

As Amended by House Committee

Session of 2019

HOUSE BILL No. 2119

By Committee on Financial Institutions and Pensions

1-31

1 AN ACT concerning retirement and pensions; relating to the Kansas public
2 employees retirement system; powers and duties of the board of
3 trustees; developing procedures for procurement of goods and services;
4 making and entering into certain contracts; authorizing travel for
5 trustees and employees of the system; amending K.S.A. 74-4909 and
6 repealing the existing section.
7

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

9 Section 1. K.S.A. 74-4909 is hereby amended to read as follows: 74-
10 4909. (1) The board of trustees shall be responsible for the general
11 administration of the system, subject to the provisions of this act.

12 (2) The board shall establish rules and regulations for the
13 administration of the system and for the transaction of business consistent
14 with law, which rules and regulations shall be filed in the office of the
15 secretary of state.

16 (3) The board shall be responsible for the installation of a complete
17 and adequate system of accounts and records. The board shall contract
18 with the department of administration to provide such accounting services
19 as are necessary to avoid duplication of efforts and promote efficiency.
20 The board shall pay the department of administration an amount not
21 exceeding the actual cost incurred in providing this service, which
22 payments shall be deposited in the state treasury and then credited to the
23 state general fund.

24 (4) All meetings of the board shall be open to the public. The board
25 shall keep a record of all proceedings.

26 (5) The board may prescribe rules and regulations for the
27 determination of the value of maintenance, board, lodging, laundry and
28 other allowances to employees in lieu of money.

29 (6) The board may adopt all necessary actuarial tables to be used in
30 the operation of the system as recommended by the actuary, and may
31 compile such additional data as may be necessary for required actuarial
32 valuations and calculations. Whenever the amount of any benefit is to be
33 determined on the basis of actuarial assumptions, the assumptions
34 specified by the board in a way that precludes employer discretion.

35 (7) Subject to the provisions of K.S.A. 74-49,123, and amendments
36 thereto, the board or the investment committee may invest all cash not

1 required for current payments in securities eligible for investment under
2 this act. All actions of the investment committee shall be reported to the
3 board at the first meeting of the board following the action of the
4 investment committee.

5 (8) The board, as soon after the close of the fiscal year as practical,
6 shall publish for distribution among members a financial statement
7 showing the financial status of the system.

8 (9) All decisions of the board as to questions of fact shall be final and
9 conclusive on all persons except for the right of review as provided by law
10 and except for fraud or such gross mistake of fact as to have an effect
11 equivalent to fraud.

12 (10) Each member's account and records shall be administered in a
13 confidential manner and specific data regarding the member shall not be
14 released unless authorized in writing by the member; however, the board
15 may release information to the employer or to other state and federal
16 agencies as the board deems necessary.

17 (11) The board shall develop and adopt a specific plan which outlines
18 strategies, goals, procedures and related costs, including additional
19 employees necessary to carry out the provisions of this subsection, to
20 provide for the system's internal management of the investment and
21 reinvestment of moneys of the fund as provided in K.S.A. 74-4921, and
22 amendments thereto. Such internal management would replace the
23 management of all or part of the fund by persons the board has contracted
24 with as provided in ~~subsection (7) of~~ K.S.A. 74-4921(7), and amendments
25 thereto. The board shall report such plan developed pursuant to this
26 subsection to the legislature and the governor on or before January 1,
27 1993.

28 (12) The board shall adopt rules and regulations providing the
29 requirements and procedures for the election of members of the board by
30 members and retirants of the system as provided in ~~subsection (a)(2) of~~
31 K.S.A. 74-4905(a)(2), and amendments thereto, and for the filling of any
32 vacancy involving such elected member of the board.

33 (13) The board shall cooperate with and provide any assistance to the
34 actuary, the legislative coordinating council and the joint committee on
35 pensions, investments and benefits related to the independent actuarial
36 audit and evaluation as provided in K.S.A. 74-4908a, and amendments
37 thereto.

38 (14) The board shall be responsible for the administration of the
39 Kansas public employees deferred compensation plan and all related
40 functions as prescribed in K.S.A. 74-4911f, ~~K.S.A. 74-49b01 through 74-~~
41 ~~49b06, and amendments thereto,~~ and the Kansas public employees
42 deferred compensation act, *K.S.A. 74-49b07 et seq., and amendments*
43 *thereto.*

1 (15) *The board is hereby authorized and empowered, in the exercise*
2 *of its fiduciary duty to act in the best interest of the Kansas public*
3 *employees retirement fund, and in the maintenance of transparency in*
4 *state government, to:*

5 (a) *Develop policies and procedures generally applicable to the*
6 *procurement of goods and services, based upon sound business practices;*

7 (b) *make and enter into—~~all~~ contracts and agreements necessary or*
8 *incidental to the performance of its duties and the execution of its powers*
9 *under this act in a manner consistent with the professional services*
10 *sunshine act, K.S.A. 2018 Supp. 75-37,130 through 75-37,135, and*
11 *amendments thereto; and*

12 (c) *authorize in-state and out-of-state travel for trustees and*
13 *employees of the system in accordance with the provisions of K.S.A. 75-*
14 *3203a, and amendments thereto.*

15 Sec. 2. K.S.A. 74-4909 is hereby repealed.

16 Sec. 3. This act shall take effect and be in force from and after its
17 publication in the statute book.