

HOUSE BILL No. 2630

By Committee on Pensions and Benefits

2-3

1 AN ACT concerning retirement and pensions; relating to the Kansas public
2 employees retirement system and systems thereunder; federal
3 nontaxable distributions to certain retirants.

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

6 Section 1. (a) This section applies to the Kansas public employees
7 retirement system and to all other public retirement plans administered by
8 the board of trustees of the Kansas public employees retirement system.

9 (b) As used in this section:

10 (1) "Eligible retired public safety officer" means the same as provided
11 in section 402(l) of the federal internal revenue code;

12 (2) "federal internal revenue code" means the federal internal revenue
13 code of 1986, as in effect on January 1, 2012.

14 (3) "public safety officer" means the same as provided in section
15 402(l) of the federal internal revenue code; and

16 (4) "qualified health insurance premiums" means the same as
17 provided in section 402(l) of the federal internal revenue code.

18 (c) The purpose of this section is to authorize the board of trustees of
19 the Kansas public employees retirement system to implement the
20 provisions of section 402(l) of the federal internal revenue code. The
21 provisions of this section shall be interpreted in accordance with that
22 purpose.

23 (d) Notwithstanding any other law to the contrary, the board of
24 trustees of the Kansas public employees retirement system may adopt rules
25 and procedures effective on and after January 1, 2012, to:

26 (1) Permit certain retired members of the system, as identified by the
27 board, who are eligible retired public safety officers to elect to have a
28 direct deduction of qualified health insurance premiums made from such
29 member's monthly retirement or disability benefits; and

30 (2) implement the provisions of section 402(l) of the federal internal
31 revenue code so that these direct deductions of qualified health insurance
32 premiums shall be excludable from gross income to the extent permitted
33 by federal law.

34 (e) The provisions of this section shall be part of and supplemental to
35 the provisions of K.S.A. 74-4901 *et seq.*, and amendments thereto.

36 Sec. 2. This act shall take effect and be in force from and after its

- 1 publication in the statute book.
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