

HOUSE BILL No. 2416

By Committee on Appropriations

3-19

1 AN ACT concerning retirement and pensions; relating to the Kansas public
2 employees retirement system and the Kansas police and firemen's
3 retirement system; calculation of member's benefits; limiting the
4 accumulation of vacation leave for certain employees; amending
5 K.S.A. 75-5517 and K.S.A. 2014 Supp. 74-4902 and 74-4952 and
6 repealing the existing sections.

7
8 *Be it enacted by the Legislature of the State of Kansas:*

9 Section 1. K.S.A. 2014 Supp. 74-4902 is hereby amended to read as
10 follows: 74-4902. As used in articles 49 and 49a of chapter 74 of the
11 Kansas Statutes Annotated, and amendments thereto, unless otherwise
12 provided or the context otherwise requires:

13 (1) "Accumulated contributions" means the sum of all contributions
14 by a member to the system which are credited to the member's account,
15 with interest allowed thereon;

16 (2) "acts" means the provisions of articles 49 and 49a of the Kansas
17 Statutes Annotated, and amendments thereto;

18 (3) "actuarial equivalent" means an annuity or benefit of equal value
19 to the accumulated contributions, annuity or benefit, when computed upon
20 the basis of the actuarial tables in use by the system. Whenever the amount
21 of any benefit is to be determined on the basis of actuarial assumptions,
22 the assumptions shall be specified in a way that precludes employer
23 discretion;

24 (4) "actuarial tables" means the actuarial tables approved and in use
25 by the board at any given time;

26 (5) "actuary" means the actuary or firm of actuaries employed or
27 retained by the board at any given time;

28 (6) "agent" means the individual designated by each participating
29 employer through whom system transactions and communication are
30 directed;

31 (7) "beneficiary" means, subject to the provisions of K.S.A. 74-4927,
32 and amendments thereto, any natural person or persons, estate or trust, or
33 any combination thereof, named by a member to receive any benefits as
34 provided for by this act. Designations of beneficiaries by a member who is
35 a member of more than one retirement system made on or after July 1,
36 1987, shall be the basis of any benefits payable under all systems unless

1 otherwise provided by law. Except as otherwise provided by subsection
2 (33) of this section, if there is no named beneficiary living at the time of
3 the member's death, any benefits provided for by this act shall be paid to:
4 (A) The member's surviving spouse; (B) the member's dependent child or
5 children; (C) the member's dependent parent or parents; (D) the member's
6 nondependent child or children; (E) the member's nondependent parent or
7 parents; *or* (F) the estate of the deceased member; in the order of
8 preference as specified in this subsection;

9 (8) "board of trustees," "board" or "trustees" means the managing
10 body of the system which is known as the Kansas public employees
11 retirement system board of trustees;

12 (9) "compensation" means, except as otherwise provided, all salary,
13 wages and other remuneration payable to a member for personal services
14 performed for a participating employer, including maintenance or any
15 allowance in lieu thereof provided a member as part of compensation, but
16 not including reimbursement for travel or moving expenses or on and after
17 July 1, 1994, payment pursuant to an early retirement incentive program
18 made prior to the retirement of the member. Beginning with the employer's
19 fiscal year which begins in calendar year 1991 or for employers other than
20 the state of Kansas, beginning with the fiscal year which begins in
21 calendar year 1992, when the compensation of a member who remains in
22 substantially the same position during any two consecutive years of
23 participating service used in calculating final average salary is increased
24 by an amount which exceeds 15%, then the amount of such increase which
25 exceeds 15% shall not be included in compensation, except that: (A) *Prior*
26 *to January 1, 2016*, any amount of compensation for accumulated sick
27 leave or vacation or annual leave paid to the member; (B) Any increase in
28 compensation for any member due to a reclassification or reallocation of
29 such member's position or a reassignment of such member's job
30 classification to a higher range or level; and (C) any increase in
31 compensation as provided in any contract entered into prior to January 1,
32 1991, and still in force on the effective date of this act, pursuant to an early
33 retirement incentive program as provided in K.S.A. 72-5395 et seq., and
34 amendments thereto, shall be included in the amount of compensation of
35 such member used in determining such member's final average salary and
36 shall not be subject to the 15% limitation provided in this subsection. Any
37 contributions by such member on the amount of such increase which
38 exceeds 15% which is not included in compensation shall be returned to
39 the member. Unless otherwise provided by law, beginning with the
40 employer's fiscal year coinciding with or following July 1, 1985,
41 compensation shall include any amounts for tax sheltered annuities or
42 deferred compensation plans. Beginning with the employer's fiscal year
43 which begins in calendar year 1991, compensation shall include amounts

