As Amended by Senate Committee

As Amended by House Committee

Session of 2024

HOUSE BILL No. 2711

By Committee on Financial Institutions and Pensions

Requested by Representative Hoye

2-6

AN ACT concerning retirement and pensions; relating to the Kansas public employees retirement system and systems thereunder; membership waiting period for direct support positions of community service providers; {increasing the lump-sum death benefit; } employment after retirement; increasing the amount of retirant compensation subject to the statutory employer contribution rate; providing an exemption for retirants employed by a community developmental disability organization or a community service provider affiliated with a community developmental disability organization in a licensed professional nurse, licensed practical nurse or direct support position; increasing the earnings limit for members of the Kansas police and firemen's retirement system; amending K.S.A. 74-4937, 74-4957—and, 74-4957a{, 74-4989 and 74-49,315} and K.S.A. 2023 Supp. 74-4911 and 74-4914 and repealing the existing sections.

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

Section 1. K.S.A. 2023 Supp. 74-4911 is hereby amended to read as follows: 74-4911. (1) Any employee of a participating employer other than an elected official on the entry date of such employer shall be a member of the system on either the entry date or the first day of the payroll period coinciding with or following the completion of one year of service, whichever is later, except that an employee of a participating employer who was first employed by a participating employer on or after July 1, 2008, but before July 1, 2009, shall be a member on July 1, 2009, and except that an employee who is first employed by a participating employer on or after July 1, 2009, shall be a member of the system on the first day of employment of such employee with such participating employer. On and after July 1, 2019, employees employed in direct support positions of an affiliated employer organized under K.S.A. 19-4001, and amendments thereto,—and or defined under K.S.A. 39-1803, and amendments thereto, may become a member of the system on the

 first day of the payroll period coinciding with or following the completion of a two-year period of training, whichever is later. For purposes of this act occasional breaks in service which shall not exceed an aggregate of 10 days in any such year shall not constitute a break in service for purposes of determining the membership date of such employee.

- (2) Except as otherwise provided in this subsection, any employee other than an elected official who is employed by a participating employer after the entry date of such employer shall be a member of the system on the first day of the payroll period coinciding with or following completion of one year of continuous service. For purposes of this act, occasional breaks in service which shall not exceed an aggregate of 10 days in any such year shall not constitute a break in continuous service for purposes of determining the membership date of such employee. For purposes of this subsection, any employee of a local governmental unit which has its own pension plan who becomes an employee of a participating employer as a result of a merger or consolidation of services provided by local governmental units, which occurred on January 1, 1994, may count service with such local governmental unit in determining whether such employee has met the one year of continuous service requirement contained in this subsection.
- (3) Any employee who is an elected official and is eligible to join the system shall file, within 90 days after taking the oath of office, an irrevocable election to become or not to become a member of the system. Such election shall become effective immediately upon making such election, if such election is made within 14 days of taking the oath of office or, otherwise, on the first day of the first payroll period of the first quarter following receipt of the election in the office of the retirement system. In the event that such elected official fails to file the election to become a member of the retirement system, it shall be presumed that such person has elected not to become a member.
- (4) Except as otherwise required by USERRA, any employee other than an elected official who is in military service or on leave of absence on the entry date of such employee's employer shall become a member of the system upon returning to active employment or on the first day of the payroll period coinciding with or following the completion of one year of service, whichever is later. For purposes of this act, occasional breaks in service which shall not exceed an aggregate of 10 days in any such year shall not constitute a break in service for purposes of determining the membership date of such employee.
- (5) Any employee of the state of Kansas other than an elected official, who is receiving or is eligible for assistance by the state board of regents in the purchase of a retirement annuity under K.S.A. 74-4925,

 and amendments thereto, and who becomes ineligible for such assistance because such employee's position is reclassified to a position in the classified service under the Kansas civil service act, or who becomes ineligible for such assistance because such person accepts and transfers to a position in the classified service under the Kansas civil service act shall be a member of the system on the first day of the payroll period coinciding with or following the effective date of such reclassification or transfer. Any such employee who became ineligible for such assistance prior to the effective date of this act April 15, 1977, because of such a reclassification or such a transfer occurring prior to the effective date of this act April 15, 1977, and who is not a member of the system on the effective date of this act April 15, 1977, shall be a member of the system on the first day of the payroll period coinciding with or following the effective date of this act April 15, 1977.

- (6) Any employee of the state board of regents or of an educational institution under its management, other than an elected official, who is a member of the system and who becomes ineligible to be a member of the system because such employee's position is reclassified to a position under the Kansas civil service act which is eligible for assistance by the state board of regents in the purchase of a retirement annuity under K.S.A. 74-4925, and amendments thereto, or who becomes ineligible to be a member of the system because such employee transfers to a position under the Kansas civil service act which is eligible for such assistance, shall become eligible for such assistance in accordance with the provisions of K.S.A. 74-4925, and amendments thereto, unless such employee files a written election in the office of the retirement system, in the form and manner prescribed by the board of trustees thereof, to remain a member of the system prior to the first day of the first complete payroll period occurring after the effective date of such reclassification or transfer. Failure to file such written election shall be presumed to be an election not to remain a member of the system and to become eligible for assistance by the state board of regents in the purchase of a retirement annuity under K.S.A. 74-4925, and amendments thereto. Such election, whether to remain a member of the system or to become eligible for such assistance, shall be effective as of the effective date of such reclassification or transfer, and shall be irrevocable.
- (7) Any elected official who at the time of becoming an elected official is already a member of the system by being or having been an employee of a participating employer shall continue as a member of the system.

