

61.675 Employer's administrative duties -- Audit -- Filing of contributions and reports -- Delinquency in making installment payments.

- (1) Except as provided by subsection (5) of this section, the employer shall prepare the records and, from time to time, shall furnish the information the system may require in the discharge of its duties. Upon employment of an employee, the employer shall inform him of his duties and obligations in connection with the system as a condition of employment.
- (2) The system may at any time conduct an audit of the employer in order to determine if the employer is complying with the provisions of KRS 16.505 to 16.652, 61.610 to 61.705, or 78.510 to 78.852. The system shall have access to and may examine all books, accounts, reports, correspondence files, and records of any employer. Every employer, employee, or agency reporting official of a department or county, as defined in KRS 78.510(3), having records in his possession or under his control, shall permit access to and examination of the records upon the request of the system.
- (3)
 - (a) Any agency participating in the Kentucky Employees Retirement System which is not an integral part of the executive branch of state government shall file the following at the retirement office on or before the tenth day of the month following the period being reported:
 1. The employer and employee contributions required under KRS 61.560, 61.565, and 61.702;
 2. The employer contributions and reimbursements for retiree health insurance premiums required under KRS 61.637; and
 3. A record of all contributions to the system on the forms prescribed by the board.
 - (b) If the agency fails to file all contributions and reports on or before the tenth day of the month following the period being reported, interest on the delinquent contributions at the actuarial rate adopted by the board compounded annually, but not less than one thousand dollars (\$1,000), may be added to the amount due the system.
- (4) If a nonhazardous employer in the Kentucky Employees Retirement System is delinquent in paying the employer contributions required by KRS 61.565 for a period of ninety (90) days or more for those contributions payable on or after July 1, 2021, or if an employer who voluntarily ceases participation in the Kentucky Employees Retirement System as provided by KRS 61.522(8) elects to pay off the costs of ceasing participation by installment payments as provided by KRS 61.522(8)(g) and subsequently is delinquent in making installment payments for a period of ninety (90) days or more:
 - (a) Employees of the employer who are participating in the system or who are continuing to participate in the system after the employer's effective cessation date as provided by KRS 61.522(8)(d)2. shall not accrue any additional service credit or benefits in the system through the employer or ceasing employer until such time as the employer has satisfied the required employer contributions or installment payments to the system;
 - (b) The board may file an action in the Franklin Circuit Court to collect any delinquent employer contributions or installment payments owed by the

employer and to attach so much of the general fund appropriations of the delinquent employer as is necessary to achieve full compliance with the provisions of KRS 61.522(8) or 61.565; and

- (c) The systems shall notify the Finance and Administration Cabinet, and the Finance and Administration Cabinet may withhold or intercept from the employer or ceasing employer a sufficient portion of any appropriated state funds not yet disbursed to the employer or ceasing employer to satisfy the required employer contributions or installment payments to the system.
- (5) Employers shall not be required to report any information or pay employer contributions on any individual serving as a volunteer who is receiving compensation from the employer equal to or less than a nominal fee as defined by KRS 61.510 and 78.510 if the compensation paid to the volunteer is excluded from the definition of creditable compensation as provided by KRS 61.510(13) or 78.510(13).

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History: Amended 2022 Ky. Acts ch. 216, sec. 28, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 83, sec. 5, effective March 23, 2021. -- Amended 2019 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 2, effective July 24, 2019. -- Amended 2019 Ky. Acts ch. 182, sec. 3, effective June 27, 2019. -- Amended 2010 Ky. Acts ch. 173, sec. 8, effective July 15, 2010. -- Amended 2009 Ky. Acts ch. 77, sec. 20, effective June 25, 2009. -- Amended 2004 Ky. Acts ch. 36, sec. 27, effective July 13, 2004. -- Amended 1998 Ky. Acts ch. 105, sec. 18, effective July 15, 1998. -- Amended 1992 Ky. Acts ch. 240, sec. 45, effective July 14, 1992. -- Amended 1972 Ky. Acts ch. 116, sec. 55. -- Created 1956 Ky. Acts ch. 110, sec. 34.