

CHAPTER 16 INDEX

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16.505 Definitions for KRS 16.505 to 16.652.

As used in KRS 16.505 to 16.652, unless the context otherwise requires:

- (1) "System" means the State Police Retirement System created by KRS 16.505 to 16.652;
- (2) "Board" means the board of trustees of the Kentucky Retirement Systems;
- (3) "Employer" or "State Police" means the Department of Kentucky State Police, or its successor;
- (4) "Current service" means the number of years and completed months of employment as an employee subsequent to July 1, 1958, for which creditable compensation was paid by the employer and employee contributions deducted except as otherwise provided;
- (5) "Prior service" means the number of years and completed months of employment as an employee prior to July 1, 1958, for which creditable compensation was paid to the employee by the Commonwealth. Twelve (12) months of current service in the system are required to validate prior service;
- (6) "Service" means the total of current service and prior service;
- (7) "Accumulated contributions" at any time means the sum of all amounts deducted from the compensation of a member and credited to his individual account in the member's contribution account, including employee contributions picked up after August 1, 1982, pursuant to KRS 16.545(4), together with interest credited on such amounts as provided in KRS 16.505 to 16.652, and any other amounts the member shall have contributed, including interest credited;
- (8) "Creditable compensation" means all salary and wages, including payments for compensatory time, paid to the employee as a result of services performed for the employer or for time during which the member is on paid leave, which are includable on the member's federal form W-2 wage and tax statement under the heading "wages, tips, other compensation," including employee contributions picked up after August 1, 1982, pursuant to KRS 16.545(4). A lump-sum bonus, severance pay, or employer-provided payment for purchase of service credit shall be included as creditable compensation but shall be averaged over the employee's total service with the system in which it is recorded if it is equal to or greater than one thousand dollars (\$1,000). Living allowances, expense reimbursements, lump-sum payments for accrued vacation leave, and other items determined by the board shall be excluded. Creditable compensation shall also include amounts which are not includable in the member's gross income by virtue of the member having taken a voluntary salary reduction provided for under applicable provisions of the Internal Revenue Code. Creditable compensation shall also include elective amounts for qualified transportation fringes paid or made available on or after January 1, 2001, for calendar years on or after January 1, 2001, that are not includable in the gross income of the employee by reason of 26 U.S.C. sec. 132(f)(4). For employees who begin participating on or after September 1, 2008, creditable compensation shall not include payments for compensatory time;
- (9) "Final compensation" means:

- (a) For a member who begins participating before September 1, 2008, the creditable compensation of a member during the three (3) fiscal years he was paid at the highest average monthly rate divided by the number of months of service credit during the three (3) year period, multiplied by twelve (12); the three (3) years may be fractional and need not be consecutive. If the number of months of service credit during the three (3) year period is less than twenty-four (24), one (1) or more additional fiscal years shall be used; or
 - (b) For a member who begins participating on or after September 1, 2008, the creditable compensation of the member during the three (3) complete fiscal years he or she was paid at the highest average monthly rate divided by three (3). Each fiscal year used to determine final compensation must contain twelve (12) months of service credit;
- (10) "Final rate of pay" means the actual rate upon which earnings of a member were calculated during the twelve (12) month period immediately preceding the member's effective retirement date, including employee contributions picked up after August 1, 1982, pursuant to KRS 16.545(4). The rate shall be certified to the system by the employer and the following equivalents shall be used to convert the rate to an annual rate: two thousand eighty (2,080) hours for eight (8) hour workdays, one thousand nine hundred fifty (1,950) hours for seven and one-half (7-1/2) hour workdays, two hundred sixty (260) days, fifty-two (52) weeks, twelve (12) months, or one (1) year;
- (11) "Retired member" means any former member receiving a retirement allowance or any former member who has filed the necessary documents for retirement benefits and is no longer contributing to the retirement system;
- (12) "Retirement allowance" means the retirement payments to which a retired member is entitled;
- (13) "Actuarially equivalent benefits" means benefits which are of equal value when computed upon the basis of actuarial tables adopted by the board, except that, in case of disability retirement, the options authorized by KRS 61.635 shall be computed by adding ten (10) years to the age of the member. No disability retirement option shall be less than the same option computed under early retirement;
- (14) "Authorized leave of absence" means any time during which a person is absent from employment but retained in the status of an employee in accordance with the personnel policy of the Department of Kentucky State Police;
- (15) "Normal retirement date" means:
 - (a) For a member who begins participating before September 1, 2008, the first day of the month following a member's fifty-fifth birthday, except that for members over age fifty-five (55) on July 1, 1958, it shall mean January 1, 1959; or
 - (b) For a member who begins participating on or after September 1, 2008, the first day of the month following a member's sixtieth birthday;

- (16) "Disability retirement date" means the first day of the month following the last day of paid employment;
- (17) "Dependent child" means a child in the womb and a natural or legally adopted child of the member who has neither attained age eighteen (18) nor married or who is an unmarried full-time student who has not attained age twenty-two (22);
- (18) "Optional allowance" means an actuarially equivalent benefit elected by the member in lieu of all other benefits provided by KRS 16.505 to 16.652;
- (19) "Act in line of duty" means an act occurring or a thing done, which, as determined by the board, was required in the performance of the duties specified in KRS 16.060. For employees in hazardous positions under KRS 61.592, an "act in line of duty" shall mean an act occurring which was required in the performance of the principal duties of the position as defined by the job description;
- (20) "Early retirement date" means:
 - (a) For a member who begins participating before September 1, 2008, the retirement date declared by a member who is not less than fifty (50) years of age and has fifteen (15) years of service; or
 - (b) For a member who begins participating on or after September 1, 2008, the retirement date declared by a member who is not less than fifty (50) years of age and has fifteen (15) years of service credited under KRS 16.543(1), 61.543(1), or 78.615(1) or another state-administered retirement system;
- (21) "Member" means any officer included in the membership of the system as provided under KRS 16.520 whose membership has not been terminated under KRS 61.535;
- (22) "Regular full-time officers" means the occupants of positions as set forth in KRS 16.010;
- (23) "Hazardous disability" as used in KRS 16.505 to 16.652 means a disability which results in an employee's total incapacity to continue as an employee in a hazardous position, but the employee is not necessarily deemed to be totally and permanently disabled to engage in other occupations for remuneration or profit;
- (24) "Current rate of pay" means the member's actual hourly, daily, weekly, biweekly, monthly, or yearly rate of pay converted to an annual rate as defined in final rate of pay. The rate shall be certified by the employer;
- (25) "Beneficiary" means the person, persons, estate, trust, or trustee designated by the member in accordance with KRS 61.542 or 61.705 to receive any available benefits in the event of the member's death. As used in KRS 61.702, "beneficiary" does not mean an estate, trust, or trustee;
- (26) "Recipient" means the retired member, the person or persons designated as beneficiary by the member and drawing a retirement allowance as a result of the member's death, or a dependent child drawing a retirement allowance. An alternate payee of a qualified domestic relations order shall be considered a recipient only for purposes of KRS 61.691;
- (27) "Person" means a natural person;