Section 1. Sec. 2. K.S.A. 2023 Supp. 74-4914 is hereby amended to read as follows: 74-4914.(1) The normal retirement date for a member of the system shall be the first day of the month coinciding with or following

2

5

7

8

11 12

21

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

termination of employment with any participating employer not followed by employment with any participating employer within 60 days, or 180 3 days as provided in subsection—(10) (9), and without any prearranged 4 agreement for employment with any participating employer, and the attainment of age 65 or, commencing July 1, 1993, age 62 with the 6 completion of 10 years of credited service or the first day of the month coinciding with or following the date that the total of the number of years of credited service and the number of years of attained age of the member 9 is equal to or more than 85. In no event shall a normal retirement date for a 10 member be before six months after the entry date of the participating employer by whom such member is employed. A member may retire on the normal retirement date or on the first day of any month thereafter upon 13 the filing with the office of the retirement system of an application in such form and manner as the board shall prescribe. Such application shall 14 15 contain a certification by the member that the member will not be 16 employed with any participating employer within 60 days, or 180 days as 17 provided in subsection (10) (9), of retirement and the member has not 18 entered into a prearranged agreement for employment with any 19 participating employer. Nothing herein shall prevent any person, member 20 or retirant from being employed, appointed or elected as an employee, appointee, officer or member of the legislature. Elected officers may retire 22 from the system on any date on or after the attainment of the normal 23 retirement date, but no retirement benefits payable under this act shall be paid until the member has terminated such member's office. 24 25

- (2) No retirant shall make contributions to the system or receive service credit for any service after the date of retirement.
- (3) Any member who is an employee of an affiliating employer pursuant to K.S.A. 74-4954b, and amendments thereto, and has not withdrawn such member's accumulated contributions from the Kansas police and firemen's retirement system may retire before such member's normal retirement date on the first day of any month coinciding with or following the attainment of age 55.
- (4) Any member may retire before such member's normal retirement date on the first day of any month coinciding with or following termination of employment with any participating employer not followed by employment with any participating employer within 60 days, or 180 days as provided in subsection (10) (9), and the attainment of age 55 with the completion of 10 years of credited service, but in no event before six months after the entry date, upon the filing with the office of the retirement system of an application for retirement in such form and manner as the board shall prescribe. The member's application for retirement shall contain a certification by the member that the member will not be employed with any participating employer within 60 days, or 180 days as

3

4

5

6

7

8

9

10

11 12

13 14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29 30

31

32

33

34

35

36

37

38

39

40 41

42 43 provided in subsection—(10) (9), of retirement and the member has not entered into a prearranged agreement for employment with any participating employer.

(5) Except as provided in subsections (7) and (10), on or after July 1, 2006, through December 31, 2017, for any retirant who is first employed or appointed in or to any position or office by a participating employerother than a participating employer for which such retirant was employed or appointed during the final two years of such retirant's participation, and, on or after April 1, 2009, for any retirant who is employed by a third-party entity who contracts services with a participating employer other than a participating employer for which such retirant was employed or appointed during the final two years of such retirant's participation to fill a position eovered under K.S.A. 72-2215(a), and amendments thereto, with suchretirant, such participating employer shall pay to the system the actuarially determined employer contribution and the statutorily prescribed employee contribution based on the retirant's compensation during any such period of employment or appointment. If a retirant is employed or appointed in or to any position or office for which compensation for service is paid in an amount equal to \$25,000 or more in any one calendar year between July 1. 2016, and January 1, 2018, by any participating employer for which such retirant was employed or appointed during the final two years of suchretirant's participation, and, on or after April 1, 2009, by any third-party entity who contracts services to fill a position covered under K.S.A. 72-2215(a), and amendments thereto, with such retirant with a participating employer for which such retirant was employed or appointed during the final two years of such retirant's participation, such retirant shall notreceive any retirement benefit for any month for which such retirant serves in such position or office. The participating employer who employs such retirant whether by contract directly with the retirant or through anarrangement with a third-party entity shall report to the system within 30 days of when the compensation paid to the retirant is equal to or exceeds any limitation provided by this section. Any participating employer who contracts services with any such third-party entity to fill a position covered under K.S.A. 72-2215(a), and amendments thereto, shall include in such contract a provision or condition which requires the third-party entity to provide the participating employer with the necessary compensation paid information related to any such position filled by the third-party entitywith a retirant to enable the participating employer to comply withprovisions of this subsection relating to the payment of contributions and reporting requirements. The provisions and requirements provided for in amendments made in this act which relate to positions filled with a retirant or employment of a retirant by a third-party entity shall not apply to any contract for services entered into prior to April 1, 2009, between a

participating employer and third-party entity as described in this subsection. Any retirant employed by a participating employer or a thirdparty entity as provided in this subsection shall not make contributions nor receive additional credit under such system for such service except asprovided by this section. Upon request of the executive director of the system, the secretary of revenue shall provide such information as may be needed by the executive director to carry out the provisions of this act. The provisions of this subsection shall not apply to retirants employed assubstitute teachers without a contract or officers, employees or appointees of the legislature. The provisions of this subsection shall not apply tomembers of the legislature. The provisions of this subsection shall notapply to any other elected officials. Commencing July 1, 2005, theprovisions of this subsection shall not apply to retirants who either retired under the provisions of subsection (1), or, if they retired under theprovisions of subsection (4), were retired more than 30 days prior to the effective date of this act and are licensed professional nurses or licensed practical nurses employed by the state of Kansas in an institution asdefined in K.S.A. 76-12a01(b) or K.S.A. 38-2302(k), and amendments thereto, the Kansas soldiers' home or the Kansas veterans' home. Nothing in this subsection shall be construed to create any right, or to authorize the ereation of any right, which is not subject to amendment or nullification by act of the legislature. The participating employer of such retirant shall pay to the system the actuarially determined employer contribution based on the retirant's compensation during any such period of employment. The provisions of the subsection shall expire on January 1, 2018.