1 under sections 403b, 457 and 125 of the federal internal revenue code of
2 1986 and, as the board deems appropriate, any other section of the federal
3 internal revenue code of 1986 which defers or excludes amounts from
4 inclusion in income. For purposes of applying limits under the federal
5 internal revenue code "compensation" shall have the meaning as provided
6 in K.S.A. 74-49,123, and amendments thereto. For purposes of this
7 subsection and application to the provisions of ~~subsection (4)~~ of K.S.A.
8 74-4927(4), and amendments thereto, "compensation" shall not include
9 any payments made by the state board of regents pursuant to the
10 provisions of ~~subsection (5)~~ of K.S.A. 74-4927a(5), and amendments
11 thereto, to a member of the faculty or other person defined in ~~subsection~~
12 ~~(1)(a)~~ of K.S.A. 74-4925(1)(a), and amendments thereto;

13 *For purposes of this subsection and application to the provisions of*
14 *subsection (17) of this section, on and after January 1, 2016,*
15 *"compensation" shall not include any payment for accumulated sick leave,*
16 *vacation or annual leave paid to the member;*

17 (10) "credited service" means the sum of participating service and
18 prior service and in no event shall credited service include any service
19 which is credited under another retirement plan authorized under any law
20 of this state;

21 (11) "dependent" means a parent or child of a member who is
22 dependent upon the member for at least 1/2 of such parent or child's
23 support;

24 (12) "effective date" means the date upon which the system becomes
25 effective by operation of law;

26 (13) "eligible employer" means the state of Kansas, and any county,
27 city, township, special district or any instrumentality of any one or several
28 of the aforementioned or any noncommercial public television or radio
29 station located in this state which receives state funds allocated by the
30 Kansas public broadcasting commission whose employees are covered by
31 social security. If a class or several classes of employees of any above
32 defined employer are not covered by social security, such employer shall
33 be deemed an eligible employer only with respect to such class or those
34 classes of employees who are covered by social security;

35 (14) "employee" means any appointed or elective officer or employee
36 of a participating employer whose employment is not seasonal or
37 temporary and whose employment requires at least 1,000 hours of work
38 per year, and any such officer or employee who is concurrently employed
39 performing similar or related tasks by two or more participating
40 employers, who each remit employer and employee contributions on
41 behalf of such officer or employee to the system, and whose combined
42 employment is not seasonal or temporary, and whose combined
43 employment requires at least 1,000 hours of work per year, but not

1 including: (A) Any employee who is a contributing member of the United
2 States civil service retirement system; (B) any employee who is a
3 contributing member of the federal employees retirement system; (C) any
4 employee who is a leased employee as provided in section 414 of the
5 federal internal revenue code of a participating employer; and (D) any
6 employee or class of employees specifically exempted by law. After June
7 30, 1975, no person who is otherwise eligible for membership in the
8 Kansas public employees retirement system shall be barred from such
9 membership by reason of coverage by, eligibility for or future eligibility
10 for a retirement annuity under the provisions of K.S.A. 74-4925, and
11 amendments thereto, except that no person shall receive service credit
12 under the Kansas public employees retirement system for any period of
13 service for which benefits accrue or are granted under a retirement annuity
14 plan under the provisions of K.S.A. 74-4925, and amendments thereto.
15 After June 30, 1982, no person who is otherwise eligible for membership
16 in the Kansas public employees retirement system shall be barred from
17 such membership by reason of coverage by, eligibility for or future
18 eligibility for any benefit under another retirement plan authorized under
19 any law of this state, except that no such person shall receive service credit
20 under the Kansas public employees retirement system for any period of
21 service for which any benefit accrues or is granted under any such
22 retirement plan. Employee shall include persons who are in training at or
23 employed by, or both, a sheltered workshop for the blind operated by the
24 secretary for children and families. The entry date for such persons shall
25 be the beginning of the first pay period of the fiscal year commencing in
26 calendar year 1986. Such persons shall be granted prior service credit in
27 accordance with K.S.A. 74-4913, and amendments thereto. However, such
28 persons classified as home industry employees shall not be covered by the
29 retirement system. Employees shall include any member of a board of
30 county commissioners of any county and any council member or
31 commissioner of a city whose compensation is equal to or exceeds \$5,000
32 per year;

