

CHAPTER 80

(HB 158)

AN ACT relating to life insurance for public employees.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

➔Section 1. KRS 18A.205 is amended to read as follows:

- (1) The secretary of the Finance and Administration Cabinet, upon the recommendation of the secretary, may procure from one (1) or more life insurance companies, authorized to do business in this state, a policy or policies of group life insurance insuring the lives of all or any class or classes of **public**~~{state}~~ employees. The policy or policies shall be approved by the commissioner of insurance and may contain such provisions as the commissioner of insurance approves whether or not otherwise permitted by the insurance laws. It is intended that life insurance may be made available for **public**~~{state}~~ employees, except that the procuring is permissive.
- (2) (a) *As used in*~~{The term "state employee," for purposes of}~~ KRS 18A.205 to 18A.215, "**public employee**" shall mean a person who:
 1. Is regularly employed by **a public employer; and**~~{any department, board, agency, or branch of state government, and who}~~
 2. Is also:
 - a.~~{(a)}~~ A contributing member of any one (1) of the state-administered retirement systems;~~{or}~~
 - b.~~{(b)}~~ A retiree of a state-administered retirement system who is employed in a regular full-time position for purposes of retirement coverage, but who is not eligible to contribute to one (1) of the systems administered by Kentucky Retirement Systems pursuant to KRS 61.637(17); **or**
 - c. **An individual participating in an optional retirement plan authorized by KRS 161.567.**
 - (b) Notwithstanding the definition of "**public**~~{state}~~ employee" in this subsection, any federally funded time-limited employee may receive insurance coverage.
- (3) *As used in this section and Section 2 of this Act, "public employer" shall mean the following employers, if the employer has opted to participate in the state-sponsored group life insurance program:*
 - (a) **Any department, office, board, agency, commission, authority, or branch of state government;**
 - (b) **A public postsecondary educational institution;**
 - (c) **Any department, office, board, agency, commission, authority, or branch of a city, urban-county, charter county, county, unified local government, or consolidated local government; or**
 - (d) **Any certified or classified employee or elected member of a local board of education.**
- ~~(4)~~(3) *As used in*~~{The term "premiums," for the purposes of}~~ KRS 18A.205 to 18A.225, "**premiums**" shall mean premiums to be paid on any type of insurance authorized under KRS 18A.205 to 18A.225.

➔Section 2. KRS 18A.210 is amended to read as follows:

The premiums may be paid by the policyholder:

- (1) Wholly from funds contributed by the insured **public** employee, by payroll deduction or otherwise;~~{}~~
- (2) Wholly from funds contributed by the **public employer**~~{state or department or agency.};~~ or
- (3) Partly from each.

No payment of premium by the **public employer**~~{state or department, board or agency}~~ shall constitute compensation to an insured **public** employee for the purposes of any statute fixing or limiting the compensation of such an employee; any premium or other expense incurred by the **public employer**~~{state or department, board or agency}~~ shall be considered a proper cost of administration.

➔Section 3. KRS 18A.215 is amended to read as follows:

The policy or policies may also provide accidental death and dismemberment insurance and may contain such provisions with respect to the class or classes of *public* employees covered, amounts of insurance for designated classes or groups of *public* employees, terms of eligibility, continuation of insurance after retirement, and such other provisions as the commissioner of insurance may approve.

Signed by Governor April 2, 2018.