(6) For purposes of this section, any employee of a local governmental unit—which that has its own pension plan who becomes an employee of a participating employer as a result of a merger or consolidation of services provided by local governmental units,—which that occurred on January 1, 1994, may count service with such local governmental unit in determining whether such employee has met the years of credited service requirements contained in this section.

(7)(6) (a) (i) Except as provided in K.S.A. 74-4937(3), (4), or (5), and amendments thereto, and the provisions of this subsection, commencing-July 1, 2016, and ending January 1, 2018, any retirant who is employed or appointed in or to any position by a participating employer, an independent contractor or a third-party entity who contracts services with a participating employer to fill a position, without any prearranged agreement with such participating employer and not prior to 60 days after such retirant's retirement date, shall not receive any retirement benefit for any month in any calendar year in which the retirant receives compensation in an amount equal to \$25,000 or more, pursuant to this subsection. Any participating employer who hires a retirant covered by this

3

4

5

6

7

8

9

10

11 12

13 14

15

16 17

18 19

20

21

22

23

24

25

26 27

28

29 30

31

32

33

34

35

36

37

38

39

40

41

42

43

subsection shall pay to the system the statutorily prescribed employer contribution rate for such retirant, without regard to whether the retirant is receiving benefits.

- (ii) Commencing January 1, 2018, for all retirements that occurred prior to such date, any retirant who is employed or appointed in or to any position by a participating employer, an independent contractor or a thirdparty entity who contracts services with a participating employer to fill a position, without any prearranged agreement with such participating employer and not prior to 60 days after such retirant's retirement date, shall not be subject to an earnings limitation that when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in such position. If a retirant is employed in a covered position, as defined in K.S.A. 74-49,202, and amendments thereto, the participating employer of such retirant shall pay to the system the statutorily prescribed employer contribution rate on the first \$25,000 \$50,000 \$40,000 of such retirant's compensation in a calendar year and a 30% employer contribution on any compensation in excess of \$25,000 \$50,000 \$40,000 in a calendar year during any such period of employment. If a retirant is employed by more than one participating employer or performing duties in more than one position, contributions shall be made on compensation from all such employment for that calendar year. If a retirant is employed in a non-covered position, no employer contribution shall be paid to the system.
- (b) The provisions of this subsection shall not apply, except as specifically provided in this subsection, to retirants who are:
- (i) Licensed professional nurses or licensed practical nurses employed by the state of Kansas in an institution as defined in K.S.A. 76-12a01(b) or 38-2302(k), and amendments thereto, the Kansas soldiers' home or the Kansas veterans' home. The participating employer of such retirant shall pay to the system the actuarially determined employer contribution based on the retirant's compensation and the statutorily prescribed employee contribution during any such period of employment;
- (ii) employed by a school district in a position as provided in K.S.A. 74-4937(3), (4) or (5), and amendments thereto;
- (iii) certified law enforcement officers employed by the law enforcement training center. Such law enforcement officers shall receive their benefits notwithstanding this subsection. The law enforcement training center shall pay to the system the actuarially determined employer contribution and the statutorily prescribed employee contribution based on the retirant's compensation during any such period of employment;
- (iv) members of the Kansas police and firemen's retirement system pursuant to K.S.A. 74-4951 et seq., and amendments thereto, members of the retirement system for judges pursuant to K.S.A. 20-2601 et seq., and

 amendments thereto, or members of the state board of regents retirement plan pursuant to K.S.A. 74-4925 et seq., and amendments thereto;

- (v) employed as substitute teachers without a contract or officers, employees or appointees of the legislature;
- (vi) a poll worker hired to work an election day for a county election officer responsible for conducting all official elections held in the county;
- (vii) employed by, or have accepted employment from, a participating employer prior to May 1, 2015. Any break in continuous employment by a retirant or move to a different position by a retirant during the effective period of this subsection shall be deemed new employment and shall subject the retirant to the provisions of this subsection. Commencing January 1, 2018, the participating employer of a retirant described in this subsection (7)(b)(vii) subparagraph who is employed in a covered position, as defined in K.S.A. 74-49,202, and amendments thereto, shall pay to the system the statutorily prescribed employer contribution rate on the first \$25,000 \$50,000 \$40,000 of such retirant's compensation in a calendar year and a 30% employer contribution on any compensation in excess of \$25,000 \$50,000 \$40,000 in a calendar year during any such period of employment. If a retirant is employed by more than one participating employer or performing duties in more than one position, contributions shall be made on compensation from all such employment for that calendar year. If a retirant is employed in a non-covered position, no employer contribution shall be paid to the system;
- (viii) state or local elected officials. A retirant shall not be employed in an elected office within 30 days of such retirant's retirement, except that if a retirant is filling a vacant elected office, no waiting period shall be required; or
- (ix) employed by the Kansas academies of the United States department of defense STARBASE program; or
- (x) employed as a licensed professional nurse, licensed practical nurse or in a direct support position of an affiliated employer organized under K.S.A. 19-4001, and amendments thereto, and defined under K.S.A. 39-1803, and amendments thereto.
- (c) The participating employer shall enroll all retirants, including retirants under subsection (7)(b)(i) (6)(b)(i), (ii), (iii), (vii) and (viii), and report to the system when compensation is paid to a retirant as provided in this subsection. Such report shall contain a certification by the appointing authority of the participating employer that any hired retirant has not been employed by the participating employer within 60 days of such retirant's retirement and that there was no prearranged agreement for employment between the participating employer and the hired retirant. Upon request of the executive director of the system, the participating employer shall provide such information as may be needed by the executive director to

 carry out the provisions of this subsection. No retirant shall make contributions to the system or receive credit for service while employed under the provisions of this subsection.

