed and validated.

43 (8) Any employee described in subsection (1)(a) who is on leave of

1 absence and who accepts a position in the executive branch of govern-
2 ment may file a written election in the office of the Kansas public em-
3 ployees retirement system, in the form and manner prescribed by the
4 board, to remain eligible for assistance by the state board of regents under
5 this section prior to the first day of the first complete payroll period
6 occurring after the commencement of such service in the executive
7 branch of government. Failure to file such written election shall be pre-
8 sumed to be an election not to remain eligible for assistance by the state
9 board of regents. The state board of regents shall contribute an amount
10 toward the purchase of retirement annuities on behalf of such employee
11 equal to the sum of the amounts provided in subsection (1)(c).

12 (9) Any employee described in subsection (1)(a) who is on leave of
13 absence and who is elected or appointed as a member of the legislature
14 may file a written election in the office of the state board of regents, in
15 the form and manner prescribed by the board, to remain eligible for
16 assistance by the state board of regents under this section prior to the
17 first day of the first complete payroll period occurring after the com-
18 mencement of such service in the legislature or for any employee who is
19 a member of the legislature on January 8, 2001, prior to the first day of
20 the first complete payroll period occurring after July 1, 2001. Failure to
21 file such written election shall be presumed to be an election not to
22 remain eligible for assistance by the state board of regents. For any em-
23 ployee who files an election as provided in this subsection and who was
24 a member of the legislature on January 8, 2001, such election shall be
25 effective on January 8, 2001. The state board of regents shall contribute
26 an amount toward the purchase of retirement annuities on behalf of such
27 employee equal to the percentage amount, as prescribed by K.S.A. 74-
28 4925e, and amendments thereto, on the ~~biweekly~~ *biweekly* rate of the salary *per*
29 *payroll period* of such employee with the state board of regents in effect
30 on the date preceding such leave of absence and continuing throughout
31 such leave of absence. Any such employee who makes an election as
32 provided by this subsection shall be eligible for the insured death benefit
33 and insured disability benefit in the same manner as provided under the
34 provisions of K.S.A. 74-4927a, and amendments thereto. The provisions
35 of this section are intended to further the public policy of encouraging
36 persons to serve in elective office.

37 (10) Any employee who filed a written election under subsection (9)
38 prior to July 1, 2001, and who is a member of the legislature after January
39 14, 2002, may file a written election in the office of the state board of
40 regents, in a form and manner prescribed by the board, to be eligible for
41 an amount to be contributed for any periods prior to January 8, 2001,
42 that an employee was on leave of absence and who was elected or ap-
43 pointed as a member of the legislature. The board of regents shall submit

1 a request to the director of legislative administrative services to calculate
2 an amount to be contributed toward the purchase of the employee's re-
3 tirement annuities and to include in the request a certification of the dates
4 for leaves of absence taken by the employee prior to January 8, 2001, for
5 the purpose of serving in the legislature during regular sessions. The
6 amount shall be calculated by the director of legislative administrative
7 services for periods during which the legislature was in regular session,
8 first by annualizing the compensation and expenses allowance under sub-
9 sections (a) and (b) of K.S.A. 46-137a and amendments thereto paid to
10 any such legislator during those periods; and second, by applying the
11 annual interest earnings assumed by the board of trustees of the Kansas
12 public employees retirement system for the purpose of anticipating ac-
13 tual gains on investments for the same time periods. The amount cal-
14 culated by the director of legislative administrative services shall be sub-
15 mitted to the board of regents. The board of regents shall contribute such
16 amount submitted toward the purchase of retirement annuities on behalf
17 of such employee.

18 Sec. 28. On June 5, 2005, K.S.A. 40-102, 46-137a, 46-137b, 75-5501,
19 75-5501a, 75-5502, 75-5505, 75-5506, 75-5507, 75-5509, 75-5510, 75-
20 5511, 75-5512 and 75-5515 and K.S.A. 2004 Supp. 74-4925, 75-3101, 75-
21 3103, 75-3104, 75-3108, 75-3110 and 75-3111a are hereby repealed.

22 Sec. 29. This act shall take effect and be in force from and after its
23 publication in the Kansas register.