

1 AN ACT relating to reemployment of elected officials.

2 ***Be it enacted by the General Assembly of the Commonwealth of Kentucky:***

3 ➔Section 1. KRS 61.637 is amended to read as follows:

- 4 (1) A retired member who is receiving monthly retirement payments under any of the  
5 provisions of KRS 61.510 to 61.705 and 78.510 to 78.852 and who is reemployed  
6 as an employee by a participating agency prior to August 1, 1998, shall have his  
7 retirement payments suspended for the duration of reemployment. Monthly  
8 payments shall not be suspended for a retired member who is reemployed if he  
9 anticipates that he will receive less than the maximum permissible earnings as  
10 provided by the Federal Social Security Act in compensation as a result of  
11 reemployment during the calendar year. The payments shall be suspended at the  
12 beginning of the month in which the reemployment occurs.
- 13 (2) Employer and employee contributions shall be made as provided in KRS 61.510 to  
14 61.705 and 78.510 to 78.852 on the compensation paid during reemployment,  
15 except where monthly payments were not suspended as provided in subsection (1)  
16 of this section or would not increase the retired member's last monthly retirement  
17 allowance by at least one dollar (\$1), and the member shall be credited with  
18 additional service credit.
- 19 (3) In the month following the termination of reemployment, retirement allowance  
20 payments shall be reinstated under the plan under which the member was receiving  
21 payments prior to reemployment.
- 22 (4) (a) Notwithstanding the provisions of this section, the payments suspended in  
23 accordance with subsection (1) of this section shall be paid retroactively to the  
24 retired member, or his estate, if he does not receive more than the maximum  
25 permissible earnings as provided by the Federal Social Security Act in  
26 compensation from participating agencies during any calendar year of  
27 reemployment.

- 1 (b) If the retired member is paid suspended payments retroactively in accordance  
2 with this section, employee contributions deducted during his period of  
3 reemployment, if any, shall be refunded to the retired employee, and no  
4 service credit shall be earned for the period of reemployment.
- 5 (c) If the retired member is not eligible to be paid suspended payments for his  
6 period of reemployment as an employee, his retirement allowance shall be  
7 recomputed under the plan under which the member was receiving payments  
8 prior to reemployment as follows:
- 9 1. The retired member's final compensation shall be recomputed using  
10 creditable compensation for his period of reemployment; however, the  
11 final compensation resulting from the recalculation shall not be less than  
12 that of the member when his retirement allowance was last determined;
  - 13 2. If the retired member initially retired on or subsequent to his normal  
14 retirement date, his retirement allowance shall be recomputed by using  
15 the formula in KRS 61.595(1);
  - 16 3. If the retired member initially retired prior to his normal retirement date,  
17 his retirement allowance shall be recomputed using the formula in KRS  
18 61.595(2), except that the member's age used in computing benefits shall  
19 be his age at the time of his initial retirement increased by the number of  
20 months of service credit earned for service performed during  
21 reemployment;
  - 22 4. The retirement allowance payments resulting from the recomputation  
23 under this subsection shall be payable in the month following the  
24 termination of reemployment in lieu of payments under subparagraph 3.  
25 The member shall not receive less in benefits as a result of the  
26 recomputation than he was receiving prior to reemployment or would  
27 receive as determined under KRS 61.691; and

1           5. Any retired member who was reemployed prior to March 26, 1974, shall  
2           begin making contributions to the system in accordance with the  
3           provisions of this section on the first day of the month following March  
4           26, 1974.

5 (5) A retired member, or his estate, shall pay to the retirement fund the total amount of  
6       payments which are not suspended in accordance with subsection (1) of this section  
7       if the member received more than the maximum permissible earnings as provided  
8       by the Federal Social Security Act in compensation from participating agencies  
9       during any calendar year of reemployment, except the retired member or his estate  
10      may repay the lesser of the total amount of payments which were not suspended or  
11      fifty cents (\$0.50) of each dollar earned over the maximum permissible earnings  
12      during reemployment if under age sixty-five (65), or one dollar (\$1) for every three  
13      dollars (\$3) earned if over age sixty-five (65).

14 (6) (a) "Reemployment" or "reinstatement" as used in this section shall not include a  
15       retired member who has been ordered reinstated by the Personnel Board under  
16       authority of KRS 18A.095.

