AN ACT concerning retirement and pensions; relating to the Kansas public employees retirement system and systems thereunder; participating service credit; amending K.S.A. 74-4913 and 74-4956 and repealing the existing sections.

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 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, except that. Any period of time 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. However, no more than one calendar quarter of participating service shall be credited for any employment within any one calendar quarter;

(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. 74-4956 is hereby amended to read as follows: 74-4956. (1) Prior service shall be credited as follows:

(a) Each member shall receive:

(i) Full credit for all employment, whether or not continuous, as either a policeman or fireman prior to the entry date with such member's employer who is such member's employer on the entry date;

(ii) full credit for all employment, whether or not continuous, as either a police or fireman prior to the entry date of such police or firemen's employer, with a participating employer, if such member has at least 20 years of credited service; and

(iii) for all continuous employment with the same employer other than either as policeman or fireman, immediately preceding such service as a policeman or fireman, one month of credit for each two months of service. Any member or retirant who has been credited with prior service as provided in this section may apply to the board on such forms as the board prescribes for prior service credit with a participating employer under the Kansas police and firemen's retirement system other than such member's entry date employer. Each member shall receive full credit for all employment as either a policeman or fireman with such other participating employers and shall receive one month of credit for each two months of continuous service with other participating employers for
continuous employment preceding service as a policeman or fireman. Upon receipt of written verification of such employment from such other participating employer, the board may grant such additional prior service credit. With respect to a retirant, the board shall adjust the amount of the retirement benefit accordingly commencing with the next monthly benefit payment due following receipt of written verification. 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 written verification, except that no additional prior service credit shall be granted for any service with another participating employer for which benefits are being received or will be received. A retirant or any other person receiving a retirement benefit shall not be entitled to any retroactive adjustment in the amount of retirement benefit as a result of the board granting such additional prior service credit.

If a member was employed as a fireman, other than as a volunteer fireman, by a township which is annexed by a participating employer the member's retirement benefits and death and disability benefits shall be computed on the basis of credited service. Continuous service as a fireman with a township prior to annexation by a member, who became a member immediately following the annexation, shall be considered credited service.

No such service shall be considered credited service for the purpose of computing years of service if such fireman is receiving or will become eligible to receive benefits as a result of such service with the township.

(b) Leaves of absence and military service shall not be counted as breaks in continuous employment; however, military service which is preceded within 30 days 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 by the provisions of USERRA, but leaves of absence shall not be credited.

(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. Any period of time 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. No more than one calendar quarter of participating service shall be credited for employment within any one calendar quarter.

(b) Leaves of absence shall not be counted as a termination of employment provided the member leaves such member's accumulated contributions on deposit with the system and returns to employment with the employer granting such leave; however, the period of leave of absence shall not be credited service.

(c) To the extent required under the provisions of USERRA, military service shall not count as a break in continuous employment.

(d) Termination of employment with a participating employer followed by employment with the same or another participating employer within two years shall not constitute a termination of membership provided the member leaves such member's accumulated contributions on deposit with the system; however, the period while not employed shall not be credited.

(3) In determining the number of years of credited service for calculation of retirement benefits a fractional year of six months or more of credited service shall be considered as one year and a fractional year of less than six months of credited service shall be disregarded.

Sec. 3. K.S.A. 74-4913 and 74-4956 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.