

## 2018 Kansas Statutes

### **74-4925. Retirement plan for certain employees of the state board of regents; membership; employee contributions; KPERS prior service credit; certain employee elections; administration of plan.** (1) The state board of regents shall:

(a) Sponsor and maintain a retirement plan under section 403(b) of the federal internal revenue code for all members of the faculty and other persons who are employed by the state board of regents or by educational institutions under the board's management and who are in the unclassified service under the Kansas civil service act as provided in subsection (1)(f) of K.S.A. 75-2935, and amendments thereto, for their service rendered after December 31, 1961, including effective on the first day of the first payroll period commencing with or following July 1, 1994, county extension agents employed by Kansas state university under K.S.A. 2-615, and amendments thereto, except not including: (i) Health care employees, as defined by subsection (1)(f) of K.S.A. 75-2935, and amendments thereto; (ii) cooperative extension service employees covered by a federal retirement plan; (iii) student employees; or (iv) university support staff, as defined by K.S.A. 2018 Supp. 76-715a, and amendments thereto. An eligible employee who is employed after December 31, 1961, shall participate in such retirement plan when the employee has completed one year of service with the state board of regents or an educational institution under its management, except that: (i) A newly employed eligible employee shall begin participation in the plan immediately, if at the time of the commencement of employment, the eligible employee is covered as a result of employment with an institution of higher education located in the United States, by a retirement plan or program to which employer contributions have been made and benefits accrued for at least one year within the five-year period immediately preceding employment with the state board of regents or with an educational institution under its management; and (ii) all service while in a position eligible for benefits under any state of Kansas retirement plan with respect to which the employee's participation is mandatory, including service during such plan's waiting period, shall be credited toward the year of service requirement, and an eligible employee who has at least one year in a position eligible for benefits under such retirement plan shall be immediately eligible to participate in the state board of regents retirement plan, except that this one-year period must be completed within the five-year period immediately preceding employment with the state board of regents or with an educational institution under the board's management. For purposes of the immediately preceding clauses (i) and (ii), no period of employment as a student employee, seasonal or temporary employee or employee who works less than half-time shall count toward satisfaction of the year of service requirement. The state board of regents may exclude from eligibility under this subsection any persons employed in such temporary or part-time positions as the board designates;

(b) require such members of the faculty and others described in subsection (1)(a) who are eligible to participate in the retirement plan of the state board of regents, as provided in subsection (1)(a), to contribute an amount to such plan equal to 5.5% of such member's compensation, such contributions to be made through payroll deductions and on a pretax basis;

(c) contribute an amount to the retirement plan of the state board of regents, as provided in subsection (1)(a), equal to the percentage amount, as prescribed by K.S.A. 74-4925e, and amendments thereto, of the total amount of the compensation on which such members of the faculty and other persons described in subsection (1)(a) contribute during such period for which the contribution of the state board of regents is made; and

(d) make the contributions required under subsections (1)(b) and (1)(c) in accordance with section 403(b) of the federal internal revenue code and all other applicable sections of the federal internal revenue code and the applicable regulations thereunder.

(2) For the purposes of this section the state board of regents may contract with:

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

(b) a bank or approved non-bank trustee or custodian under section 401(f) of the federal internal revenue code, the assets of which are invested in regulated investment company stock.

(3) (a) Such member of the faculty or other person described in subsection (1)(a) shall also be a member of the Kansas public employees retirement system, but only for the purpose of granting retirement benefits based on prior service only which was rendered prior to January 1, 1962, which shall be credited to the member as provided in subsection (1) of K.S.A. 74-4913, and amendments thereto, except that such member of the faculty or other person described in subsection (1)(a) who was employed prior to July 1, 1962, who has not yet retired and who is employed on July 1, 1988, on an academic year contract, shall receive credit for 12 months of prior service for each nine months of prior service for which such member or person was employed on an academic year contract prior to July 1, 1962. For the purpose of determining eligibility for a vested benefit, service by such a member of the faculty or other person after December 31, 1961, shall be construed to be credited service under subsection (2) of K.S.A. 74-4917, and amendments thereto.

