

78.5538 Death benefit -- Designation of beneficiary -- Debt owed at death -- Assignment of benefit.

- (1) (a) Upon the death of a retired member of the system, who was receiving a monthly retirement allowance based on a minimum of forty-eight (48) months of service, a death benefit of five thousand dollars (\$5,000) shall be paid.
- (b) If the retired member had more than one (1) account in the County Employees Retirement System or is eligible for a benefit from the Kentucky Retirement Systems under the provisions of KRS 61.705, the combined payment from the County Employees Retirement System under this section and the Kentucky Retirement Systems under KRS 61.705 shall not exceed five thousand dollars (\$5,000). Each system's cost shall be prorated between the systems based upon the level of service credit in each system.
- (c) Application for the death benefit made to the system shall include acceptable evidence of death and of the eligibility of the applicant to act on the deceased retired member's behalf.
- (2) (a) The death benefit shall be paid to a beneficiary named by the retired member. Upon retirement or any time thereafter, the retired member may designate on the form prescribed by the board, death benefit designation, a person, the retired member's estate, a trust or trustee, or a licensed funeral home, as the beneficiary of the death benefit provided by this section or KRS 61.705. The beneficiary for the death benefit may or may not be the same beneficiary designated in accordance with KRS 61.590(1) but only one (1) designation shall be available to a retired member who has service in both the County Employees Retirement System and the Kentucky Retirement Systems.
- (b) If the beneficiary designated under this section is a person and that person dies prior to the member, or if the beneficiary was the retired member's spouse and they were divorced on the date of the retired member's death, then the retired member's estate shall become the beneficiary, unless the retired member has filed a subsequent death benefit designation.
- (c) If a licensed funeral home is designated as beneficiary and the licensed funeral home cannot be reasonably identified or located by the system at the time of the retired member's death, then the retired member's estate shall become the beneficiary of the death benefit.
- (3) If, at the time of the retired member's death, a debt to the County Employees Retirement System remains on his or her account, the balance owed shall be deducted from the five thousand dollars (\$5,000) death benefit.
- (4) Upon the death of a retired member, the death benefit provided pursuant to this section may be assigned by the designated beneficiary to a bank or licensed funeral home.

Effective: April 1, 2021

History: Created 2021 Ky. Acts ch. 102, sec. 15, effective April 1, 2021.