17 (b) A retired member who has been ordered reinstated by the Personnel Board  
18       under authority of KRS 18A.095 or by court order or by order of the Human  
19       Rights Commission and accepts employment by an agency participating in the  
20       Kentucky Employees Retirement System or County Employees Retirement  
21       System shall void his retirement by reimbursing the system in the full amount  
22       of his retirement allowance payments received.

23 (7) (a) Effective August 1, 1998, the provisions of subsections (1) to (4) of this  
24       section shall no longer apply to a retired member who is reemployed in a  
25       position covered by the same retirement system from which the member  
26       retired. Reemployed retired members shall be treated as new members upon  
27       reemployment. Any retired member whose reemployment date preceded

1 August 1, 1998, who does not elect, within sixty (60) days of notification by  
2 the retirement systems, to remain under the provisions of subsections (1) to  
3 (4) of this section shall be deemed to have elected to participate under this  
4 subsection.

5 (b) A retired member whose disability retirement was discontinued pursuant to  
6 KRS 61.615 and who is reemployed in one (1) of the systems administered by  
7 the Kentucky Retirement Systems prior to his or her normal retirement date  
8 shall have his or her accounts combined upon termination for determining  
9 eligibility for benefits. If the member is eligible for retirement, the member's  
10 service and creditable compensation earned as a result of his or her  
11 reemployment shall be used in the calculation of benefits, except that the  
12 member's final compensation shall not be less than the final compensation last  
13 used in determining his or her retirement allowance. The member shall not  
14 change beneficiary or payment option designations. This provision shall apply  
15 to members reemployed on or after August 1, 1998.

16 (8) A retired member or his employer shall notify the retirement system if he has  
17 accepted employment or is serving as a volunteer with an employer that participates  
18 in the retirement system from which the member retired. The retired member and  
19 the participating employer shall submit the information required or requested by the  
20 systems to confirm the individual's employment or volunteer status.

21 (9) If the retired member is under a contract, the member shall submit a copy of that  
22 contract to the retirement system, and the retirement system shall determine if the  
23 member is an independent contractor for purposes of retirement benefits. The  
24 retired member and the participating employer shall submit the information required  
25 or requested by the systems to confirm the individual's employment or volunteer  
26 status.

27 (10) If a member is receiving a retirement allowance, or has filed the forms required for

1 a retirement allowance, and is employed within one (1) month of the member's  
2 initial retirement date in a position that is required to participate in the same  
3 retirement system from which the member retired, the member's retirement shall be  
4 voided and the member shall repay to the retirement system all benefits received.  
5 The member shall contribute to the member account established for him prior to his  
6 voided retirement. The retirement allowance for which the member shall be eligible  
7 upon retirement shall be determined by total service and creditable compensation.

8 (11) (a) If a member of the Kentucky Employees Retirement System retires from a  
9 department which participates in more than one (1) retirement system and is  
10 reemployed within one (1) month of his initial retirement date by the same  
11 department in a position participating in another retirement system, the retired  
12 member's retirement allowance shall be suspended for the first month of his  
13 retirement and the member shall repay to the retirement system all benefits  
14 received for the month.

15 (b) A retired member of the County Employees Retirement System who after  
16 initial retirement is hired by the county from which the member retired shall  
17 be considered to have been hired by the same employer.

18 (12) (a) If a hazardous member who retired prior to age fifty-five (55), or a  
19 nonhazardous member who retired prior to age sixty-five (65), is reemployed  
20 within six (6) months of the member's termination by the same employer, the  
21 member shall obtain from his previous and current employers a copy of the  
22 job description established by the employers for the position and a statement  
23 of the duties performed by the member for the position from which he retired  
24 and for the position in which he has been reemployed.

25 (b) The job descriptions and statements of duties shall be filed with the retirement  
26 office.