33 (15) "entry date" means the date as of which an eligible employer
34 joins the system. The first entry date pursuant to this act is January 1,
35 1962;

36 (16) "executive director" means the managing officer of the system
37 employed by the board under this act;

38 (17) "final average salary" means in the case of a member who retires
39 prior to January 1, 1977, and in the case of a member who retires after
40 January 1, 1977, and who has less than five years of participating service
41 after January 1, 1967, the average highest annual compensation paid to
42 such member for any five years of the last 10 years of participating service
43 immediately preceding retirement or termination of employment, or in the

1 case of a member who retires on or after January 1, 1977, and who has five
2 or more years of participating service after January 1, 1967, the average
3 highest annual compensation paid to such member on or after January 1,
4 1967, for any five years of participating service preceding retirement or
5 termination of employment, or, in any case, if participating service is less
6 than five years, then the average annual compensation paid to the member
7 during the full period of participating service, or, in any case, if the
8 member has less than one calendar year of participating service such
9 member's final average salary shall be computed by multiplying such
10 member's highest monthly salary received in that year by 12; in the case of
11 a member who became a member under ~~subsection (3)~~ of K.S.A. 74-
12 4925(3), and amendments thereto, or who became a member with a
13 participating employer as defined in ~~subsection (3)~~ of K.S.A. 74-4931(3),
14 and amendments thereto, and who elects to have compensation paid in
15 other than 12 equal installments, such compensation shall be annualized as
16 if the member had elected to receive 12 equal installments for any such
17 periods preceding retirement; in the case of a member who retires after
18 July 1, 1987, the average highest annual compensation paid to such
19 member for any four years of participating service preceding retirement or
20 termination of employment; in the case of a member who retires on or
21 after July 1, 1993, whose date of membership in the system is prior to July
22 1, 1993, and any member who is in such member's membership waiting
23 period on July 1, 1993, and whose date of membership in the system is on
24 or after July 1, 1993, the average highest annual compensation, as defined
25 in subsection (9), paid to such member for any four years of participating
26 service preceding retirement or termination of employment or the average
27 highest annual salary, as defined in subsection ~~(34)~~ (33), paid to such
28 member for any three years of participating service preceding retirement
29 or termination of employment, whichever is greater; and in the case of a
30 member who retires on or after July 1, 1993, and whose date of
31 membership in the system is on or after July 1, 1993, the average highest
32 annual salary, as defined in subsection ~~(34)~~ (33), paid to such member for
33 any three years of participating service preceding retirement or termination
34 of employment. Final average salary shall not include any purchase of
35 participating service credit by a member as provided in ~~subsection (2)~~ of
36 K.S.A. 74-4919h(2), and amendments thereto, which is completed within
37 five years of retirement. For any application to purchase or repurchase
38 service credit for a certain period of service as provided by law received
39 by the system after May 17, 1994, for any member who will have
40 contributions deducted from such member's compensation at a percentage
41 rate equal to two or three times the employee's rate of contribution or will
42 begin paying to the system a lump-sum amount for such member's
43 purchase or repurchase and such deductions or lump-sum payment

1 commences after the commencement of the first payroll period in the third
2 quarter, "final average salary" shall not include any amount of
3 compensation or salary which is based on such member's purchase or
4 repurchase. Any application to purchase or repurchase multiple periods of
5 service shall be treated as multiple applications. For purposes of this
6 subsection, the date that such member is first hired as an employee for
7 members who are employees of employers that elected to participate in the
8 system on or after January 1, 1994, shall be the date that such employee's
9 employer elected to participate in the system. In the case of any former
10 member who was eligible for assistance pursuant to K.S.A. 74-4925, and
11 amendments thereto, prior to July 1, 1998, for the purpose of calculating
12 final average salary of such member, such member's final average salary
13 shall be based on such member's salary while a member of the system or
14 while eligible for assistance pursuant to K.S.A. 74-4925, and amendments
15 thereto, whichever is greater;

