Summary of Chief Features of 1941 Bill

1. All school employees become subject to a levy of 4% upon each salary check after September 1, 1941, except those now covered by local retirement systems.

2. School employees who are aged 65 or more, and who have established records of twenty years or more of service in Kansas public schools, are eligible for modest service annuities beginning in January, 1942. Younger persons with similar records will become eligible for service annuities when they attain age 65.

3. Young employees who serve less than five years will receive, upon request, a refund of all the four per cent salary assessments paid into the system with accumulated interest. Others who in the future discontinue school employment before attaining age 65 will receive deferred annuities following the precedent of the national social security plan.

4. The 1941 bill offers two major protections in the form of minimum annuities. The minimum annuity for any teacher with a twenty-year service record is $120. The minimum annuity for a teacher with a thirty-year service record is one-third of her average salary for the last ten years of service. Those who serve less than thirty years, but more than twenty years will be guaranteed a fractional part of the one-third average salary. For example, the teacher with twenty-five years' service will receive twenty-five-thirtieths of the guarantee of one-third of the average salary.

5. Retirement is set up as a state function to be managed by a State Retirement Board of which the State Treasurer is to be treasurer. Local schools and local school boards will have no connection with the plan except to make reports and to forward deductions from salaries.

6. Membership is compulsory for all concerned as is the case in the vast national social security plan. (Only teachers, and in the case of Kansas City all school employees, who are members of local retirement systems are excluded. These systems are permitted to join the state system by local action if they so desire.)