HOUSE BILL No. 2328

By Committee on Financial Institutions and Pensions

AN ACT concerning retirement and pensions; relating to the Kansas public employees retirement system; participating service credit; requiring certain concurrent military service to be credited as additional participating service; amending K.S.A. 74-4913 and repealing the existing section.

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

Section 1. K.S.A. 74-4913 is hereby amended to read as follows: 74-4913. (1) Prior service shall be credited as follows:

(a) A member shall receive full credit for continuous employment prior to the entry date with such member's employer on the entry date. If the employee was also employed on March 15 of the year immediately preceding the entry date of that employer, then all such previous employment, whether or not continuous, shall be credited; otherwise no credit shall be granted for employment prior to a break in continuous employment. Any member or retirant who was employed by any participating employer on March 15 of the year immediately preceding the entry date of that employer, may apply to the board on such forms as it may prescribe for prior service credit with a participating employer other than the member's entry date employer. Upon receipt of written verification of such employment from the participating employer, the board shall grant such additional prior service credit with a participating employer other than the member's entry date employer. Upon receipt of written verification of such employment from the participating employer, the board shall grant such additional prior service credit and with respect to a retirant, shall adjust the amount of the retirement benefit accordingly commencing with the next monthly benefit payment due following receipt of the written verification, except that such retirant shall not be entitled to any retroactive adjustment in the amount of such retirement benefit as a result of the board granting such additional prior service credit. In the case of any person other than a retirant receiving a retirement benefit, such person may make application for an adjustment in the benefit amount in the same manner as a member or retirant, and in such case the adjustment in the benefit amount shall be determined by the board upon the advice of the actuary, and shall commence with the next monthly benefit payment due following receipt of the written verification;

(b) leaves of absence and military service shall not be counted as breaks in continuous employment; however, military service which is immediately preceded and followed by employment with a participating
employer shall be credited, except that after July 1, 1974, not more than
five years' credit for military service shall be granted hereunder to the
extent required under USERRA, but leaves of absence shall not be
credited;
(c) any member who was employed in the Kansas state employment
service, now a section of the Kansas division of employment security,
during any of the time the Kansas state employment service was loaned by
the state to the federal government (January 1, 1942, for the duration of the
emergency period of world war II, which service was returned to the state
by the federal government effective November 16, 1946) shall be entitled
to prior service credit for the time so employed during the period stated for
any service rendered under the jurisdiction of the United States
employment service for the federal government in like manner as if the
employment service had remained under the jurisdiction of the state of
Kansas;
(d) any member who is not otherwise eligible for service credit as
provided for in subsection (1)(a) may be granted credit for the service
upon the attainment of 38 quarters of participating service;
(e) any member who was employed by the university of Wichita prior
to July 1, 1964, shall be entitled to prior service credit for such time of
employment under the Kansas public employees retirement system, when
such employment is not the basis for other pension rights.
(2) Participating service shall be credited as follows: (a) A member
shall receive credit for participating service with a participating employer
in accordance with the rules and regulations established by the board of
trustees. Any member employed as a fireman or policeman, as described in
K.S.A. 74-4952(11) and (12), and amendments thereto, who is away from
work or normal duties while in a paid status authorized and approved by a
participating employer on and after July 1, 2014, including, without
limitation, any administrative leave with pay and any paid vacation leave,
sick leave, personal leave, worker's compensation leave, light duty or
temporary duty assignment, shall constitute participating service and any
member shall receive full credit for such participating service with a
participating employer for any such period of time away from work or
normal duties. If the member does not return to work for the participating
employer in the same or a similar position at the conclusion of such leave,
except for reasons of death or disability, the period of the leave shall be
removed from service credit, and the employer and employee
contributions for such period of leave shall be reimbursed by the system to
the employee and the employer unless otherwise provided herein. In the
case of a decision to voluntarily terminate employment, the period of leave
exceeding 365 days shall be removed from service credit, and the
employer and employee contributions for such period of leave shall be
reimbursed by the system to the employee and the employer. However, no
more than one calendar quarter of participating service shall be credited
for any employment within any one calendar quarter, except that military
service concurrent with any participating service within same calendar
quarter shall be credited as additional participating service to the extent
required under USERRA and subject to provisions of this section;
(b) leaves of absence and military service shall not count as a break in
continuous employment. In the case of a leave of absence, the member
shall leave such member's accumulated contribution on deposit with the
fund; however, the period of military service shall be credited, except that
after July 1, 1974, not more than five years' credit for military service shall
be granted hereunder to the extent required under USERRA, but leaves of
absence shall not be credited. Employees who enter the military service
from their employment after the employer's entry date and who have not
completed one year of service at the time of their entry into the military
service, shall not become members of the retirement system until they
return to the employment of that or another participating employer. In the
case of such employee whose combined public employment and military
service does not equal one year at the time of such employee's return to
employment, the date of membership shall be the first day of the payroll
period coinciding with or following the completion of one combined
public employment and military year of service. Such service shall be
granted in accordance with this section;
(c) a period of retirement under the system or a period of total
disability, immediately followed by employment with a participating
employer, shall not count as a break in continuous employment, except
that such periods while not employed shall not be credited as participating
service;
(d) termination of employment, followed by employment with a
participating employer within five years after such termination, does not
constitute a break in continuous employment if such person has not
withdrawn such person's accumulated contribution. Such period while not
employed shall not be credited as participating service.
(3) In determining the number of years of credited prior service or
participating service a fractional year of six months or more shall be
considered as one year and a fractional year of less than six months shall
be disregarded.
Sec. 2. K.S.A. 74-4913 is hereby repealed.
Sec. 3. This act shall take effect and be in force from and after its
publication in the statute book.