16 (18) "fiscal year" means, for the Kansas public employees retirement
17 system, the period commencing July 1 of any year and ending June 30 of
18 the next;

19 (19) "Kansas public employees retirement fund" means the fund
20 created by this act for payment of expenses and benefits under the system
21 and referred to as the fund;

22 (20) "leave of absence" means a period of absence from employment
23 without pay, authorized and approved by the employer, and which after the
24 effective date does not exceed one year;

25 (21) "member" means an eligible employee who is in the system and
26 is making the required employee contributions; any former employee who
27 has made the required contributions to the system and has not received a
28 refund if such member is within five years of termination of employment
29 with a participating employer; or any former employee who has made the
30 required contributions to the system, has not yet received a refund and has
31 been granted a vested benefit;

32 (22) "military service" means service in the uniformed forces of the
33 United States, for which retirement benefit credit must be given under the
34 provisions of USERRA or service in the armed forces of the United States
35 or in the commissioned corps of the United States public health service,
36 which service is immediately preceded by a period of employment as an
37 employee or by entering into an employment contract with a participating
38 employer and is followed by return to employment as an employee with
39 the same or another participating employer within 12 months immediately
40 following discharge from such military service, except that if the board
41 determines that such return within 12 months was made impossible by
42 reason of a service-connected disability, the period within which the
43 employee must return to employment with a participating employer shall

1 be extended not more than two years from the date of discharge or
2 separation from military service;

3 (23) "normal retirement date" means the date on or after which a
4 member may retire with full retirement benefits pursuant to K.S.A. 74-
5 4914, and amendments thereto;

6 (24) "participating employer" means an eligible employer who has
7 agreed to make contributions to the system on behalf of its employees;

8 (25) "participating service" means the period of employment after the
9 entry date for which credit is granted a member;

10 (26) "prior service" means the period of employment of a member
11 prior to the entry date for which credit is granted a member under this act;

12 (27) "prior service annual salary" means the highest annual salary, not
13 including any amounts received as payment for overtime or as
14 reimbursement for travel or moving expense, received for personal
15 services by the member from the current employer in any one of the three
16 calendar years immediately preceding January 1, 1962, or the entry date of
17 the employer, whichever is later, except that if a member entered the
18 employment of the state during the calendar year 1961, the prior service
19 annual salary shall be computed by multiplying such member's highest
20 monthly salary received in that year by 12;

21 (28) "retirant" means a member who has retired under this system;

22 (29) "retirement benefit" means a monthly income or the actuarial
23 equivalent thereof paid in such manner as specified by the member
24 pursuant to this act or as otherwise allowed to be paid at the discretion of
25 the board, with benefits accruing from the first day of the month
26 coinciding with or following retirement and ending on the last day of the
27 month in which death occurs. Upon proper identification a surviving
28 spouse may negotiate the warrant issued in the name of the retirant. If
29 there is no surviving spouse, the last warrant shall be payable to the
30 designated beneficiary;

31 (30) "retirement system" or "system" means the Kansas public
32 employees retirement system as established by this act and as it may be
33 amended;

34 (31) "social security" means the old age, survivors and disability
35 insurance section of the federal social security act;

36 (32) "trust" means an express trust, created by a trust instrument,
37 including a will, designated by a member to receive payment of the
38 insured death benefit under K.S.A. 74-4927, and amendments thereto, and
39 payment of the member's accumulated contributions under ~~subsection (1)~~
40 ~~of K.S.A. 74-4916(I)~~, and amendments thereto. A designation of a trust
41 shall be filed with the board. If no will is admitted to probate within six
42 months after the death of the member or no trustee qualifies within such
43 six months or if the designated trust fails, for any reason whatsoever, the

1 insured death benefit under K.S.A. 74-4927, and amendments thereto, and
2 the member's accumulated contributions under ~~subsection (1) of K.S.A.~~
3 ~~74-4916(1)~~, and amendments thereto, shall be paid in accordance with the
4 provisions of subsection (7) of this section as in other cases where there is
5 no named beneficiary living at the time of the member's death and any
6 payments so made shall be a full discharge and release to the system from
7 any further claims;