- (d)—A participating employer may employ a retirant without regard to the compensation limitation in this subsection for a period of one calendar year or one school year, as the case may be, if the following requirements are met:
- (i) The employer certifies to the board that the position being filled has been vacated due to an unexpected emergency or the employer has been unsuccessful in filling the position;
- (ii) the employer pays to the system a 30% employer contribution-based on the retirant's compensation during any such period of employment; and
- (iii) the employer maintains documentation of its efforts to fill the position with a non-retirant and provides such documentation to the joint committee on pensions, investments and benefits upon request of the committee.

The provisions of this paragraph shall expire on January 1, 2018.

- (e) An employer may submit a written assurance protocol to the system to extend the exception provided for in subsection (7)(d) by one-year increments for a total extension not to exceed three years. A written assurance protocol shall be submitted to the system for each one-year-increment extension. If a school district submits a written assurance protocol, such written assurance protocol shall be signed by the superintendent and the board president of such school district. If a-municipality, as defined in K.S.A. 75-1117, and amendments thereto, other than a school district, submits a written assurance protocol, such written assurance protocol shall be signed by the governing body or such governing body's designee for such municipality. Such written assurance protocol shall state that the position was advertised on multiple platforms for a minimum of 30 calendar days and that at least one of the following conditions occurred:
 - (i) No applications were submitted for the position;
- (ii) if applications were submitted, none of the applicants met the reference screening criteria of the employer; or
- (iii) if applications were submitted, none of the applicants possessed the appropriate licensure, certification or other necessary credentials for the position.

The provisions of this paragraph shall expire on January 1, 2018.

(f) Retirants who are independent contractors or employees of thirdparty entities who contract with a participating employer, shall not be subject to the compensation limitation or employer contribution requirements in this subsection or the requirements of subsection (7)(e)

3 4

5

6

7

8

9

10

11 12

13 14

15

16 17

18

19

20

21

22

23

24

25

26 27

28

29

30 31

32

33

34

35

36

37

38

39

40

41

42 43 paragraph (c) regarding enrollment and reporting to the system, so long as all of the following apply:

- (A) The contractual relationship was not created to allow the retirant to continue employment with the participating employer after retirement in a position similar to the one such retirant held prior to retirement;
- (B) the activities performed by the independent contractor or thirdparty entity are not normally performed exclusively by employees of that participating employer; and
- (C) the retirant meets the classification of independent contractor as provided in K.S.A. 44-768, and amendments thereto, or activities performed by the third-party entity that employs the retirant are performed on a limited-term basis and the third-party entity is not a participating employer in the system.
- (g)(e) Nothing in this subsection shall be construed to create any right, or to authorize the creation of any right, which is not subject to amendment or nullification by act of the legislature.
- (8)(7) (a) Except as provided in-subsection (8)(b) paragraph (b), if determined by the retirement system that a retirant entered into a prearranged agreement for employment with a participating employer prior to such retirant's retirement and prior to the end of the subsequent 60day waiting period, or the 180-day waiting period under subsection (10) (9), the monthly retirement benefit of such retirant shall be suspended during the period that begins on the month in which the retirant is reemployed and ends six months after the retirant's termination of such employment. The retirant shall repay to the retirement system all monthly retirement benefits paid to the retirant by the retirement system that the retirant received after such employment began. The participating employer which hired such retirant shall be required to pay to the system any fees. fines, penalties or any other cost imposed by the internal revenue service and indemnify the system for any cost incurred by the system to defend any action brought by the internal revenue service based on in-service distributions which are a result of any determined prearranged agreement and for any cost incurred by the system to collect any monthly retirement benefit required to be repaid by such retirant pursuant to this subsection.
- (b) For members who retired on and after July 1, 2016, and on or before July 1, 2019, if determined by the retirement system that a retirant entered into a prearranged agreement for employment with a participating employer prior to such retirant's retirement date and the subsequent 60-day waiting period, or the 180-day waiting period under subsection—(10) (9), and upon being notified of the violation, the retirant terminated such employment, the provisions of subsection paragraph (a) shall not apply. If any retirant had benefits suspended prior to July 1, 2019, such benefits shall be reimbursed by the retirement system, if the retirant terminated

such prearranged employment in accordance with the provisions of this act. On and after July 1, 2019, the executive director may waive such penalties under this subsection if it is determined by the retirement system that any of the following conditions were satisfied:

