

161.500 Service credit. (Effective until January 1, 2022)

- (1) At the close of each fiscal year, the retirement system shall add service credit to the account of each member who made contributions to his or her account during the year. Nonuniversity members are entitled to a full year of service credit if they have no more than five (5) unpaid days in a school or fiscal year under a contract requiring a work schedule of one hundred eighty-five (185) days or greater. University members are entitled to a full year of service credit if they have no more than five (5) unpaid days in a school or fiscal year under a contract requiring a work schedule of one hundred eighty (180) days or greater. In the event a member is paid for less than the required number of days for a full year of service credit, the member may purchase credit according to administrative regulations established by the board of trustees. In no case shall more than one (1) year of service be credited for all service performed in one (1) fiscal year. Members who complete their employment contract prior to the close of a fiscal year and elect to retire prior to the close of a fiscal year shall have their service credit reduced by eight percent (8%) for each calendar month that the retirement becomes effective prior to July 1.
- (2) Members who are employed and paid for less than the number of days required in their normal employment year shall be entitled to pro rata service credit for the fractional service. Such credit shall be based upon the number of days employed and the number of days in the member's annual employment agreement or normal employment year.
- (3) Service credit may not exceed the ratio between the school or fiscal year and the number of months or fraction of a month the member is employed during that year.
- (4) No service credit shall be granted in the Teachers' Retirement System for service that has been or will be used in qualifying for annuity benefit payments from another retirement system financed wholly or in part by public funds.

Effective: June 29, 2021

History: Amended 2021 Ky. Acts ch. 192, sec. 8, effective June 29, 2021. -- Amended 2018 Ky. Acts ch. 107, sec. 51, effective July 14, 2018. -- Amended 2000 Ky. Acts ch. 498, sec. 9, effective July 1, 2000. -- Amended 1998 Ky. Acts ch. 515, sec. 6, effective July 1, 1998. -- Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 506, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 363, sec. 7, effective July 1, 1988. -- Amended 1984 Ky. Acts ch. 253, sec. 10, effective July 1, 1984. -- Amended 1972 Ky. Acts ch. 82, sec. 10. -- Amended 1962 Ky. Acts ch. 64, sec. 6. -- Recodified 1942 Ky. Acts ch. 208, sec. 1, effective October 1, 1942, from Ky. Stat. sec. 4506b-31.

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.