

**18A.105 Compensation, retirement system contributions of employee ordered reinstated without loss of pay.**

- (1) (a) When a classified or unclassified employee has been finally ordered reinstated by the board without loss of pay, pursuant to the provisions of KRS 18A.095, the executive director of the board shall forward a certified copy of said order to the Personnel Cabinet and the Finance and Administration Cabinet, which shall process proper payment to the employee for the period of suspension, said payment to be made out of the agency's appropriations. If no funds or insufficient funds are available in the agency's appropriations, then payment shall be made out of the "judgments" section of the general fund of the biennial state budget.
- (b) Gross moneys which were earned by the employee from other sources during the period of suspension shall be set-off against the gross sum due the employee, to the extent that the moneys were earned in a number of hours comparable to the length of time the employee would have worked in the job from which he was dismissed. The Finance and Administration Cabinet shall by regulation provide an administrative procedure for determining reasonable earnings to be so set off.
- (c) All other deductions shall be deducted as required by law or by Finance and Administration Cabinet regulation.
- (2) (a) Both the employee's and employer's contributions to the Kentucky Employees Retirement System shall be based upon the gross amount due the employee, before set off or deduction, except for set-off caused by earnings on which employee and employer contributions to the Kentucky Employees Retirement System, County Employees Retirement System, State Police Retirement System, or Kentucky Teachers' Retirement System have been paid.
- (b) Member and employer contributions paid into the system in which the employee participated after dismissal shall be transferred to the system in which he participated prior to his illegal dismissal. In the event of a difference in member or employer contribution rates between the retirement system under which the member was covered prior to dismissal and the retirement system in which he participated before reinstatement by the board, the member and employer shall pay or receive a refund in order to adjust their respective contribution to the appropriate rate for the system under which he would have participated had he not been dismissed.

**Effective:** July 15, 1998

**History:** Amended 1998 Ky. Acts ch. 154, sec. 24, effective July 15, 1998. -- Repealed, reenacted, and amended as KRS 18A.105, 1982 Ky. Acts ch. 448, sec. 21, effective July 15, 1982. -- Created 1972 Ky. Acts ch. 13, sec. 7.

**Formerly codified as** KRS 18.275.

**2024-2026 Budget Reference.** See State/Executive Branch Budget, 2024 Ky. Acts ch. 175, Pt. I, C, 2, (1) at 1832.