- (i) The retirant's total length of reemployment was less than 21 calendar days;
- (ii) the retirant's total compensation during the total length of reemployment was less than 10% of the amount of such retirant's retirement benefit that would be suspended pursuant to this subsection; or
- (iii) other facts and circumstances indicated that the retirant would not have been reemployed but for an error on the part of the participating employer or the retirement system in verifying the retirement status of such retirant and such retirant immediately terminated employment upon being notified of the violation.
- (c) On or before the first day of each regular session of the legislature, beginning with the 2020 regular session, the executive director shall submit an annual report on the number of waivers granted pursuant to subsection (8)(b) paragraph (b) in the prior calendar year to the joint committee on pensions, investments and benefits, the house of representatives standing committee on financial institutions and pensions and the senate standing committee on financial institutions and insurance, or the successors of such committees.
- (9)(8) For the purposes of this section a prearranged agreement for employment may be determined by whether the facts and circumstances of the situation indicate that the employer and employee reasonably anticipated that further services would be performed after the employee's retirement.
- (10)(9) (a) Notwithstanding the provisions of subsection (5) or (7) (6) to the contrary, commencing January 1, 2018, any retirant who is retired more than 60 days, if such retirant's age on the date of retirement is 62 or older, or is retired more than 180 days, if such retirant's age on the date of retirement is less than 62, and who is subsequently hired without any prearranged agreement with the participating employer in a covered position, as defined in K.S.A. 74-49,202, and amendments thereto, or an independent contractor or a third-party entity who contracts service to fill such covered position shall not be subject to an earnings limitation that when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in such covered position. The participating employer of such retirant shall pay to the system the statutorily prescribed employer contribution rate on the first \$25,000 \$50,000 \$40,000 of such retirant's compensation in a calendar year and a 30% employer contribution on any compensation in excess of \$25,000 \$50,000 \$40,000 in a calendar year during any such period of

employment. If a retirant is employed by more than one participating employer or performing duties in more than one position, contributions shall be made on compensation from all such employment for that calendar year.

- (b) Notwithstanding the provisions of subsection-(5) or (7) (6) to the contrary, commencing January 1, 2018, any retirant who is retired more than 60 days, if such retirant's age on the date of retirement is 62 or older, or is retired more than 180 days, if such retirant's age on the date of retirement is less than 62, and who is subsequently hired without any prearranged agreement with the participating employer in a non-covered position, or an independent contractor or a third-party entity who contracts service to fill such non-covered position, shall not be subject to an earnings limitation that when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in such non-covered position. No employer contribution shall be paid to the system on compensation paid to a retirant hired in a non-covered position.
- (c) The participating employer shall enroll all retirants, including retirants under subsection (7)(b)(i) (6)(b)(i), (ii), (iii), (vii) and (viii), and report to the system when compensation is paid to a retirant as provided in this subsection. Such report shall contain a certification by the appointing authority of the participating employer that any hired retirant has not been employed by the participating employer within 60 days of such retirant's retirement in the case of a retirant whose age on the date of retirement is 62 or older, or within 180 days of such retirant's retirement in the case of a retirant whose age on the date of retirement is less than 62, and that there was no prearranged agreement for employment between the participating employer and the hired retirant. Upon request of the executive director of the system, the participating employer shall provide such information as may be needed by the executive director to carry out the provisions of this subsection. No retirant shall make contributions to the system or receive credit for service while employed under the provisions of this subsection.
- (d) The provisions of this subsection relating to an earnings limitation and employer contributions shall not apply to any retirant described in subsection—(7)(b) (6)(b) or to retirants who are independent contractors or employees of third-party entities who contract with a participating employer as described in subsection—(7)(f) (6)(d), except as specifically provided in this subsection.
- (e) Nothing in this subsection shall be construed to create any right, or to authorize the creation of any right that is not subject to amendment or nullification by act of the legislature.
- Sec. 2. 3. K.S.A. 74-4937 is hereby amended to read as follows: 74-4937. (1) The normal retirement date of a member of the system who is in school employment and who is subject to K.S.A. 74-4940, and

amendments thereto, shall be the first day of the month coinciding with or following termination of employment not followed by employment with any participating employer within 60 days, or 180 days as provided in K.S.A. 74-4914(10)(9), and amendments thereto, and without any prearranged agreement for employment with any participating employer, and the attainment of age 65 or, commencing July 1, 1986, age 65 or age 60 with the completion of 35 years of credited service or at any age with the completion of 40 years of credited service, or commencing July 1, 1993, any alternative normal retirement date already prescribed by law or age 62 with the completion of 10 years of credited service or the first day of the month coinciding with or following the date that the total of the number of years of credited service and the number of years of attained age of the member is equal to or more than 85. Each member upon giving prior notice to the appointing authority and the retirement system may retire on the normal retirement date or the first day of any month thereafter. Such member's application for retirement shall contain a certification by the member that the member will not be employed with any participating employer within 60 days, or 180 days as provided in K.S.A. 74-4914 $\frac{(10)}{(9)}$, and amendments thereto, of retirement and the member has not entered into a prearranged agreement for employment with any participating employer.

