

SEC. 13. Any school employee who has a school service record of fifteen years or more, and who suffers such physical or mental disability as to be permanently unable to perform school service may at once be granted a disability annuity, the amount of which shall be the actuarial value of the school annuity of that individual, at the attained age. In such cases the board is authorized to provide for medical examinations and to secure other evidence at the expense of the retirement fund. Such medical examinations shall be repeated at least once in every five years, and may be ordered at any time until the annuitant attains age sixty-five. In case any person receiving a disability annuity shall recover, or if he shall refuse to be examined, then the disability annuity shall cease. But employment outside of school service at part time work or at full time work suited to a partly disabled person shall not of itself be sufficient reason to cease paying such disability annuity. In case any person receives a disability annuity and later recovers and returns to school service, the service record of that person shall include all school service, both before and after disability, but the retirement annuity finally paid shall be reduced by actuarial computation in proportion to the total amount of the disability annuity paid.

SEC. 14. In case an error has been made and an annuitant has been paid more or less than he is entitled to receive, and other satisfactory arrangements cannot be made, the board, insofar as that may be possible, shall adjust future annuity payments so as to correct the error, in accordance with actuarial computations.

SEC. 15. After September 1, 1941, all boards and other agencies of the State of Kansas which issue warrants to school employees, shall deduct 4% from the full amount of each such warrant issued to any permanent school employee (up to an annual maximum total of \$3,000 salary), and shall transmit the amounts, so deducted, to the state treasurer in such manner as the retirement board may direct. These deductions shall be credited to individual savings accounts.

SEC. 16. All contracts for school services made after this act goes into effect, and all salaries of school employees set by statute shall be deemed to include this provision for deductions: *Provided*, That in any case where an existing contract or legal obstacle forbids a deduction, the school employee concerned is hereby authorized to tender the amount of the deduction to the board for credit: *Provided further*, This section shall not apply to employees exempted under the provisions of section 9 of this act.

SEC. 17. The funds resulting from such deductions shall be handled as permanent reserves. These reserves are to be invested by the board in school, state, municipal and federal securities approved by the State School Fund Commission. All interest received thereon shall be prorated at least once each twelve months to the individual savings accounts.

SEC. 18. On retirement each school annuitant shall receive: (a) A savings annuity which shall be the actuarial equivalent of his accumulated contributions including interest credits at the time of retirement, with due consideration of the refund provision act in Section 21 of this act, and (b) a service annuity to be paid by the state. The amount of any individual service annuity shall be determined by multiplying the average annual salary (up to maximum of \$3,000) for the last ten