

16.584 Employer pay credits for members in hybrid cash balance plan -- Report -- Reduction of accumulated sick leave -- Funding in executive branch budget.

- (1) Subject to the limitations and requirements provided by this section, the following shall apply to members of the State Police Retirement System who are eligible for benefits from the hybrid cash balance plan established by KRS 16.583:
 - (a) Within thirty (30) days following the close of each fiscal year ending on or after June 30, 2023, members participating in the State Police Retirement System in the hybrid cash balance plan who have five (5) or more years of service credited under KRS 16.543(1), 61.543(1), and 78.615(1), shall receive an employer pay credit under KRS 16.583(2)(b)2. equal to an amount determined by multiplying the member's hours of accumulated sick leave in excess of four hundred eighty (480) hours as of the most recently completed fiscal year by the member's hourly base pay determined under KRS 16.052, including any annual adjustments provided by KRS 16.052(6). The member's hourly base pay shall not include any payments for overtime or any salary supplement received from the Law Enforcement Foundation Program established pursuant to KRS 15.410 to 15.510; and
 - (b) Effective July 1, 2023, members with an account in the hybrid cash balance plan who retire from the State Police Retirement System shall receive an employer pay credit under KRS 16.583(2)(b)2. equal to an amount determined by multiplying the member's hours of accumulated sick leave upon termination of employment by the member's hourly base pay determined under KRS 16.052, including any annual adjustments provided by KRS 16.052(6). The member's hourly base pay shall not include any payments for overtime or any salary supplement received from the Law Enforcement Foundation Program established pursuant to KRS 15.410 to 15.510.
- (2) The Department of Kentucky State Police shall report the information required by the Kentucky Public Pensions Authority to carry out the provisions of this section and shall reduce the member's accumulated sick leave by the amount of sick leave converted to an employer pay credit pursuant to this section.
- (3) The provisions of KRS 16.583(2)(b)2. and this section are subject to funding for the benefit in the executive branch budget. In the event funding for this additional employer credit is not provided in the executive branch budget, no employer credits for accumulated sick leave shall be provided during the period the budget is effective.

Effective: April 1, 2023

History: Created 2022 Ky. Acts ch. 181, sec. 3, effective April 1, 2023.

Legislative Research Commission Note (4/1/2023). 2022 Ky. Acts ch. 181, sec. 10, reads as follows: "In the event that budgeted funds in fiscal year 2023-2024 of the executive branch budget are insufficient to fund the program established by subsection (2)(b)2. of Section 2 of this Act and Section 3 of this Act [this statute] for that fiscal year, the program shall, notwithstanding any provision of Section 3 [this statute] to the contrary, still be provided in fiscal year 2023-2024 and any additional funding needed for the benefits provided in fiscal year 2023-2024 shall be included in the employer contribution rates payable for fiscal years occurring on or after July 1, 2024."