- (2) Any member who is in school employment and who is subject to K.S.A. 74-4940, and amendments thereto, may retire before such member's normal retirement date on the first day of the month coinciding with or following termination of employment not followed by employment with any participating employer within 60 days, or 180 days as provided in K.S.A. 74-4914(10)(9), and amendments thereto, and the attainment of age 55 with the completion of 10 years of credited service, upon the filing with the office of the retirement system of an application for retirement in such form and manner as the board shall prescribe. The member's application for retirement shall contain a certification by the member that the member will not be employed with any participating employer within 60 days, or 180 days as provided in K.S.A. 74-4914(10)(9), and amendments thereto, of retirement and the member has not entered into a prearranged agreement for employment with any participating employer.
- (3) The provisions of K.S.A. 74-4914(5), (7) and (10)(6) and (9), and amendments thereto, which that relate to an earnings limitation which when met or exceeded requires that the retirant not receive a retirement benefit for any month-for during which such retirant serves in a position as described herein shall not apply to retirants who either retired under the provisions of K.S.A. 74-4914(1), and amendments thereto, related to normal retirement, or, if they retired under the provisions of K.S.A. 74-4914(4), and amendments thereto, related to early retirement, and are

42

43

subsequently hired in a position that requires a license under K.S.A. 72-1 2 2157, and amendments thereto, or other provision of law. The provisions 3 of this subsection shall only apply to retirants who retired prior to January 4 1, 2018. Except as otherwise provided, when a retirant is employed by the 5 same school district or a different school district with which such retirant 6 was employed during the final two years of such retirant's participation or 7 employed as an independent contractor or by a third-party entity who 8 contracts services with a school district to fill a position as described in 9 this subsection, the participating employer of such retirant shall pay to the 10 system the actuarially determined employer contribution based on the retirant's compensation during any such period of employment plus 8%. 11 12 Commencing January 1, 2018, if a retirant is employed in a covered position, as defined in K.S.A. 74-49,202, and amendments thereto, the 13 14 participating employer shall pay to the system the statutorily prescribed 15 employer contribution rate on the first \$\frac{\$25,000}{50,000}\$ \$\frac{\$40,000}{0}\$ of such 16 retirant's compensation in a calendar year and a 30% employer 17 contribution on any compensation in excess of \$25,000 \$50,000 \$40,000 18 in a calendar year during any such period of employment. If a retirant is employed by more than one participating employer or performing duties in 19 20 more than one position, contributions shall be made on compensation from 21 all such employment for that calendar year. If a retirant is employed in a 22 non-covered position, no employer contribution shall be paid to the 23 system. The participating employer shall enroll all retirants and report to 24 the system when compensation is paid to a retirant as provided in this 25 subsection. Such notice shall contain a certification by the appointing 26 authority of the participating employer that any hired retirant has not been 27 employed by the participating employer within 60 days of such retirant's 28 retirement and that there was no prearranged agreement for employment between the participating employer and the hired retirant. Upon request of 29 30 the executive director of the system, the participating employer shall 31 provide such information as may be needed by the executive director to carry out the provisions of this subsection. The provisions of this 32 33 subsection shall not apply to retirants employed as substitute teachers 34 without a contract. The provisions of K.S.A. 74-4914(5), and amendments 35 thereto, shall be applicable to retirants employed as described in this-36 subsection, except as specifically provided in this subsection. Nothing in 37 this subsection shall be construed to create any right, or to authorize the 38 creation of any right, which that is not subject to amendment or 39 nullification by act of the legislature. 40

(4) (a) On and after July 1, 2016, a school district may hire a retired licensed professional to fill a special teacher position as defined in K.S.A. 72-3404, and amendments thereto, if such retirant is hired not prior to 60 days after such retirant's retirement date without any prearrangement with

such school district in the manner prescribed in this subsection. The participating employer shall enroll all retirants and report to the system when compensation is paid to a retirant as provided in this subsection. Such notice shall contain a certification by the appointing authority of the participating employer that any hired retirant has not been employed by the participating employer within 60 days of such retirant's retirement and that there was no prearranged agreement for employment between the participating employer and the hired retirant. Upon request of the executive director of the system, the participating employer shall provide such information as may be needed by the executive director to earry out the provisions of this subsection.

(b) A retirant hired under the provisions of this subsection may continue to receive such retirant's full retirement benefit for a period not to exceed three school years or 36 months, whichever is less, and shall not be subject to the provisions of K.S.A. 74-4914(5), and amendments thereto, which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirement benefit for any month for which such retirant serves in a position as described herein. Such retirant may be employed by such employer for some or all of a school year, and in subsequent school years if the employer is unable to permanently fill the position with active members, so long as the retirant's total term of employment with all employers under this subsection does not exceed 36 months or three school years, whichever is less. After such period, the retirant shall be subject to the provisions of K.S.A. 74-4914(7), and amendments thereto, which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirementbenefit for any month for which such retirant serves in a position asdescribed herein. The participating employer of such retirant shall pay to the system a 30% employer contribution based on the retirant's compensation during any such period of employment. The provisions of this subsection shall not apply to retirants employed as substitute teachers without a contract. The provisions of K.S.A. 74-4914(5), and amendments thereto, shall be applicable to retirants employed as special teachers, except as specifically provided in this subsection.

(e) Each school district that uses the provisions of this subsection to hire retirants shall maintain documentation describing their recruiting efforts to obtain non-retirant employees to fill the special teacher positions. Upon request of the joint committee on pensions, investments and benefits, an employer shall provide such documentation to the committee. If the committee finds that an employer has not made sufficient efforts to hire a non-retirant for the position or if the committee finds evidence of prearrangement in violation of this section, the three-year exemption provided pursuant to this subsection may be revoked. The committee shall

 notify the executive director of the system that a retirant's exemption has been revoked within 30 days of making such a determination.

