HOUSE BILL No. 2140

By Committee on Financial Institutions and Pensions

AN ACT concerning retirement and pensions; relating to the Kansas deferred retirement option program act; including agents of the Kansas bureau of investigation as members; extending sunset date; amending K.S.A. 74-4986l, 74-4986p and 74-4986r and repealing the existing sections.

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

Section 1. K.S.A. 74-4986l is hereby amended to read as follows: 74-4986l. (a) As used in this act, unless otherwise provided or the context otherwise requires:

(1) "Act" means the Kansas deferred retirement option program act;
(2) "board" means the board of trustees of the Kansas public employees retirement system;
(3) "DROP" means the deferred retirement option program established by K.S.A. 74-4986m, and amendments thereto;
(4) "DROP account" means the notional account to which is credited the monthly DROP accrual;
(5) "DROP period" means the period of time that a member irrevocably elects to participate in the DROP pursuant to K.S.A. 74-4986n, and amendments thereto;
(6) "member" means a trooper, examiner or officer of the Kansas highway patrol or an agent of the Kansas bureau of investigation who is eligible to participate in the DROP and who elects to participate in the DROP as provided in this act;
(7) "monthly DROP accrual" means the amount equal to the monthly retirement benefit that would have been payable to the member had the member terminated service and retired on the day the member elected; and
(8) "system" means the Kansas police and firemen's retirement system.

(b) Unless specifically provided in this section or in this act, words and phrases used in this act shall have the meanings ascribed to them as provided under the provisions of K.S.A. 74-4901 et seq. and K.S.A. 74-4951 et seq., and amendments thereto.

Sec. 2. K.S.A. 74-4986p is hereby amended to read as follows: 74-4986p. (a) A member's participation in the DROP ceases on the occurrence of the earliest of the following:
(1) Termination of the member's active service with the Kansas highway patrol or Kansas bureau of investigation;
(2) the last day of the member's elected DROP period that begins on the effective date of the member's election to participate in the DROP;
(3) retirement due to disability as defined in K.S.A. 74-4952, and amendments thereto; or
(4) the member's death.
(b) If a member dies before taking a distribution from such member's DROP account, the member's designated beneficiary shall receive a lump-sum payment equal to the member's DROP account balance, including any lump sum credited as provided in K.S.A. 74-4986o(d), and amendments thereto. If the DROP member has not named a beneficiary for such member's DROP account, the amount in the DROP account shall be paid to the beneficiary of the member's retirement benefit.
Sec. 3. K.S.A. 74-4986r is hereby amended to read as follows: 74-4986r. The provisions of K.S.A. 74-4986k through 74-4986r, and amendments thereto, shall expire on January 1, 2025.
Sec. 4. K.S.A. 74-4986l, 74-4986p and 74-4986r are hereby repealed.
Sec. 5. This act shall take effect and be in force from and after its publication in the statute book.