

**18A.262 Conflicts of interest for Kentucky Public Employees Deferred Compensation Authority employees and trustees.**

- (1) No trustee or employee of the board or authority shall:
  - (a) Have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board or authority, except that any such trustee or employee may be a member, employee, or beneficiary of the plans administered by the board or authority;
  - (b) Directly or indirectly, for himself or herself or as an agent, use the assets of the plans administered by the board or authority, except to make current and necessary payments authorized by the board or authority;
  - (c) Become an endorser or surety or in any manner an obligor for moneys loaned by or borrowed from the board or authority;
  - (d) Have a contract or agreement with the board or authority, individually or through a business owned by the trustee or the employee;
  - (e) Use his or her official position with the board or authority to obtain a financial gain or benefit or advantage for himself or herself or a family member;
  - (f) Use confidential information acquired during his or her tenure with the board or authority to further his or her own economic interests or that of another person; or
  - (g) Hold outside employment with, or accept compensation from, any person or business with which he or she has involvement as part of his or her official position with the board or authority. The provisions of this paragraph shall not prohibit a trustee from serving as an employee of an agency participating in the plans.
- (2) No trustee or employee of the board or authority, who has served as a trustee or employee of the board or authority on or after July 1, 2017, shall have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board or authority for a period of five (5) years following termination of his or her position, except that any such trustee or employee may be a member, employee, or beneficiary of the plans administered by the board or authority.
- (3)
  - (a) No person who is serving as a member of the General Assembly or is a public servant as defined by KRS 11A.010(9) shall have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board or authority, except that any such trustee or public servant may be a member, employee, or beneficiary of the plans administered by the board or authority.
  - (b) No person who was serving as a member of the General Assembly on or after July 1, 2017, or was serving as a public servant as defined by KRS 11A.010(9) on or after July 1, 2017, shall have any interest, direct or indirect, in the gains or profits of any investment or any other legal, business, or financial transaction made by the board or authority for a period of five (5) years following termination of his or her position, except that any such

member or public servant may be a member, employee, or beneficiary of the plans administered by the board or authority.

**Effective:** June 29, 2021

**History:** Repealed and reenacted 2021 Ky. Acts ch. 111, sec. 5, effective June 29, 2021. -- Created 2018 Ky. Acts ch. 107, sec. 82, effective July 14, 2018.

**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. This statute was created in Section 82 of that Act.