- (d) An employer may submit a written assurance protocol to the system to make a one-time extension to the exception provided for in this subsection by one year. Such written assurance protocol shall be signed by the superintendent and the board president of the school district. Such written assurance protocol shall state that the position was advertised on multiple platforms for a minimum of 30 calendar days and that at least one of the following conditions occurred:
 - (i) No applications were submitted for the position;
- (ii) if applications were submitted, none of the applicants met the reference screening criteria of the employer; or
- (iii) if applications were submitted, none of the applicants possessed an appropriate teaching license for the state of Kansas or possessed the appropriate credentials to receive any type of teaching license from the state of Kansas.
- (e) Nothing in this subsection shall be construed to create any right, or to authorize the creation of any right, which is not subject to-amendment or nullification by act of the legislature.
 - (f) The provisions of this subsection shall expire on January 1, 2018.
- (5) (a) On and after July 1, 2016, a school district may hire a retired licensed professional to fill a non-special teacher position if such retirant is hired not prior to 60 days after such retirant's retirement date without any prearrangement with such school district, and if such school district hires a retirant for a hard-to-fill position in the manner prescribed in this subsection. The participating employer shall enroll all retirants and report to the system when compensation is paid to a retirant as provided in this subsection. Such notice shall contain a certification by the appointing authority of the participating employer that any hired retirant has not been employed by the participating employer within 60 days of such retirant's retirement and that there was no prearranged agreement for employment between the participating employer and the hired retirant. Upon request of the executive director of the system, the participating employer shall-provide such information as may be needed by the executive director to earry out the provisions of this subsection.
- (b) The state board of education shall annually certify the top five types of licensed positions that are hard to fill. A school district may hire a retirant to fill a hard-to-fill position for some or all of a school year and in subsequent school years if the employer is unable to permanently fill the position with an active member. A retirant first hired under the provisions of this subsection may be retained by an employer even if such retirant's type of position is no longer one of the five types of positions certified by the state board of education. A retirant hired under the provisions of this

subsection may continue to receive such retirant's full retirement benefit for a period not to exceed three school years or 36 months, whichever is less, and shall not be subject to the provisions of K.S.A. 74-4914(5), and amendments thereto, which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirementbenefit for any month for which such retirant serves in a position asdescribed herein. Such retirant may be employed by such employer forsome or all of a school year, and in subsequent school years if the employer is unable to permanently fill the position with active members, so long as the retirant's total term of employment with all employers under this subsection does not exceed 36 months or three school years, whichever is less. After such period, the retirant shall be subject to the provisions of K.S.A. 74-4914(7), and amendments thereto, which relate to a compensation limitation which when met or exceeded requires that the retirant not receive a retirement benefit for any month for which suchretirant serves in a position as described herein. The participating employer of such retirant shall pay to the system a 30% employercontribution based on the retirant's compensation during any such period of employment. The provisions of this subsection shall not apply toretirants employed as substitute teachers without a contract. The provisions of K.S.A. 74-4914(5), and amendments thereto, shall be applicable to retirants employed as described in this subsection, except as specifically provided in this subsection.

- (e) Each school district that uses the provisions of this subsection to hire retirants for hard-to-fill positions shall maintain documentation-describing their recruiting efforts to obtain non-retirant employees to fill the hard-to-fill positions. Upon request of the joint committee on pensions, investments and benefits, a school district shall provide such documentation to the committee. If the committee finds that a school district has not made sufficient efforts to hire a non-retirant for the position or if the committee finds evidence of prearrangement in violation of this section, the three-year exemption provided pursuant to this subsection may be revoked. The committee shall notify the executive director of the system that a retirant's exemption has been revoked within 30 days of making such a determination.
- (d) An employer may submit a written assurance protocol to the system to make a one-time extension to the exception provided for in this subsection by one year. Such written assurance protocol shall be signed by the superintendent and the board president of the school district. Such written assurance protocol shall state that the position was advertised on multiple platforms for a minimum of 30 calendar days and that at least one of the following conditions occurred:
 - (i) No applications were submitted for the position;

- (ii) if applications were submitted, none of the applicants met the reference screening criteria of the employer; or
- (iii) if applications were submitted, none of the applicants possessed an appropriate teaching license for the state of Kansas or possessed the appropriate credentials to receive any type of teaching license from the state of Kansas.
- (e) Nothing in this subsection shall be construed to create any right, or to authorize the creation of any right, which is not subject to-amendment or nullification by act of the legislature.
 - (f) The provisions of this subsection shall expire on January 1, 2018.
- $\frac{(6)}{(4)}$ The provisions of K.S.A. 74-4914 $\frac{(8)}{(7)}$, and amendments thereto, shall apply to retirants under the provisions of this section.
- (7)(5) For the purposes of this section a prearranged agreement for employment may be determined by whether the facts and circumstances of the situation indicate that the employer and employee reasonably anticipated that further services would be performed after the employee's retirement.
- Sec. <u>3.</u> 4. K.S.A. 74-4957 is hereby amended to read as follows: 74-4957. (1) The normal retirement date for a member of the system who is appointed or employed prior to July 1, 1989, and who does not make an election pursuant to K.S.A. 74-4955a, and amendments thereto, shall be the first day of the month coinciding with or following termination of employment not followed by employment with any participating employer within 30 days, and the attainment of age 55 and the completion of 20 years of credited service or the completion of 32 years of credited service regardless of the age of the member. Any member may retire on such member's normal retirement date or on the first day of any month thereafter.
- (2) Early retirement. Any member who is appointed or employed prior to July 1, 1989, and who does not make an election pursuant to K.S.A. 74-4955a, and amendments thereto, may retire before such member's normal retirement date on the first day of any month coinciding with or following termination of employment not followed by employment with any participating employer within 30 days and the attainment of age 50 and the completion of 20 years of credited service.
- (3) Notwithstanding the provisions of subsections (1) and (2)-of this section and K.S.A. 74-4955a, 74-4957a, 74-4958a, 74-4960a, 74-4963a and 74-4964a, and amendments thereto, the normal retirement date for any member who was, up to the entry date of such member's employer, covered by a pension system under the provisions of K.S.A. 13-14a01-to through 13-14a14, inclusive, or 14-10a01-to through 14-10a15, inclusive, and amendments thereto, shall be the first day of the month coinciding

 with or following the attainment of age 50 and the completion of 25 years of credited service.