- (28) "Retirement office" means the Kentucky Retirement Systems office building in Frankfort;
- (29) "Delayed contribution payment" means an amount paid by an employee for purchase of current service. The amount shall be determined using the same formula in KRS 61.5525, and the payment shall not be picked up by the employer. A delayed contribution payment shall be deposited to the member's contribution account and considered as accumulated contributions of the individual member;
- (30) "Last day of paid employment" means the last date employer and employee contributions are required to be reported in accordance with KRS 16.543, 61.543, or 78.615 to the retirement office in order for the employee to receive current service credit for the month. Last day of paid employment does not mean a date the employee receives payment for accrued leave, whether by lump sum or otherwise, if that date occurs twenty-four (24) or more months after previous contributions;
- (31) "Objective medical evidence" means reports of examinations or treatments; medical signs which are anatomical, physiological, or psychological abnormalities that can be observed; psychiatric signs which are medically demonstrable phenomena indicating specific abnormalities of behavior, affect, thought, memory, orientation, or contact with reality; or laboratory findings which are anatomical, physiological, or psychological phenomena that can be shown by medically acceptable laboratory diagnostic techniques, including but not limited to chemical tests, electrocardiograms, electroencephalograms, X-rays, and psychological tests;
- (32) "Fiscal year" of the system means the twelve (12) months from July 1 through the following June 30, which shall also be the plan year;
- (33) "Participating" means an employee is currently earning service credit in the system as provided in KRS 16.543; and
- (34) "Month" means a calendar month.

Effective: June 27, 2008

History: Amended 2008 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 6, effective June 27, 2008. -- Amended 2007 Ky. Acts ch. 85, sec. 72, effective June 26, 2007. -- Amended 2004 Ky. Acts ch. 36, sec. 1, effective July 13, 2004. -- Amended 2003 Ky. Acts ch. 169, sec. 1, effective March 31, 2003. -- Amended 2002 Ky. Acts ch. 52, sec. 1, effective July 15, 2002. -- Amended 2000 Ky. Acts ch. 210, sec. 1, effective July 14, 2000; and ch. 385, sec. 1, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 105, sec. 1, effective July 15, 1998; and ch. 300, sec. 3, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 167, sec. 1, effective July 15, 1996. -- Amended 1994 Ky. Acts ch. 485, sec. 1, effective July 15, 1994. -- Amended 1992 Ky. Acts ch. 240, sec. 1, effective July 14, 1992. -- Amended 1988 Ky. Acts ch. 349, sec. 1, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 90, sec. 1, effective July 15, 1986; and ch. 331, sec. 10, effective July 15, 1986. -- Amended 1984 Ky. Acts ch. 95, sec. 1, effective July 13, 1984. -- Amended 1982 Ky. Acts ch. 166, sec. 24, effective July 15, 1982; and ch. 423, sec. 1, effective July 15, 1982. -- Amended 1980 Ky. Acts ch. 186, sec. 1, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 311, sec. 1, effective June 17, 1978; and ch. 384, sec. 535, effective June 17, 1978. -- Amended 1976 Ky. Acts ch. 321, secs. 1 and 40. -- Amended 1974 Ky. Acts ch. 74, Art. V, sec. 24(3); and ch. 128, sec. 1. -- Amended 1972 Ky. Acts ch. 116, sec. 1. -- Amended 1970 Ky. Acts ch. 76, sec. 1. -- Amended 1968 Ky. Acts

ch. 25, sec. 1. -- Amended 1966 Ky. Acts ch. 33, sec. 1. -- Amended 1964 Ky. Acts
ch. 91, sec. 1. -- Created 1958 Ky. Acts ch. 94, sec. 1.

16.510 Retirement system established -- Fund created.

There is hereby created and established:

- (1) A retirement system for state police to be known as the "State Police Retirement System" by and in which name it shall, pursuant to the provisions of KRS 16.510 to 16.652, transact all of its business, and shall have the powers and privileges of a corporation; and
- (2) A fund, to be known as the "State Police Retirement Fund," which shall consist of all the assets of the system as set forth in KRS 16.555. All assets received in the fund shall be deemed trust funds to be held and applied solely as provided in KRS 16.505 to KRS 16.652.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 36, sec. 2, effective July 13, 2004. -- Created 1958 Ky. Acts ch. 94, sec. 2, effective July 1, 1958.

16.520 Membership in the system.

- (1) Membership in the system shall consist of all regular full-time officers of the Department of Kentucky State Police appointed pursuant to KRS 16.050 who are entitled to exercise the powers of peace officers except those who do not choose to participate pursuant to KRS 61.545(3).
- (2) Membership in the system shall not include those employees who are simultaneously participating in another state-administered defined benefit plan within Kentucky other than those administered by the Kentucky Retirement Systems, except for employees who have ceased to contribute to one (1) of the state-administered retirement plans as provided in KRS 21.360.

Effective: June 26, 2007

History: Amended 2007 Ky. Acts ch. 85, sec. 73, effective June 26, 2007. -- Amended 1998 Ky. Acts ch. 105, sec. 2, effective July 15, 1998. -- Amended 1994 Ky. Acts ch. 485, sec. 2, effective July 15, 1994. -- Amended 1990 Ky. Acts ch. 222, sec. 5, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 349, sec. 2, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 90, sec. 2, effective July 15, 1986. -- Amended 1976 Ky. Acts ch. 321, sec. 2. -- Amended 1974 Ky. Acts ch. 74, Art. V, sec. 24(4); and ch. 128, sec. 2. -- Amended 1972 Ky. Acts ch. 116, sec. 2. -- Amended 1970 Ky. Acts ch. 76, sec. 2. -- Amended 1968 Ky. Acts ch. 139, sec. 1. -- Created 1958 Ky. Acts ch. 94, sec. 4.

16.530 Membership statements and certificates.

Under such rules and regulations as are adopted by the board, each employee becoming a member on July 1, 1958, shall have on file at the retirement office, on such forms as the board may prescribe, a statement of the facts pertaining to his status as a member which shall include a detailed description of all service rendered prior to July 1, 1958. Until such statement is filed, no member or his beneficiary shall be entitled to receive any benefits under KRS 16.505 to 16.652. As soon as practicable after said statement is filed, the system shall ascertain the amount of prior service, if any, to which each member is entitled and shall issue to each member a certificate certifying the length of such service rendered by him.