8 (33) "salary" means all salary and wages payable to a member for
9 personal services performed for a participating employer, including
10 maintenance or any allowance in lieu thereof provided a member as part of
11 salary. Salary shall not include reimbursement for travel or moving
12 expenses, payment for accumulated sick leave or vacation or annual leave,
13 severance pay or any other payments to the member determined by the
14 board to not be payments for personal services performed for a
15 participating employer constituting salary or on and after July 1, 1994,
16 payment pursuant to an early retirement incentive program made prior to
17 the retirement of the member. When the salary of a member who remains
18 in substantially the same position during any two consecutive years of
19 participating service used in calculating final average salary is increased
20 by an amount which exceeds 15%, then the amount of such increase which
21 exceeds 15% shall not be included in salary. Any contributions by such
22 member on the amount of such increase which exceeds 15% which is not
23 included in compensation shall be returned to the member. Unless
24 otherwise provided by law, salary shall include any amounts for tax
25 sheltered annuities or deferred compensation plans. Salary shall include
26 amounts under sections 403b, 457 and 125 of the federal internal revenue
27 code of 1986 and, as the board deems appropriate, any other section of the
28 federal internal revenue code of 1986 which defers or excludes amounts
29 from inclusion in income. For purposes of applying limits under the
30 federal internal revenue code "salary" shall have the meaning as provided
31 in K.S.A. 74-49,123, and amendments thereto. In any case, if participating
32 service is less than three years, then the average annual salary paid to the
33 member during the full period of participating service, or, in any case, if
34 the member has less than one calendar year of participating service such
35 member's final average salary shall be computed by multiplying such
36 member's highest monthly salary received in that year by 12;

37 (34) "federal internal revenue code" means the federal internal
38 revenue code of 1954 or 1986, as in effect on July 1, 2008, and as
39 applicable to a governmental plan; and

40 (35) "USERRA" means the federal uniformed services employment
41 and reemployment rights act of 1994 as in effect on July 1, 2008.

42 Sec. 2. K.S.A. 2014 Supp. 74-4952 is hereby amended to read as
43 follows: 74-4952. As used in K.S.A. 74-4951 et seq., and amendments

1 thereto:

2 (1) "Accumulated contributions" means the sum of all contributions
3 by a member to the system which shall be credited to the member's
4 account with interest allowed thereon after June 30, 1982.

5 (2) "Disability" means the total inability to perform permanently the
6 duties of the position of a policeman or fireman.

7 (3) "Eligible employer" means any city, county, township or other
8 political subdivision of the state employing one or more employees as
9 firemen or policemen.

10 (4) "Employee" means any policeman or fireman employed by a
11 participating employer whose employment for police or fireman purposes
12 is not seasonal or temporary and requires at least 1,000 hours of work per
13 year.

14 (5) "Entry date" means the date as of which an eligible employer
15 joins the system; the first entry date pursuant to this act is January 1, 1967.

16 (6) "Final average salary" means:

17 (a) For members who are first hired as an employee, as defined in
18 subsection (4), before July 1, 1993, the average highest annual
19 compensation paid to a member for any three of the last five years of
20 participating service immediately preceding retirement or termination of
21 employment, or if participating service is less than three years, then the
22 average annual compensation, *as defined in K.S.A. 74-4902(9), and*
23 *amendments thereto*, paid to the member during the full period of
24 participating service, or if a member has less than one calendar year of
25 participating service, then the member's final average salary shall be
26 computed by multiplying the member's highest monthly salary received in
27 that year by 12;

28 (b) for members who are first hired as an employee, as defined in
29 subsection (4), on and after July 1, 1993, the average highest annual salary,
30 as defined in ~~subsection (33) of K.S.A. 74-4902(33)~~, and amendments
31 thereto, paid to a member for any three of the last five years of
32 participating service immediately preceding retirement or termination of
33 employment, or if participating service is less than three years, then the
34 average annual salary, as defined in ~~subsection (34) of K.S.A. 74-~~
35 ~~4902(33)~~, and amendments thereto, paid to the member during the full
36 period of participating service, or if a member has less than one calendar
37 year of participating service, then the member's final average salary shall
38 be computed by multiplying the member's highest monthly salary received
39 in that year by 12;

