

## Substitute for HOUSE BILL No. 2073

By Select Committee on KPERS

4-2

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9 AN ACT concerning retirement and pensions; relating to employment  
10 after retirement; retirants employed by third-party entities; amending  
11 K.S.A. 2008 Supp. 74-4914 and repealing the existing section.  
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13 *Be it enacted by the Legislature of the State of Kansas:*

14 Section 1. K.S.A. 2008 Supp. 74-4914 is hereby amended to read as  
15 follows: 74-4914. (1) The normal retirement date for a member of the  
16 system shall be the first day of the month coinciding with or following  
17 termination of employment with any participating employer not followed  
18 by employment with any participating employer within 30 days and the  
19 attainment of age 65 or, commencing July 1, 1993, age 62 with the com-  
20 pletion of 10 years of credited service or the first day of the month co-  
21 inciding with or following the date that the total of the number of years  
22 of credited service and the number of years of attained age of the member  
23 is equal to or more than 85. In no event shall a normal retirement date  
24 for a member be before six months after the entry date of the participating  
25 employer by whom such member is employed. A member may retire on  
26 the normal retirement date or on the first day of any month thereafter  
27 upon the filing with the office of the retirement system of an application  
28 in such form and manner as the board shall prescribe. Nothing herein  
29 shall prevent any person, member or retirant from being employed, ap-  
30 pointed or elected as an employee, appointee, officer or member of the  
31 legislature. Elected officers may retire from the system on any date on  
32 or after the attainment of the normal retirement date, but no retirement  
33 benefits payable under this act shall be paid until the member has ter-  
34 minated such member's office.

35 (2) No retirant shall make contributions to the system or receive serv-  
36 ice credit for any service after the date of retirement.

37 (3) Any member who is an employee of an affiliating employer pur-  
38 suant to K.S.A. 74-4954b and amendments thereto and has not withdrawn  
39 such member's accumulated contributions from the Kansas police and  
40 firemen's retirement system may retire before such member's normal  
41 retirement date on the first day of any month coinciding with or following  
42 the attainment of age 55.

43 (4) Any member may retire before such member's normal retirement

1 date on the first day of any month coinciding with or following termination  
2 of employment with any participating employer not followed by employ-  
3 ment with any participating employer within 30 days and the attainment  
4 of age 55 with the completion of 10 years of credited service, but in no  
5 event before six months after the entry date, upon the filing with the  
6 office of the retirement system of an application for retirement in such  
7 form and manner as the board shall prescribe.

8 (5) On or after July 1, 2006, for any retirant who is first employed or  
9 appointed in or to any position or office by a participating employer other  
10 than a participating employer for which such retirant was employed or  
11 appointed during the final two years of such retirant's participation, *and,*  
12 *on or after April 15, 2009, for any retirant who is employed by a third-*  
13 *party entity who contracts services with a participating employer other*  
14 *than a participating employer for which such retirant was employed or*  
15 *appointed during the final two years of such retirant's participation to fill*  
16 *a position covered under subsection (a) of K.S.A. 72-5410, and amend-*  
17 *ments thereto, with such retirant, such participating employer shall pay*  
18 *to the system the actuarially determined employer contribution and the*  
19 *statutorily prescribed employee contribution based on the retirant's com-*  
20 *penensation during any such period of employment or appointment. If a*  
21 *retirant who retired on or after July 1, 1988, is employed or appointed in*  
22 *or to any position or office for which compensation for service is paid in*  
23 *an amount equal to \$15,000 or more, or commencing in calendar year*  
24 *2006, and all calendar years thereafter, \$20,000 or more in any one such*  
25 *calendar year, by any participating employer for which such retirant was*  
26 *employed or appointed during the final two years of such retirant's par-*  
27 *ticipation, and, on or after April 15, 2009, by any third-party entity who*  
28 *contracts services to fill a position covered under subsection (a) of K.S.A.*  
29 *72-5410, and amendments thereto, with such retirant with a participating*  
30 *employer for which such retirant was employed or appointed during the*  
31 *final two years of such retirant's participation, such retirant shall not*  
32 *receive any retirement benefit for any month for which such retirant*  
33 *serves in such position or office. The participating employer who employs*  
34 *such retirant whether by contract directly with the retirant or through*  
35 *an arrangement with a third-party entity shall report to the system within*  
36 *30 days of when the compensation paid to the retirant is equal to or*  
37 *exceeds any limitation provided by this section. Any participating em-*  
38 *ployer who contracts services with any such third-party entity to fill a*  
39 *position covered under subsection (a) of K.S.A. 72-5410, and amendments*  
40 *thereto, shall include in such contract a provision or condition which*  
41 *requires the third-party entity to provide the participating employer with*  
42 *the necessary compensation paid information related to any such position*  
43 *filled by the third-party entity with a retirant to enable the participating*