Effective: July 14, 1992

History: Amended 1992 Ky. Acts ch. 240, sec. 2, effective July 14, 1992. -- Created 1958 Ky. Acts ch. 94, sec. 6, effective July 1, 1958.

16.543 Determination of service credit -- Picked-up employee contributions.

- (1) Employee contributions shall be deducted from the creditable compensation of each member of the retirement system in the active employment of the Department of Kentucky State Police of the Justice and Public Safety Cabinet as an officer as defined in KRS 16.520. After August 1, 1982, employee contributions shall be picked up by the employer pursuant to KRS 16.545(4). Service credit shall be allowed for each month such member receives creditable compensation for an average of one hundred (100) hours or more of work per month. If the average number of hours of work is less than one hundred (100) per month, the member shall be allowed credit only for those months he or she receives creditable compensation for one hundred (100) hours of work.
- (2) Contributions shall not be made and no service will be earned while on authorized leave except:
 - (a) A member shall be entitled to service credit in accordance with KRS 61.555; and
 - (b) A member on educational leave, approved by the Personnel Cabinet, who is receiving seventy-five percent (75%) or more of full salary, shall receive service credit and shall pay member contributions or such contributions shall be picked up in accordance with KRS 16.545 and his or her employer shall pay employer contributions in accordance with KRS 61.565. If a tuition agreement is broken by the member, the member and employer contributions paid or picked up during the period of educational leave shall be refunded.
- (3) The retirement office, upon detection, shall refund any erroneous employer and employee contributions made to the retirement system and any interest credited in accordance with KRS 16.560.

Effective: June 26, 2007

History: Amended 2007 Ky. Acts ch. 85, sec. 74, effective June 26, 2007. -- Amended 1998 Ky. Acts ch. 154, sec. 9, effective July 15, 1998. -- Amended 1992 Ky. Acts ch. 240, sec. 3, effective July 14, 1992. -- Amended 1986 Ky. Acts ch. 90, sec. 29, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 166, secs. 9 and 26, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 311, sec. 3, effective June 17, 1978. -- Amended 1976 Ky. Acts ch. 321, sec. 4. -- Amended 1974 Ky. Acts ch. 74, Art. V, sec. 24(1). -- Created 1972 Ky. Acts ch. 116, sec. 5.

16.545 Contributions of members -- Picked-up employee contributions.

- (1) Except for members over age fifty-five (55) on July 1, 1958, who shall not be required to contribute, each member shall, commencing on July 1, 1998, contribute for each pay period for which he receives compensation, eight percent (8%) of his creditable compensation.
- (2) The employer shall cause to be deducted from the compensation of each member for each and every payroll period subsequent to July 1, 1958, the contributions payable by such member as provided in KRS 16.510 to 16.652.
- (3) Every member shall be deemed to consent to deductions made as provided herein; and the payment of salary or compensation less such deduction shall be a full and complete discharge of all claims for services rendered by such person during the period covered by such payment, except as to any benefits provided by KRS 16.510 to 16.652.
- (4) Each employer shall, solely for the purpose of compliance with Section 414(h) of the United States Internal Revenue Code, pick up the employee contributions required by this section for all compensation earned after August 1, 1982, and the contributions so picked up shall be treated as employer contributions in determining tax treatment under the United States Internal Revenue Code and KRS 141.010(10). These contributions shall not be included as gross income of the employee until such time as the contributions are distributed or made available to the employee. The picked-up employee contribution shall satisfy all obligations to the retirement system satisfied prior to August 1, 1982, by the employee contribution, and the picked-up employee contribution shall be in lieu of an employee contribution. Each employer shall pay these picked-up employee contributions from the same source of funds which is used to pay earnings to the employee. The employee shall have no option to receive the contributed amounts directly instead of having them paid by the employer to the system. Employee contributions picked up after August 1, 1982, shall be treated for all purposes of KRS 16.510 to 16.652 in the same manner and to the same extent as employee contributions made prior to August 1, 1982.

Effective: July 15, 1998

History: Amended 1998 Ky. Acts ch. 300, sec. 4, effective July 15, 1998. -- Amended 1990 Ky. Acts ch. 476, Pt. VII D, sec. 641, effective April 11, 1990. -- Amended 1986 Ky. Acts ch. 90, sec. 3, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 166, sec. 2, effective July 15, 1982. -- Amended 1976 Ky. Acts ch. 321, sec. 40. -
- Amended 1972 Ky. Acts ch. 116, sec. 6. -- Amended 1968 Ky. Acts ch. 25, sec. 2. -
- Amended 1964 Ky. Acts ch. 91, sec. 4. -- Created 1958 Ky. Acts ch. 94, sec. 9.

16.555 Assets of the system.

All the assets of the system shall be held and invested in the State Police Retirement Fund and credited, according to the purpose for which they are held, to one (1) of two (2) accounts: the "member contribution account" or the "retirement allowance account."

Effective: July 1, 1958

History: Created 1958 Ky. Acts ch. 94, sec. 11, effective July 1, 1958.

16.560 Member contribution account.

- (1) The member contribution account shall be the account to which all members' contributions, or contributions picked up by the employer after August 1, 1982, and interest allowances as provided in KRS 16.505 to 16.652 shall be credited; only funds from this account shall be used to return accumulated contributions of a member when required by reason of any provision of KRS 16.505 to 16.652. Prior to the member's retirement, death, or refund in accordance with KRS 61.625, no funds shall be made available from the member's contribution account.
- (2) Each member's contribution or contribution picked up by the employer shall be credited to the individual account of the contributing member.
- (3)
 - (a) Each member on June 30 of each year shall have his individual account credited with interest.
 - (b) For members who begin participating before September 1, 2008, interest shall be credited to their individual account at a rate determined by the board but not less than two and one-half percent (2.5%) per annum on the accumulated contributions of the member on June 30 of the preceding fiscal year.
 - (c) For members who begin participating on or after September 1, 2008, interest shall be credited to their individual account at a rate of two and one-half percent (2.5%) per annum on the accumulated contributions of the member on June 30 of the preceding fiscal year.
 - (d) The amounts of interest credited to a member's account under this subsection shall be transferred from the retirement allowance account.
- (4) Upon the retirement of a member, his accumulated contribution shall be transferred from the member's contribution account to the retirement allowance account.
- (5) Included as a part of such member's contribution account shall be his accumulated contributions in the Kentucky Employees Retirement System, if any, transferred to this system.

Effective: June 27, 2008

History: Amended 2008 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 7, effective June 27, 2008. -- Amended 2000 Ky. Acts ch. 385, sec. 2, effective July 14, 2000. -- Amended 1982 Ky. Acts ch. 166, sec. 27, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 311, sec. 4, effective June 17, 1978. -- Amended 1976 Ky. Acts ch. 321, sec. 40. - - Amended 1972 Ky. Acts ch. 116, sec. 8. -- Created 1958 Ky. Acts ch. 94, sec. 12, effective July 1, 1958.