40 (c) for purposes of subparagraphs (a) and (b) of this subsection, the
41 date that such member is first hired as an employee for members who are
42 employees of employers that elected to participate in the system on or after
43 January 1, 1994, shall be the date that such employee's employer elected to

1 participate in the system; and

2 (d) for any application to purchase or repurchase service credit for a
3 certain period of service as provided by law received by the system after
4 May 17, 1994, for any member who will have contributions deducted from
5 such member's compensation at a percentage rate equal to two or three
6 times the employee's rate of contribution or who will have contributions
7 deducted from such member's compensation at an additional rate of
8 contribution, in addition to the employee's rate of contribution as provided
9 in K.S.A. 74-4919, and amendments thereto, or will begin paying to the
10 system a lump-sum amount for such member's purchase or repurchase, and
11 such deductions or lump-sum payment commences after the
12 commencement of the first payroll period in the third quarter, "final
13 average salary" shall not include any amount of compensation or salary
14 which is based on such member's purchase or repurchase. Any application
15 to purchase or repurchase multiple periods of service shall be treated as
16 multiple applications.

17 (e) Notwithstanding any other provision of this section, for purposes
18 of applying limits as provided by the federal internal revenue code, salary
19 shall have the meaning as determined pursuant to K.S.A. 74-49,123, and
20 amendments thereto.

21 (7) "Retirement benefit" means a monthly income or the actuarial
22 equivalent thereof paid in such manner as specified by the member as
23 provided under the system or as otherwise allowed to be paid at the
24 discretion of the board, with benefits accruing from the first day of the
25 month coinciding with or following retirement and ending on the last day
26 of the month in which death occurs. Upon proper identification such
27 surviving spouse may negotiate the warrant issued in the name of the
28 retiree.

29 (8) "Normal retirement date" means the date on or after which a
30 member may retire with eligibility for retirement benefits for age and
31 service as provided in ~~subsections (1) and (3) of~~ K.S.A. 74-4957(1) and
32 (3), and amendments thereto.

33 (9) "Retirement system" or "system" means the Kansas police and
34 firemen's retirement system as established by this act and as it may be
35 hereafter amended.

36 (10) "Service-connected" means with regard to a death or any
37 physical or mental disability, any such death or disability resulting from
38 external force, violence or disease occasioned by an act of duty as a
39 policeman or fireman and, for any member after five years of credited
40 service, there shall be a rebuttable presumption, that any death or disability
41 resulting from a heart disease or disease of the lung or respiratory tract or
42 cancer as provided in this subsection, except that in the event that the
43 member ceases to be a contributing member by reason of a service-

1 connected disability for a period of six months or more and then again
2 becomes a contributing member, the provision relating to death or
3 disability resulting from a heart disease, disease of the lung or respiratory
4 tract or cancer as provided in this subsection shall not apply until such
5 member has again become a contributing member for a period of not less
6 than two years or unless clear and precise evidence is presented that the
7 heart disease, disease of the lung or respiratory tract or cancer as provided
8 in this subsection was in fact occasioned by an act of duty as a policeman
9 or fireman. If the retirement system receives evidence to the contrary of
10 such presumption, the burden of proof shall be on the member or other
11 party to present evidence that such death or disability was service-
12 connected. The provisions of this section relating to the presumption that
13 the death or disability resulting from cancer is service-connected shall only
14 apply if the condition that caused the death or disability is a type of cancer
15 which may, in general, result from exposure to heat, radiation or a known
16 carcinogen.

17 (11) Prior to July 1, 1998, "fireman" or "firemen" means an employee
18 assigned to the fire department and engaged in the fighting and
19 extinguishment of fires and the protection of life and property therefrom or
20 in support thereof and who is specifically designated, appointed,
21 commissioned or styled as such by the governing body or city manager of
22 the participating employer and certified to the retirement system as such.
23 On and after July 1, 1998, "fireman" or "firemen" means an employee
24 assigned to the fire department whose principal duties are engagement in
25 the fighting and extinguishment of fires and the protection of life and
26 property therefrom and who is specifically designated, appointed,
27 commissioned or styled as such by the governing body or city manager of
28 the participating employer and certified to the retirement system as such.