(b) Any member of the faculty or other person described in subsection (1)(a) who retires after 10 years of continuous service immediately preceding retirement shall be granted a retirement benefit based on prior service only which was rendered prior to January 1, 1962. Application for such benefit shall be in such form and manner as prescribed by the board of trustees of the Kansas public employees retirement system.

(4) Any employee who becomes eligible to participate in the retirement plan of the state board of regents, as provided in subsection (1)(a), after a reclassification or transfer from a position covered by the Kansas public employees retirement system, and who has accrued benefits under the Kansas public employees retirement system, may file a one-time, irrevocable written election to continue participation in the Kansas public employees retirement system. Failure to file such written election shall be presumed to be an election not to continue participation in the Kansas public employees retirement system and to become a participant in the retirement plan of the state board of regents. Any participant in the retirement plan of the state board of regents who is reclassified or transferred to a position for the state board of regents or an educational institution under its management that qualifies for participation in the Kansas public employees retirement system in accordance with subsection (5) of K.S.A. 74-4911, and amendments thereto, may file a one-time irrevocable written election to continue participation in the retirement plan of the state board of regents. Failure to file such written election shall be presumed to be an election not to remain eligible for assistance by the state board of regents under this section and to become a member of the Kansas public employees retirement system under subsection (5) of K.S.A. 74-4911, and amendments thereto. Such election shall be filed prior to the first day of the first complete payroll period after the effective date of such reclassification or transfer, and shall be effective on the first day of the first complete payroll period after the effective date of such reclassification or transfer. Such election shall be irrevocable.

(5) A participant in the retirement plan of the state board of regents, as provided in subsection (1)(a), who takes a leave of absence and is elected or appointed as a member of the legislature of the state of Kansas may file a one-time, irrevocable written election to continue participation in such retirement plan for purposes of subsection (1)(c) only. Such election shall be filed prior to the first day of the first complete payroll period after

commencement of service for the legislature or, for any employee who is a member of the legislature on January 8, 2001, prior to the first day of the first complete payroll period after July 1, 2001. Elections shall be effective as of the effective date of such employment, except that for any employee who files an election as provided in this subsection and who was a member of the legislature on January 8, 2001, such election shall be effective on January 8, 2001. Failure to file such a written election shall be presumed to be an election not to continue participation in the retirement plan of the state board of regents. The state board of regents shall contribute an amount to the retirement plan on behalf of an eligible employee who has made such an election equal to the percentage amount, as prescribed by K.S.A. 74-4925e, and amendments thereto, of the compensation of such employee in effect on the date immediately preceding such leave of absence. Any employee who makes an election as provided under this subsection shall be eligible for the insured death benefit and insured disability benefit in the same manner as provided under the provisions of K.S.A. 74-4927a, and amendments thereto. The provisions of this subsection are intended to further the public policy of encouraging persons to serve in elective office.

(6) The state board of regents shall adopt uniform rules, regulations and policies applicable to members of the faculty and other persons described in subsection (1)(a), for the purposes of administering the provisions of this section and the retirement plan of the state board of regents, as provided in subsection (1)(a). All actions undertaken by the state board of regents and agreements entered into pursuant to this section prior to the effective date are hereby authorized, confirmed and validated.

**History:** L. 1961, ch. 427, § 25; L. 1963, ch. 414, § 1; L. 1973, ch. 322, § 1; L. 1974, ch. 390, § 17; L. 1976, ch. 347, § 1; L. 1977, ch. 273, § 3; L. 1979, ch. 246, § 2; L. 1984, ch. 290, § 2; L. 1985, ch. 255, § 1; L. 1986, ch. 295, § 1; L. 1987, ch. 300, § 1; L. 1987, ch. 301, § 2; L. 1988, ch. 302, § 11; L. 1989, ch. 232, § 11; L. 1991, ch. 237, § 2; L. 1993, ch. 227, § 29; L. 1993, ch. 289, § 7; L. 1994, ch. 293, § 16; L. 2001, ch. 209, § 22; L. 2003, ch. 155, § 6; L. 2005, ch. 196, § 7; L. 2006, ch. 168, § 3; L. 2009, ch. 15, § 1; Apr. 2.