1 *employer to comply with provisions of this subsection relating to the pay-*  
2 *ment of contributions and reporting requirements. The provisions and*  
3 *requirements provided for in amendments made in this act which relate*  
4 *to positions filled with a retirant or employment of a retirant by a third-*  
5 *party entity shall not apply to any contract for services entered into prior*  
6 *to April 15, 2009, between a participating employer and third-party entity*  
7 *as described in this subsection. Any retirant employed by a participating*  
8 *employer or a third-party entity as provided in this subsection shall not*  
9 *make contributions nor receive additional credit under such system for*  
10 *such service except as provided by this section. Upon request of the ex-*  
11 *ecutive director of the system, the secretary of revenue shall provide such*  
12 *information as may be needed by the executive director to carry out the*  
13 *provisions of this act. The provisions of this subsection shall not apply to*  
14 *retirants employed as substitute teachers or officers, employees or ap-*  
15 *pointees of the legislature. The provisions of this subsection shall not*  
16 *apply to members of the legislature prior to January 8, 2000. The provi-*  
17 *sions of this subsection shall not apply to any other elected officials prior*  
18 *to the term of office of such elected official which commences on or after*  
19 *July 1, 2000. The provisions of this subsection shall apply to any other*  
20 *elected official on and after the term of office of such other elected official*  
21 *which commences on or after July 1, 2000. Except as otherwise provided,*  
22 *commencing January 8, 2001, the provisions of this subsection shall apply*  
23 *to members of the legislature. For determination of the amount of com-*  
24 *penetration paid pursuant to this subsection, for members of the legislature,*  
25 *compensation shall include any amount paid as provided pursuant to sub-*  
26 *sections (a), (b), (c) and (d) of K.S.A. 46-137a, and amendments thereto,*  
27 *or pursuant to K.S.A. 46-137b, and amendments thereto. Notwithstand-*  
28 *ing any provision of law to the contrary, when a member of the legislature*  
29 *is paid an amount of compensation of \$15,000 or more, or commencing*  
30 *in calendar year 2006, and all calendar years thereafter, \$20,000 or more*  
31 *in any one calendar year, the member may continue to receive any*  
32 *amount provided in subsections (b) and (d) of K.S.A. 46-137a, and amend-*  
33 *ments thereto, and still be entitled to receive such member's retirement*  
34 *benefit. Commencing July 1, 2005, the provisions of this subsection shall*  
35 *not apply to retirants who either retired under the provisions of subsec-*  
36 *tion (1), or, if they retired under the provisions of subsection (4), were*  
37 *retired more than 30 days prior to the effective date of this act and are*  
38 *licensed professional nurses or licensed practical nurses employed by the*  
39 *state of Kansas in an institution as defined in subsection (b) of K.S.A. 76-*  
40 *12a01 or subsection (f) of K.S.A. 38-2302, and amendments thereto, the*  
41 *Kansas soldiers' home or the Kansas veterans' home. Nothing in this sub-*  
42 *section shall be construed to create any right, or to authorize the creation*  
43 *of any right, which is not subject to amendment or nullification by act of*

1 the legislature. The participating employer of such retirant shall pay to  
2 the system the actuarially determined employer contribution based on  
3 the retirant's compensation during any such period of employment.  
4 (6) For purposes of this section, any employee of a local governmental  
5 unit which has its own pension plan who becomes an employee of a  
6 participating employer as a result of a merger or consolidation of services  
7 provided by local governmental units, which occurred on January 1, 1994,  
8 may count service with such local governmental unit in determining  
9 whether such employee has met the years of credited service require-  
10 ments contained in this section.  
11 Sec. 2. K.S.A. 2008 Supp. 74-4914 is hereby repealed.  
12 Sec. 3. This act shall take effect and be in force from and after its  
13 publication in the Kansas register.