Legislative Research Commission (6/27/2008). The Reviser of Statutes has altered the numbering of subsection (3) of this statute from the way it appeared in 2008 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 7, under the authority of KRS 7.136(1)(c).

16.565 Retirement allowance account.

The retirement allowance account shall be the account in which shall be accumulated all employer contributions, amounts transferred from the member contribution account, and to which all income from the investment assets of the system shall be credited. From this account there shall be paid administrative expenses and in addition all benefits payable under KRS 16.510 to 16.652. There shall be transferred from this account to the member contribution account the interest credited annually to each member's individual accounts.

Effective: July 1, 1958

History: Created 1958 Ky. Acts ch. 94, sec. 13, effective July 1, 1958.

16.568 Excess benefit plan -- Purpose -- Excess benefit fund.

- (1) There are created and established:
 - (a) An excess benefit plan to be known as the State Police Retirement System Excess Benefit Plan. The plan is created for the purpose of providing the retirement allowances payable from the retirement system under KRS 16.510 to 16.652 that would otherwise be limited by 26 U.S.C. sec. 415; and
 - (b) A state fund to be known as the "State Police Retirement System Excess Benefit Fund" which shall consist of all the assets of the plan.
- (2) The administration and assets of the plan shall be as set forth in KRS 61.652.

Effective: July 14, 2000

History: Created 2000 Ky. Acts ch. 385, sec. 8, effective July 14, 2000.

16.576 Normal retirement.

- (1) (a) Any member who begins participating before September 1, 2008, who has at least five (5) years of service credit may retire at his normal retirement date, or subsequent thereto, upon written notification to the system, setting forth at what date the retirement is to become effective, if the effective date shall be after his last day of service and subsequent to the filing of the notice at the retirement office.
- (b) Any member who begins participating on or after September 1, 2008, who has at least five (5) years of service credited under KRS 16.543(1), 61.543(1), or 78.615(1) or another state-administered retirement system may retire at his or her normal retirement date, or subsequent thereto, upon written notification to the system, setting forth what date the retirement is to become effective, if the effective date shall be after his or her last day of service and subsequent to the filing of the notice at the retirement office.
- (2) The member shall have the right to elect to have his retirement allowance payable under subsection (3), (4), or (6) of this section or any one (1) of the plans set forth in KRS 61.635.
- (3) (a) Effective August 1, 1990, a member of the Kentucky State Police Retirement System may elect to receive an annual retirement allowance, payable monthly during his lifetime, equal to two and five-tenths percent (2.5%) of final compensation for each year of service credit. Effective August 1, 1988, a member of the County Employees Retirement System covered by this section may elect to receive an annual retirement allowance, payable monthly during his lifetime, equal to two and five-tenths percent (2.5%) of final compensation for each year of service credit. Effective August 1, 1988, a member of the Kentucky Employees Retirement System covered by this section may elect to receive an annual retirement allowance, payable monthly during his lifetime, equal to two and forty-nine hundredths percent (2.49%) of final compensation for each year of service credit. The annual retirement allowance for a member covered by this section shall not exceed the maximum benefit as set forth in the Internal Revenue Code.
- (b) A member of the State Police Retirement System, a member of the Kentucky Employees Retirement System covered by this section, or a member of the County Employees Retirement System covered by this section, whose participation begins on or after September 1, 2008, shall receive an annual retirement allowance, payable monthly during his or her lifetime, equal to:
 1. One and three-tenths percent (1.3%) of final compensation for each year of service credit if the employee has earned ten (10) or less years of service at retirement;
 2. One and one-half percent (1.5%) of final compensation for each year of service credit if the employee has earned greater than ten (10) but no more than twenty (20) years of service at retirement;

3. Two and one-quarter percent (2.25%) of final compensation for each year of service credit if the employee has earned greater than twenty (20) but less than twenty-five (25) years of service at retirement; or
 4. Two and one-half percent (2.5%) of final compensation for each year of service credit if the employee has earned twenty-five (25) or more years of service at retirement.
- (4) The member may elect to receive a monthly retirement allowance payable for ten (10) years certain, actuarially equivalent to the retirement allowance payable under subsection (3) of this section. If the member should become deceased prior to the expiration of ten (10) years, his beneficiary shall receive the remaining payments monthly for the duration of the ten (10) years. The provisions of KRS 61.702 notwithstanding, the member who retired on June 17, 1978, or thereafter, and his spouse and dependents or beneficiary shall continue to receive the insurance benefits to which they are entitled pursuant to KRS 61.702 after the expiration of ten (10) years. Effective with any insurance contract procured, or self-insurance plan instituted, after July 15, 1990, a member who retired prior to June 17, 1978, and his spouse and dependents or beneficiary shall receive insurance benefits pursuant to KRS 61.702 upon payment by the member or beneficiary of the entire cost of the required insurance premium.
- (5) Notwithstanding any other provisions of this section, upon written notification to the system, a member shall have the option to defer his election to receive his retirement allowance. The retirement allowance payable under a deferred option shall be increased to reflect the deferred receipt of benefits.
- (6) In lieu of any other benefits due under KRS 16.505 to 16.652, a member who begins participating before September 1, 2008, who has attained age fifty-five (55) and who has attained at least one (1) month of service credit but no more than fifty-nine (59) months of service credit may elect to receive an annual retirement allowance, payable monthly or less frequently as determined by the board, which shall be determined by multiplying his accumulated contributions by two (2) and converting this amount to an annual retirement allowance based on an annuity rate adopted by the board which would pay the actuarial equivalent of twice his accumulated contributions over the lifetime of the retired member.

Effective: June 27, 2008

History: Amended 2008 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 8, effective June 27, 2008. -- Amended 1996 Ky. Acts ch. 167, sec. 2, effective July 15, 1996. -- Amended 1994 Ky. Acts ch. 485, sec. 4, effective July 15, 1994. -- Amended 1992 Ky. Acts ch. 240, sec. 4, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 347, sec. 1, effective July 13, 1990; and ch. 460, sec. 3, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 349, sec. 6, effective July 15, 1988; and ch. 364, sec. 1, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 76, sec. 1, effective July 15, 1986; ch. 293, sec. 3, effective July 15, 1986; and ch. 295, sec. 2, effective July 15, 1986. -- Amended 1984 Ky. Acts ch. 94, sec. 1, effective July 13, 1984; and ch. 228, sec. 1, effective July 13, 1984. -- Amended 1980 Ky. Acts ch. 186, sec. 4, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 311, sec. 5, effective June 17, 1978. -- Amended 1976 Ky. Acts ch. 321, sec. 5. -- Amended 1974 Ky. Acts ch. 128, sec. 4. - - Amended 1972 Ky. Acts ch. 116, sec. 12. -- Amended 1970 Ky. Acts ch. 76, sec. 3.