- (4) In no event shall a member be eligible to retire until such member has been a contributing member of the system for 12 months of participating service, and shall have given such member's employer prior notice of retirement.
- (5) If a retirant who retired on or after July 1, 1994, is employed, elected or appointed in or to any position or office for which compensation for service is paid in an amount equal to \$25,000 \$40,000 or more in any one such calendar year, by the same state agency or the same police or fire department of any county, city, township or special district or the same sheriff's office of a county during the final two years of such retirant's participation, such retirant shall not receive any retirement benefit for any month for which such retirant serves in such position or office. The participating employer shall report to the system within 30 days of when the compensation paid to the retirant is equal to or exceeds any limitation provided by this section. Any retirant employed by a participating employer in the Kansas police and firemen's retirement system shall not make contributions nor receive additional credit under such system for such service except as provided by this section. Upon request of the executive director of the system, the secretary of revenue shall provide such information as may be needed by the executive director to carry out the provisions of this act.
- Sec. 4. 5. K.S.A. 74-4957a is hereby amended to read as follows: 74-4957a. (1) The normal retirement date for a member of the system who is appointed or employed on or after July 1, 1989, or who makes an election pursuant to K.S.A. 74-4955a, and amendments thereto, to be covered by the provisions of this act shall be the first day of the month coinciding with or following termination of employment not followed by employment with any participating employer within 30 days and the attainment of age 55 and the completion of 20 years of credited service, age 50 and the completion of 25 years of credited service or age 60 with the completion of 15 years of credited service. Any such member may retire on such member's normal retirement date or on the first day of any month thereafter.
- (2) Any member may retire before such member's normal retirement date on the first day of any month coinciding with or following termination of employment not followed by employment with any participating employer within 30 days and the attainment of age 50 and the completion of 20 years of credited service.
- (3) In no event shall a member be eligible to retire until such member has been a contributing member of the system for 12 months

 of participating service, and shall have given such member's employer prior notice of retirement.

- (4) If a retirant who retired on or after July 1, 1996, is employed, elected or appointed in or to any position or office for which compensation for service is paid in an amount equal to \$25,000 \$40,000 or more in any one such calendar year, by the same state agency or the same police or fire department of any county, city, township or special district or the same sheriff's office of a county during the final two years of such retirant's participation, such retirant shall not receive any retirement benefit for any month for which such retirant serves in such position or office. The participating employer shall report to the system within 30 days of when the compensation paid to the retirant is equal to or exceeds any limitation provided by this section. Any retirant employed by a participating employer in the Kansas police and firemen's retirement system shall not make contributions nor receive additional credit under such system for such service except as provided by this section. Upon request of the executive director of the system, the secretary of revenue shall provide such information as may be needed by the executive director to carry out the provisions of this act.
- (5) The provisions of this section shall be effective on and after July 1, 1989, and shall apply only to members who were appointed or employed prior to July 1, 1989, and who made an election pursuant to K.S.A. 74-4955a, and amendments thereto; and persons appointed or employed on or after July 1, 1989.
- {Sec. 6. K.S.A. 74-4989 is hereby amended to read as follows: 74-4989. (1) (a) Except as provided in paragraph (b), pursuant to the provisions of K.S.A. 74-49,128, and amendments thereto, upon the death of a retirant, the board of trustees of the Kansas public employees retirement system shall pay a lump-sum death benefit to: (i) The retirant's beneficiary-which that shall not exceed-\$4,000 \$6,000 for such retirant, less any amount payable for funeral benefits under the applicable provisions of any local police or fire pension plan, as defined by-subsection (e) of K.S.A. 12-5001(c), and amendments thereto; or-to (ii) a funeral establishment as directed by the retirant and filed in the office of the system prior to such retirant's death.
- (b) Notwithstanding the provisions of K.S.A. 74-4923, and amendments thereto, any amounts owed the system shall be deducted from such lump-sum death benefit.
- (2) As used in this section, "retirant" means any person who is a member or special member of the Kansas public employees retirement system, the Kansas police and firemen's retirement system, the state school retirement system or the retirement system for judges and who

1 has retired.

 Sec. 7. K.S.A. 74-49,315 is hereby amended to read as follows: 74-49,315. A member's beneficiary shall be determined as provided in the pre-2015 plan. Upon filing a written application with the board after the death of a member receiving a benefit under-subsections (a) or (b) of K.S.A. 74-49,313(a) or (b), and amendments thereto, the member's beneficiary is entitled to-a \$4,000 the lump-sum death benefit as provided in K.S.A. 74-4989, and amendments thereto.}

9 Sec. 3. 5. 6. {8.} K.S.A. 74-4937, **74-4957** and {,} **74-4957** and **74-49,315**} and K.S.A. 2023 Supp. **74-4911** and **74-4914** are hereby repealed.

Sec. 4. 6. 7. {9.} This act shall take effect and be in force from and after its publication in the statute book.