

61.655 Conflict of interest -- Trustees, employees, members of General Assembly, public servants.

- (1) No trustee or employee of the Kentucky Retirement Systems board shall:
 - (a) Have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board, save insofar as any such trustee or employee may be a member, employee, or beneficiary of the retirement system;
 - (b) Directly or indirectly, for himself or as an agent, use the assets of the retirement system, except to make current and necessary payments authorized by the board;
 - (c) Become an endorser or surety or in any manner an obligor for moneys loaned by or borrowed from the board;
 - (d) Have a contract or agreement with the retirement system, individually or through a business owned by the trustee or the employee;
 - (e) Use his or her official position with the retirement system to obtain a financial gain or benefit or advantage for himself or herself or a family member;
 - (f) Use confidential information acquired during his or her tenure with the retirement system to further his or her own economic interests or that of another person; or
 - (g) Hold outside employment with, or accept compensation from, any person or business with which he or she has involvement as part of his or her official position with the retirement system. The provisions of this subsection shall not prohibit a trustee from serving as an employee of an agency participating in one (1) of the systems administered by Kentucky Retirement Systems.
- (2) No trustee or employee of the board of trustees, who has served as a trustee or employee of the board on or after July 1, 2017, shall have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board of trustees for a period of five (5) years following termination of his or her position, except that any such trustee or employee may be a member, employee, or beneficiary of the systems administered by Kentucky Retirement Systems.
- (3)
 - (a) No person who is serving as a member of the General Assembly or is a public servant as defined by KRS 11A.010(9) shall have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board of trustees, except that any such member or public servant may be a member, employee, or beneficiary of the systems administered by Kentucky Retirement Systems.
 - (b) No person who was serving as a member of the General Assembly on or after July 1, 2017, or was serving as a public servant as defined by KRS 11A.010(9) on or after July 1, 2017, shall have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board of trustees for a period of five (5) years following termination of his or her position, except

that any such member or public servant may be a member, employee, or beneficiary of the systems administered by Kentucky Retirement Systems.

Effective: March 25, 2019

History: Repealed, reenacted, and amended 2019 Ky. Acts ch. 72, sec. 2, effective March 25, 2019. -- Amended 2018 Ky. Acts ch. 107, sec. 39, effective July 14, 2018. -- Amended 2012 Ky. Acts ch. 75, sec. 9, effective April 11, 2012. -- Amended 1972 Ky. Acts ch. 116, sec. 50. -- Created 1956 Ky. Acts ch. 110, sec. 30.

Legislative Research Commission Note (12/13/2018). On December 13, 2018, the Kentucky Supreme Court ruled that the passage of 2018 SB 151 (2018 Ky. Acts ch. 107), did not comply with the three-readings rule of Kentucky Constitution Section 46 and that the legislation is, therefore, constitutionally invalid and declared void. That ruling applies to changes made to this statute in that Act.