-- Amended 1968 Ky. Acts ch. 25, sec. 3. -- Amended 1966 Ky. Acts ch. 33, sec. 2. --
Created 1964 Ky. Acts ch. 91, sec. 7.

16.577 Early retirement.

- (1) Upon retirement at early retirement date, a member may receive an annual retirement allowance payable monthly during his lifetime which shall be determined in the same manner as for retirement at his normal retirement date, with years of service and final compensation being determined as of the date of his actual retirement, but the amount of the retirement allowance so determined shall be reduced at an amount determined by the board's actuary to reflect the earlier commencement of benefits.
- (2) For a member who begins participating before September 1, 2008, there shall be no reduction in the retirement allowance if the member has twenty (20) or more years of service credit, at least fifteen (15) of which are current service.
- (3) For a member who begins participating on or after September 1, 2008, there shall be no reduction in the retirement allowance if the member has twenty-five (25) or more years of service credited under KRS 16.543(1), 61.543(1), or 78.615(1) or another state-administered retirement system.

Effective: June 27, 2008

History: Amended 2008 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 9, effective June 27, 2008. -- Amended 2000 Ky. Acts ch. 385, sec. 3, effective July 14, 2000. -- Amended 1984 Ky. Acts ch. 95, sec. 2, effective July 13, 1984. -- Amended 1978 Ky. Acts ch. 127, sec. 1, effective June 17, 1978. -- Created 1970 Ky. Acts ch. 76, sec. 4.

16.578 Death before retirement -- Beneficiary's options.

- (1) If a member, eligible to retire as provided in KRS 16.576, dies at any time before the first benefit payment has been issued by the State Treasurer and has on file in the retirement office at the time of his death a written designation of a beneficiary, the beneficiary may elect to receive an annual benefit payable monthly which shall be equal to the benefit that would have been paid had the member retired immediately prior to his date of death and elected to receive payments under subsection (2) of KRS 61.635 or the beneficiary may elect the actuarial equivalent payable for sixty (60) months certain or the beneficiary may elect the actuarial equivalent payable for one hundred twenty (120) months certain, or the beneficiary may elect to receive the beneficiary Social Security adjustment payment under subsection (9) of KRS 61.635 or the beneficiary may elect the actuarial equivalent refund.
- (2) If a member in active employment or on authorized leave of absence with five (5) or more years of service dies at any time before his normal retirement date and has on file in the retirement office at the time of his death a written designation of a beneficiary, the beneficiary may elect to receive an annual benefit payable monthly commencing in the month following the member's death which shall be equal to the benefit the member would have been entitled to receive, based on his age, years of service, and final compensation at the date of his death, had the member been eligible for retirement and had he chosen benefits payable under subsection (2) of KRS 61.635 or the beneficiary may elect the actuarial equivalent payable for sixty (60) months certain or the beneficiary may elect the actuarial equivalent payable for one hundred twenty (120) months certain, or the beneficiary may elect to receive the beneficiary Social Security adjustment payment under subsection (9) of KRS 61.635 or the beneficiary may elect the actuarial equivalent refund.
- (3) If a member, not in active employment nor on authorized leave of absence with twelve (12) or more years of service, dies at any time before his normal retirement date and has on file in the retirement office at the time of his death a written designation of a beneficiary, the beneficiary may elect to receive an annual benefit payable monthly commencing in the month following the member's death which shall be equal to the benefit the member would have been entitled to receive, based on his age, years of service, and final compensation at the date of his death, had the member been eligible for retirement and had he chosen benefits payable under subsection (2) of KRS 61.635 or the beneficiary may elect the actuarial equivalent payable for sixty (60) months certain or the beneficiary may elect the actuarial equivalent payable for one hundred twenty (120) months certain, or the beneficiary may elect to receive the beneficiary Social Security adjustment payment under subsection (9) of KRS 61.635 or the beneficiary may elect the actuarial equivalent refund.
- (4) An alternative calculation of benefits payable to the beneficiary under subsection (1), (2) or (3) of this section shall be determined by computing an annual benefit payable commencing in the month following the member's death which shall be equivalent to the benefit the member would have been entitled to receive based on

his years of service and final compensation at the date of his death reduced by the survivorship fifty percent (50%) factor as provided for in KRS 61.635(4), then reduced by fifty percent (50%) and the actuarial equivalent payable for one hundred twenty (120) months certain shall be determined, or the beneficiary may elect to receive the beneficiary Social Security adjustment payment under subsection (9) of KRS 61.635.

- (5) If the member, subject to subsection (1), (2), (3), or (4) of this section had on file a written designation of multiple beneficiaries, or his estate, trust, or trustee, the multiple beneficiaries by consensus or the administrator or executor of the estate or trustee may elect to receive the actuarial equivalent to the benefit allowable under subsection (1), (2), (3), or (4) of this section given the assumptions that the beneficiary's age is the same as the member's, and that the member had chosen benefits payable monthly for sixty (60) months certain, or one hundred and twenty (120) months certain, or an actuarial equivalent refund.
- (6) The beneficiary may elect to receive a one (1) time lump sum payment which shall be the actuarial equivalent of the amount payable under KRS 61.635(2) for a period of sixty (60) months. In the case of designation of multiple beneficiaries, an estate, trust, or trustee, the multiple beneficiaries by consensus, trustee, executor, or administrator of the estate may elect to receive a one (1) time lump sum payment which shall be the actuarial equivalent of the amount payable under KRS 61.635(2), assuming the beneficiary's age to be the same as the member's, for a period of sixty (60) months.
- (7) In the case of a single beneficiary who is a person, the highest monthly benefit determined under subsection (1), (2), (3), (4), or (6) of this section for a life annuity, for payments for sixty (60) months certain, for payments for one hundred twenty (120) months certain, for the actuarial equivalent refund or for the beneficiary Social Security payment shall be tendered to the beneficiary. In the case of designation of multiple beneficiaries, an estate, trust, or trustee, the highest monthly benefit determined under subsection (1), (2), (3), (4), (5), or (6) of this section for payments for sixty (60) months certain or one hundred and twenty (120) months certain or the actuarial equivalent refund shall be tendered to the multiple beneficiaries, trustee, administrator, or executor of the estate.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 36, sec. 3, effective July 13, 2004. -- Amended 1996 Ky. Acts ch. 167, sec. 3, effective July 15, 1996. -- Amended 1992 Ky. Acts ch. 240, sec. 5, effective July 14, 1992. -- Amended 1986 Ky. Acts ch. 90, sec. 4, effective July 15, 1986. -- Amended 1980 Ky. Acts ch. 186, sec. 5, effective July 15, 1980. -- Amended 1976 Ky. Acts ch. 321, sec. 6. -- Amended 1974 Ky. Acts ch. 128, sec. 5. -- Amended 1970 Ky. Acts ch. 76, sec. 5. -- Amended 1968 Ky. Acts ch. 25, sec. 4. -- Amended 1966 Ky. Acts ch. 33, sec. 3. -- Created 1964 Ky. Acts ch. 91, sec. 8.