29 (12) Prior to July 1, 1998, "police," "policeman" or "policemen"
30 means an employee assigned to the police department and engaged in the
31 enforcement of law and maintenance of order within the state and its
32 political subdivisions, including sheriffs and sheriffs' deputies, or in
33 support thereof and who is specifically designated, appointed,
34 commissioned or styled as such by the governing body or city manager of
35 the participating employer and certified to the retirement system as such.
36 On and after July 1, 1998, "police," "policeman" or "policemen" means an
37 employee assigned to the police department whose principal duties are
38 engagement in the enforcement of law and maintenance of order within the
39 state and its political subdivisions, including sheriffs and sheriffs' deputies;
40 who has successfully completed the required course of instruction for law
41 enforcement officers approved by the Kansas law enforcement training
42 center and is certified pursuant to the provisions of K.S.A. 74-5607a, and
43 amendments thereto; and who is specifically designated, appointed,

1 commissioned or styled as such by the governing body or city manager of
2 the participating employer and certified to the retirement system as such.
3 Notwithstanding any other provisions of this subsection, "police,"
4 "policeman" or "policemen" shall include a city or county correctional
5 officer who is specifically designated, appointed, commissioned or styled
6 as such by the governing body or city manager of the participating
7 employer and certified to the retirement system as such commencing on
8 July 1, 1998, and ending on June 30, 1999.

9 (13) Except as otherwise defined in this act, words and phrases used
10 in K.S.A. 74-4951 et seq., and amendments thereto, shall have the same
11 meanings ascribed to them as are defined in K.S.A. 74-4902, and
12 amendments thereto.

13 Sec. 3. K.S.A. 75-5517 is hereby amended to read as follows: 75-
14 5517. (a) Each person retiring from the classified or unclassified service of
15 the state of Kansas who has accumulated ~~one hundred (100)~~ 100 days or
16 more of sick leave shall receive at the time of retirement, compensation for
17 their accumulated sick leave as follows:

18 (1) Compensation for not more than ~~thirty (30)~~ 30 days, if such
19 person has completed eight or more years of such service and has
20 accumulated at least ~~one hundred (100)~~ 100 but less than ~~one hundred~~
21 ~~twenty-five (125)~~ 125 days of sick leave;

22 (2) compensation for not more than ~~forty-five (45)~~ 45 days, if such
23 person has completed ~~fifteen (15)~~ 15 or more years of such service and has
24 accumulated at least ~~one hundred twenty-five (125)~~ 125 but less than ~~one~~
25 ~~hundred fifty (150)~~ 150 days of sick leave; and

26 (3) compensation for not more than ~~sixty (60)~~ 60 days, if such person
27 has completed ~~twenty-five (25)~~ 25 or more years of such service and has
28 accumulated ~~one hundred fifty (150)~~ 150 days of sick leave or more.

29 (b) Retirement employee contributions shall be deducted from all
30 compensation for accumulated sick leave paid to each person who retires
31 and benefit calculations for such person ~~shall~~ *may* include all such
32 compensation.

33 New Sec. 4. On and after July 1, 2015, no employee who is employed
34 by any participating employer defined in K.S.A. 74-4902, 74-4931 and 74-
35 4952, and amendments thereto, including, but not limited to, the state of
36 Kansas, cities, counties, school districts and fire and police departments,
37 shall accumulate vacation leave in an amount of more than 240 hours. If
38 such employee has accumulated vacation leave of more than 240 hours as
39 of July 1, 2015, such employee's participating employer shall make a
40 payment or payments as provided in this section to such employee in an
41 amount that is equal to the amount of hours over 240 multiplied by the
42 hourly wage of such employee. Each participating employer shall make a
43 one-time payment or series of payments over a period not to exceed three

1 years pursuant to an agreement between the employee and employer of the
2 total amount determined to be owed pursuant to this section to such
3 employee. Such payment or payments made under this section shall not be
4 considered as compensation as defined in K.S.A. 74-4902, and
5 amendments thereto, for the purposes of calculating the benefits under the
6 Kansas public employees retirement system and the Kansas police and
7 firemen's retirement system.

8 Sec. 5. K.S.A. 75-5517 and K.S.A. 2014 Supp. 74-4902 and 74-4952
9 are hereby repealed.

10 Sec. 6. This act shall take effect and be in force from and after its
11 publication in the statute book.