

# **House Substitute for SB 168**

## **Revisions to Working-After-Retirement Rules**

### **Certification of no prearrangement**

- Requires members to sign an affirmation on their application for retirement that they will not be employed with any participating employer within 60 days of retirement and that they have no prearrangement to return to work with any KPERS affiliated employer.
- At the point of rehiring a KPERS retiree, the employer's appointing authority and the retiree must sign an affirmation that the retiree has not been employed by the participating employer within 60 days of the retirement and that there was no prearranged agreement for employment.
- If a member is found to have entered into a prearranged agreement to return to work before retirement, the retiree's benefit will be suspended starting in the month the retiree returned to work and ending six months after the retiree ends employment.

### **Extension of grandfathered status for licensed school professionals**

- Extend from July 1, 2017, to July 1 2020, the grandfather provisions for those retirees in a licensed school professional position who had retired before May 1, 2015.
- These retirees do not have an earnings limit. The employer pays a working after retirement contribution rate of actuarial rate plus 8%.

### **Assurance protocol**

- Establish an assurance protocol to allow employers to meet a set of criteria to extend a hardship, hard-to-fill or special education position exemption, rather than obtaining approval from the Joint Committee on Pensions, Investments, and Benefits.

### **Exemption limits**

- Allow for employers to extend a hardship position for up to three, one-year extensions.
- Clarify that a 48-month or 4-school year (whichever is less) limit applies to total time worked by a retiree for any combination of positions under hardship, hard-to-fill, and special education exemptions.

### **Age 62 exemption**

- Create a new exemption from the \$25,000 earnings limit for retirees who retire at age 62 or later and return to work in a licensed school position, with no limit on years worked.

### **Uniform employer working after retirement rate**

- Establish a 30% employer contribution rate for retirees working in positions that are exempt from the general working after retirement rules (hardship, hard-to-fill, special education, age 62).

### **KP&F earnings limit**

- Increase the KP&F working after retirement earnings limit from \$15,000 to \$25,000, consistent with the KPERS earnings limit.