Legislative Research Commission Note (7/13/2004). Although KRS 16.578 was included in 2004 Ky. Acts ch. 36, sec. 3, as having been amended, the change in wording was deleted by House Floor Amendment No. 2 to the House Committee Substitute.

16.582 Disability retirement.

- (1)
 - (a) Total and permanent disability means a disability which results in the member's incapacity to engage in any occupation for remuneration or profit. Loss by severance of both hands at or above the wrists, or both feet at or above the ankles, or one (1) hand above the wrist and one (1) foot above the ankle, or the complete, irrevocable loss of the sight of both eyes shall be considered as total and permanent.
 - (b) Hazardous disability means a disability which results in the member's total incapacity to continue as a regular full-time officer or as an employee in a hazardous position, as defined in KRS 61.592, but which does not result in the member's total and permanent incapacity to engage in other occupations for remuneration or profit.
 - (c) In determining whether the disability meets the requirement of this section, any reasonable accommodation provided by the employer as provided in 42 U.S.C. sec. 12111(9) and 29 C.F.R. Part 1630 shall be considered.
 - (d) If the board determines that the total and permanent disability of a member receiving a retirement allowance under this section has ceased, then the board shall determine if the member has a hazardous disability.
- (2) Any person may qualify to retire on disability, subject to the following:
 - (a) The person shall have sixty (60) months of service, twelve (12) of which shall be current service credited under KRS 16.543(1), 61.543(1), or 78.615(1). The service requirement shall be waived if the disability is a total and permanent disability or a hazardous disability and is a direct result of an act in line of duty;
 - (b) For a person whose membership date is prior to August 1, 2004, the person shall not be eligible for an unreduced retirement allowance;
 - (c) The person's application shall be on file in the retirement office no later than twenty-four (24) months after the person's last day of paid employment, as defined in KRS 16.505, as a regular full-time officer or in a regular full-time hazardous position under KRS 61.592;
 - (d) The person shall receive a satisfactory determination pursuant to KRS 61.665; and
 - (e) A person's disability application based on the same claim of incapacity shall be accepted and reconsidered for disability if accompanied by new objective medical evidence. The application shall be on file in the retirement office no later than twenty-four (24) months after the person's last day of paid employment as a regular full-time officer or in a regular full-time hazardous position.
- (3) Upon the examination of the objective medical evidence by licensed physicians pursuant to KRS 61.665, it shall be determined that:
 - (a) The incapacity results from bodily injury, mental illness, or disease. For purposes of this section, "injury" means any physical harm or damage to the human organism other than disease or mental illness;

- (b) The incapacity is deemed to be permanent; and
- (c) The incapacity does not result directly or indirectly from:
 - 1. Injury intentionally self-inflicted while sane or insane;
 - 2. Injury or disease resulting from military service; or
 - 3. Bodily injury, mental illness, disease, or condition which pre-existed membership in the system or reemployment, whichever is most recent, unless:
 - a. The disability results from bodily injury, mental illness, disease, or a condition which has been substantially aggravated by an injury or accident arising out of or in the course of employment; or
 - b. The person has at least sixteen (16) years' current or prior service for employment with employers participating in the retirement systems administered by the Kentucky Retirement Systems.

For purposes of this subparagraph, "reemployment" shall not mean a change of employment between employers participating in the retirement systems administered by the Kentucky Retirement Systems with no loss of service credit.

- (4) (a)
 - 1. An incapacity shall be deemed to be permanent if it is expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months from the person's last day of paid employment in a position as regular full-time officer or a hazardous position.
 - 2. The determination of a permanent incapacity shall be based on the medical evidence contained in the member's file and the member's residual functional capacity and physical exertion requirements.
- (b) The person's residual functional capacity shall be the person's capacity for work activity on a regular and continuing basis. The person's physical ability shall be assessed in light of the severity of the person's physical, mental, and other impairments. The person's ability to walk, stand, carry, push, pull, reach, handle, and other physical functions shall be considered with regard to physical impairments. The person's ability to understand, remember, and carry out instructions and respond appropriately to supervision, coworkers, and work pressures in a work setting shall be considered with regard to mental impairments. Other impairments, including skin impairments, epilepsy, visual sensory impairments, postural and manipulative limitations, and environmental restrictions, shall be considered in conjunction with the person's physical and mental impairments to determine residual functional capacity.
- (c) The person's physical exertion requirements shall be determined based on the following standards:
 - 1. Sedentary work shall be work that involves lifting no more than ten (10) pounds at a time and occasionally lifting or carrying articles such as large files, ledgers, and small tools. Although a sedentary job primarily

involves sitting, occasional walking and standing may also be required in the performance of duties.

2. Light work shall be work that involves lifting no more than twenty (20) pounds at a time with frequent lifting or carrying of objects weighing up to ten (10) pounds. A job shall be in this category if lifting is infrequently required but walking and standing are frequently required, or if the job primarily requires sitting with pushing and pulling of arm or leg controls. If the person has the ability to perform substantially all of these activities, the person shall be deemed capable of light work. A person deemed capable of light work shall be deemed capable of sedentary work unless the person has additional limitations such as the loss of fine dexterity or inability to sit for long periods.
 3. Medium work shall be work that involves lifting no more than fifty (50) pounds at a time with frequent lifting or carrying of objects weighing up to twenty-five (25) pounds. If the person is deemed capable of medium work, the person shall be deemed capable of light and sedentary work.
 4. Heavy work shall be work that involves lifting no more than one hundred (100) pounds at a time with frequent lifting or carrying of objects weighing up to fifty (50) pounds. If the person is deemed capable of heavy work, the person shall also be deemed capable of medium, light, and sedentary work.
 5. Very heavy work shall be work that involves lifting objects weighing more than one hundred (100) pounds at a time with frequent lifting or carrying of objects weighing fifty (50) or more pounds. If the person is deemed capable of very heavy work, the person shall be deemed capable of heavy, medium, light, and sedentary work.
- (5) (a) The disability retirement allowance shall be determined as provided in KRS 16.576, except if the member's total service credit on his last day of paid employment in a regular full-time position is less than twenty (20) years, service shall be added beginning with his last date of paid employment and continuing to his fifty-fifth birthday. The maximum service credit added shall not exceed the total service the member had on his last day of paid employment, and the maximum service credit for calculating his retirement allowance, including his total service and service added under this section, shall not exceed twenty (20) years.
- (b) For a member whose participation begins on or after August 1, 2004, the disability retirement allowance shall be the higher of twenty-five percent (25%) of the member's monthly final rate of pay or the retirement allowance determined in the same manner as for retirement at his normal retirement date with years of service and final compensation being determined as of the date of his disability.
- (6) If the member receives a satisfactory determination of total and permanent disability or hazardous disability pursuant to KRS 61.665 and the disability is the direct result

of an act in line of duty, the member's retirement allowance shall be calculated as follows:

