

**161.714 Inviolable contract -- Exceptions. (Declared void -- See LRC Note Below)**

- (1) For persons who became members in the Teachers' Retirement System prior to January 1, 2019, it is hereby declared that in consideration of the contributions by members and in further consideration of benefits received by the state from the member's employment, KRS 161.220 to 161.710 shall constitute an inviolable contract of the Commonwealth, and the benefits provided herein shall not be subject to reduction or impairment by alteration, amendment, or repeal, except:
  - (a) As provided in KRS 6.696; and
  - (b) The General Assembly reserves the right to amend, reduce, or suspend any legislative changes to the provisions of KRS 161.220 to 161.716 that become effective on or after July 1, 2018.
- (2)
  - (a) For persons who become members in the Teachers' Retirement System on or after January 1, 2019, the General Assembly reserves the right to amend, suspend, or reduce the benefits and rights provided under KRS 161.220 to 161.716 if, in its judgment, the welfare of the Commonwealth so demands, except that the amount of benefits the member has accrued at the time of amendment, suspension, or reduction shall not be affected.
  - (b) For purposes of this subsection, the amount of benefits the member has accrued at the time of any amendment, suspension, or reduction shall be limited to the accumulated account balance the member has accrued at the time of amendment, suspension, or reduction.
  - (c) The provisions of this subsection shall not be construed to limit the General Assembly's authority to change any other benefit or right specified by KRS 161.220 to 161.716, except the benefits specified by paragraph (b) of this subsection for members who begin participating in the Teachers' Retirement System on or after January 1, 2019.
- (3) The provisions of this section shall not be construed to limit the General Assembly's authority to amend, reduce, or suspend the benefits and rights of members of the Teachers' Retirement System as provided by KRS 161.220 to 161.716 that the General Assembly had the authority to amend, reduce, or suspend, prior to July 1, 2018.

**Effective:** July 14, 2018

**History:** Amended 2018 Ky. Acts ch. 107, sec. 80, effective July 14, 2018. -- Amended 1993 (1st Extra. Sess.) Ky. Acts ch. 4, sec. 82, effective September 16, 1993. -- Amended 1992 Ky. Acts ch. 192, sec. 17, effective July 1, 1992. -- Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 545, effective July 13, 1990. -- Created 1978 Ky. Acts ch. 152, sec. 20, effective March 28, 1978.

**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.