- (a) For the disabled member, benefits as provided in subsection (5) of this section except that the monthly retirement allowance payable shall not be less than twenty-five percent (25%) of the member's monthly final rate of pay; and
 - (b) For each dependent child of the member on his disability retirement date, who is alive at the time any particular payment is due, a monthly payment equal to ten percent (10%) of the disabled member's monthly final rate of pay; however, total maximum dependent children's benefit shall not exceed forty percent (40%) of the member's monthly final rate of pay. The payments shall be payable to each dependent child, or to a legally appointed guardian or as directed by the system.
- (7) No benefit provided in this section shall be reduced as a result of any change in the extent of disability of any retired member who is age fifty-five (55) or older.
 - (8) If a regular full-time officer or hazardous position member has been approved for benefits under a hazardous disability, the board shall, upon request of the member, permit the member to receive the hazardous disability allowance while accruing benefits in a nonhazardous position, subject to proper medical review of the nonhazardous position's job description by the system's medical examiner.
 - (9) For a member of the State Police Retirement System, in lieu of the allowance provided in subsection (5) or (6) of this section, the member may be retained on the regular payroll and receive the compensation authorized by KRS 16.165, if he is qualified.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 33, sec. 1, effective July 13, 2004; and ch. 36, sec. 4, effective July 13, 2004. -- Amended 2000 Ky. Acts ch. 385, sec. 4, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 105, sec. 3, effective July 15, 1998. -- Amended 1996 Ky. Acts ch. 167, sec. 4, effective July 15, 1996. -- Created 1994 Ky. Acts ch. 485, sec. 6, effective July 15, 1994.

Legislative Research Commission Note (7/13/2004). This section was amended by 2004 Ky. Acts chs. 33 and 36, which do not appear to be in conflict and have been codified together.

16.601 Death in the line of duty -- Allowances.

- (1) If the death of a member in service occurs on or after August 1, 1992, as a direct result of an "act in line of duty" and the member has on file in the retirement office at the time of his death a written designation of only one (1) beneficiary, who is his spouse, the beneficiary may elect to receive a lump-sum payment of ten thousand dollars (\$10,000) and a monthly payment equal to twenty-five percent (25%) of the member's monthly final rate of pay beginning in the month following the member's death and continuing each month until death.
- (2) If the death of a member in service occurs on or after July 1, 1968, as a direct result of an "act in line of duty" and the member has on file in the retirement office at the time of his death a written designation of only one (1) beneficiary other than his spouse, who is a dependent receiving at least one-half (1/2) of his support from the deceased member, the beneficiary may elect to receive a lump-sum payment of ten thousand dollars (\$10,000).
- (3) In the period of time following a member's death during which dependent children survive, monthly payments shall be made for each dependent child who is alive, equal to ten percent (10%) of the deceased member's monthly final rate of pay; however, total maximum dependent children's benefits shall not be greater than forty percent (40%) of the deceased member's monthly final rate of pay at the time any particular payment is due. The payments shall commence in the month following the date of death of the member and shall be payable to the beneficiaries, or to a legally appointed guardian or as directed by the system. Benefits shall be payable under this subsection notwithstanding an election by a beneficiary to withdraw the deceased member's accumulated contributions as provided in KRS 61.625 or benefits under any other provisions of KRS 16.510 to 16.652.
- (4) A beneficiary eligible for benefits under subsection (1) or (2) of this section who is also eligible for benefits under any other provisions of KRS 16.510 to 16.652 may elect benefits under this section or any other section of KRS 16.510 to 16.652 but cannot elect to receive both.

Effective: July 15, 2002

History: Amended 2002 Ky. Acts ch. 176, sec. 2, effective July 15, 2002. -- Amended 2000 Ky. Acts ch. 385, sec. 5, effective July 14, 2000. -- Amended 1996 Ky. Acts ch. 167, sec. 5, effective July 15, 1996. -- Amended 1992 Ky. Acts ch. 240, sec. 9, effective July 14, 1992. -- Amended 1978 Ky. Acts ch. 311, sec. 6, effective June 17, 1978. -- Amended 1976 Ky. Acts ch. 321, sec. 40. -- Amended 1974 Ky. Acts ch. 128, sec. 9, effective March 26, 1974. -- Amended 1972 Ky. Acts ch. 116, sec. 76. -- Amended 1968 Ky. Acts ch. 25, sec. 6. -- Created 1964 Ky. Acts ch. 91, sec. 14.

16.640 Administration of system.

The government and control of the system is hereby vested in the board of trustees of the Kentucky Retirement Systems. The board shall carry out the provisions of KRS 16.510 to 16.652 in the same manner in which it administers the Kentucky Employees Retirement System. In all matters concerning the administration of KRS 16.510 to 16.652, the same rights, duties, and obligations shall apply to the board, as now apply under the provisions of KRS 61.510 to 61.692, except that members of the board, when acting for the State Police Retirement System, shall be paid a per diem of thirty dollars (\$30) plus actual expenses.

Effective: July 14, 2000

History: Amended 2000 Ky. Acts ch. 385, sec. 6, effective July 14, 2000. -- Amended 1980 Ky. Acts ch. 186, sec. 22, effective July 15, 1980. -- Amended 1978 Ky. Acts ch. 384, sec. 536, effective June 17, 1978. -- Amended 1976 Ky. Acts ch. 321, sec. 40. -- Amended 1972 Ky. Acts ch. 116, sec. 15. -- Amended 1964 Ky. Acts ch. 91, sec. 16. -- Amended 1960 Ky. Acts ch. 165, Part I, sec. 8. -- Created 1958 Ky. Acts ch. 94, sec. 28.

Legislative Research Commission Note. Although this section is included in Acts 1980, ch. 186, the proposed change was deleted by committee amendment.

16.642 Board of trustee funds -- Investments -- Registration of securities.

- (1) The board shall be the trustee of the several funds created by KRS 16.505 to 16.652 and shall have full power to invest and reinvest such funds, subject to the limitations that no investments shall be made except upon the exercise of bona fide discretion, in securities which, at the time of making the investment, are, by law, permitted for the investment of funds by fiduciaries in this state, except that the board may, at its discretion, purchase common stock in corporations that do not have a record of paying dividends to their stockholders. Subject to such limitations, the board shall have full power to hold, purchase, sell, assign, transfer or dispose of any of the securities or investments in which any of the funds created herein have been invested, as well as of the proceeds of such investments and any moneys belonging to such funds.
- (2) All securities acquired under authority of KRS 16.505 to 16.652 shall be registered in the name "Kentucky Retirement Systems" or nominee name as provided by KRS 286.3-225, and every change in registration, by reason of sale or assignment of such securities shall be accomplished by the signatures of the chair of the board of trustees or a trustee appointed by the chair and the executive director of the systems.
- (3) The board, in keeping with its responsibility as trustee and wherever feasible, shall give priority to the investment of funds in obligations calculated to improve the industrial development and enhance the economic welfare of the Commonwealth.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 36, sec. 5, effective July 13, 2004. -- Amended 2003 Ky. Acts ch. 169, sec. 2, effective March 31, 2003. -- Amended 1988 Ky. Acts ch. 349, sec. 4, effective July 15, 1988. -- Amended 1976 Ky. Acts ch. 321, sec. 40. - - Amended 1974 Ky. Acts ch. 128, sec. 10, effective March 26, 1974. -- Amended 1972 Ky. Acts ch. 116, sec. 16. -- Created 1966 Ky. Acts ch. 33, sec. 7.

Legislative Research Commission Note (7/12/2006). 2006 Ky. Acts ch. 247 instructs the Reviser of Statutes to adjust KRS references throughout the statutes to conform with the 2006 renumbering of the Financial Services Code, KRS Chapter 286. Such an adjustment has been made in this statute.

16.645 Matters not specified in KRS 16.510 to 16.652.

The following subjects shall be administered in the same manner subject to the same limitations and requirements as provided for the Kentucky Employees Retirement System as follows:

- (1) Cessation of membership, as provided for by KRS 61.535;
- (2) Medical examiners and hearing procedures, as provided for by KRS 61.665;
- (3) Actuarial bases, as provided for by KRS 61.670;
- (4) Duties of the employer, as provided for by KRS 61.675;
- (5) Exemption of benefits of the system for taxation, as provided for by KRS 61.690;
- (6) Retirement allowance increase, as provided for by KRS 61.691;
- (7) Calculation of retirement allowance, as provided for by KRS 61.595(3) and (4);
- (8) Beneficiaries to be designated by member, change, rights, as provided for by KRS 61.542;
- (9) Year of service credit, as provided for by KRS 61.545;
- (10) Refund of contributions, death after retirement, as provided by KRS 61.630;
- (11) Custodian of fund, payments made, when, as provided for by KRS 61.660;
- (12) Credit for service prior to membership date, as provided for by KRS 61.526;
- (13) Transfer of dormant accounts, as provided for by KRS 61.626;
- (14) Member's account, confidential, as provided for by KRS 61.661;
- (15) Cessation of membership, loss of benefits, as provided for by KRS 61.550;
- (16) Correction of errors in records, as provided for by KRS 61.685;
- (17) Maximum disability benefit, as provided for by KRS 61.607;
- (18) Retirement application procedure, effective retirement date, as provided for by KRS 61.590;
- (19) Employer contributions, as provided for by KRS 61.565;
- (20) Reinstatement of lost service credit, purchase of service credit, interest paid, and delayed contribution and installment payments, as provided for by KRS 61.552;
- (21) Reciprocal arrangement between systems, as provided by KRS 61.680;
- (22) Refund of contributions, conditions, as provided by KRS 61.625;
- (23) Hospital and medical insurance plan, as provided by KRS 61.702;
- (24) Death benefit, as provided by KRS 61.705;
- (25) Disability retirement allowance, reduction, and discontinuance, as provided by KRS 61.615;
- (26) Service credit, Armed Forces, as provided by KRS 61.555;
- (27) Reinstated employee, contributions on creditable compensation, as provided for by KRS 61.569;
- (28) Statement to be made under oath, good faith reliance, as provided for in KRS 61.699;
- (29) Retirement of persons in hazardous positions, as provided for by KRS 61.592;

- (30) Direct deposit of recipient's retirement allowance as provided in KRS 61.623;
- (31) Purchase of service credit effective July 1, 2001, as provided in KRS 61.5525;
- (32) Payment of small amounts upon death of member, retiree, or recipient without formal administration of the estate as provided in KRS 61.703;
- (33) Suspension of retirement payments on reemployment, reinstatement, recomputation of allowance, waiver of provisions in certain instances, reemployment in a different position, as provided for by KRS 61.637; and
- (34) Medical examination and financial review after disability retirement, staff review, as provided in KRS 61.610.

Effective: July 13, 2004

History: Amended 2004 Ky. Acts ch. 36, sec. 6, effective July 13, 2004. -- Amended 2003 Ky. Acts ch. 169, sec. 3, effective March 31, 2003. -- Amended 2002 Ky. Acts ch. 52, sec. 2, effective July 15, 2002. -- Amended 2001 Ky. Acts ch. 7, sec. 9, effective June 21, 2001. -- Amended 2000 Ky. Acts ch. 385, sec. 7, effective July 14, 2000. -- Amended 1998 Ky. Acts ch. 105, sec. 5, effective July 15, 1998. -- Amended 1992 Ky. Acts ch. 240, sec. 10, effective July 14, 1992. -- Amended 1990 Ky. Acts ch. 346, sec. 4, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 349, sec. 5, effective July 15, 1988. -- Amended 1986 Ky. Acts ch. 90, sec. 6, effective July 15, 1986. -- Amended 1982 Ky. Acts ch. 423, sec. 3, effective July 15, 1982. -- Amended 1978 Ky. Acts ch. 311, sec. 7, effective June 17, 1978. -- Amended 1976 Ky. Acts ch. 321, secs. 10 and 40. -- Amended 1974 Ky. Acts ch. 128, sec. 11. -- Amended 1972 Ky. Acts ch. 116, sec. 17. -- Created 1958 Ky. Acts ch. 94, sec. 29, effective July 1, 1958.

16.652 Benefits not to be reduced or impaired -- Exception.

It is hereby declared that in consideration of the contributions by the member, and in further consideration of benefits received by the state from the member's employment, KRS 16.510 to 16.645, except as provided in KRS 6.696 effective September 16, 1993, shall constitute an inviolable contract of the Commonwealth, and the benefits provided therein shall, except as provided in KRS 6.696, not be subject to reduction or impairment by alteration, amendment or repeal.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 167, sec. 6, effective July 15, 1996. -- Amended 1993 (1st Extra. Sess.) Ky. Acts ch. 4, sec. 75, effective September 16, 1993. -- Amended 1978 Ky. Acts ch. 384, sec. 537, effective June 17, 1978. -- Created 1972 Ky. Acts ch. 116, sec. 19.