27 (13) If the retirement system determines that the retired member has been employed in a

1 position with the same principal duties as the position from which the member  
2 retired:

- 3 (a) The member's retirement allowance shall be suspended during the period that  
4 begins on the month in which the member is reemployed and ends six (6)  
5 months after the member's termination;
- 6 (b) The retired member shall repay to the retirement system all benefits paid from  
7 systems administered by Kentucky Retirement Systems under reciprocity,  
8 including medical insurance benefits, that the member received after  
9 reemployment began;
- 10 (c) Upon termination, or subsequent to expiration of the six (6) month period  
11 from the date of termination, the retired member's retirement allowance based  
12 on his initial retirement account shall no longer be suspended and the member  
13 shall receive the amount to which he is entitled, including an increase as  
14 provided by KRS 61.691;
- 15 (d) Except as provided in subsection (7) of this section, if the position in which a  
16 retired member is employed after initial retirement is a regular full-time  
17 position, the retired member shall contribute to a second member account  
18 established for him in the retirement system. Service credit gained after the  
19 member's date of reemployment shall be credited to the second member  
20 account; and
- 21 (e) Upon termination, the retired member shall be entitled to benefits payable  
22 from his second retirement account.
- 23 (14) (a) If the retirement system determines that the retired member has not been  
24 reemployed in a position with the same principal duties as the position from  
25 which he retired, the retired member shall continue to receive his retirement  
26 allowance.
- 27 (b) If the position is a regular full-time position, the member shall contribute to a

1 second member account in the retirement system.

2 (15) (a) If a retired member is reemployed at least one (1) month after initial  
3 retirement in a different position, or at least six (6) months after initial  
4 retirement in the same position, and prior to normal retirement age, the retired  
5 member shall contribute to a second member account in the retirement system  
6 and continue to receive a retirement allowance from the first member account.

7 (b) Service credit gained after reemployment shall be credited to the second  
8 member account. Upon termination, the retired member shall be entitled to  
9 benefits payable from the second member account.

10 (16) A retired member who is reemployed and contributing to a second member account  
11 shall not be eligible to purchase service credit under any of the provisions of KRS  
12 16.505 to 16.652, 61.510 to 61.705, or 78.510 to 78.852 which he was eligible to  
13 purchase prior to his initial retirement.

14 (17) Notwithstanding any provision of subsections (1) to (7)(a) and (10) to (15) of this  
15 section, the following shall apply to retired members who retired prior to January 1,  
16 2019, and who are reemployed by an agency participating in one (1) of the systems  
17 administered by Kentucky Retirement Systems on or after September 1, 2008:

18 (a) Except as provided by paragraphs (c) and (d) of this subsection, if a member is  
19 receiving a retirement allowance from one (1) of the systems administered by  
20 Kentucky Retirement Systems, or has filed the forms required to receive a  
21 retirement allowance from one (1) of the systems administered by Kentucky  
22 Retirement Systems, and is employed in a regular full-time position required  
23 to participate in one (1) of the systems administered by Kentucky Retirement  
24 Systems or is employed in a position that is not considered regular full-time  
25 with an agency participating in one (1) of the systems administered by  
26 Kentucky Retirement Systems within three (3) months following the member's  
27 initial retirement date, the member's retirement shall be voided, and the

1 member shall repay to the retirement system all benefits received, including  
2 any health insurance benefits. If the member is returning to work in a regular  
3 full-time position required to participate in one (1) of the systems  
4 administered by Kentucky Retirement Systems:

- 5 1. The member shall contribute to a member account established for him or  
6 her in one (1) of the systems administered by Kentucky Retirement  
7 Systems, and employer contributions shall be paid on behalf of the  
8 member by the participating employer; and
- 9 2. Upon subsequent retirement, the member shall be eligible for a  
10 retirement allowance based upon total service and creditable  
11 compensation, including any additional service or creditable  
12 compensation earned after his or her initial retirement was voided;

13 (b) Except as provided by paragraphs (c) and (d) of this subsection, if a member is  
14 receiving a retirement allowance from one (1) of the systems administered by  
15 Kentucky Retirement Systems and is employed in a regular full-time position  
16 required to participate in one (1) of the systems administered by Kentucky  
17 Retirement Systems after a three (3) month period following the member's  
18 initial retirement date, the member may continue to receive his or her  
19 retirement allowance during the period of reemployment subject to the  
20 following provisions:

- 21 1. Both the employee and participating agency shall certify in writing on a  
22 form prescribed by the board that no prearranged agreement existed  
23 between the employee and agency prior to the employee's retirement for  
24 the employee to return to work with the participating agency. If an  
25 elected official is reelected to a new term of office in the same position  
26 and has retired from the elected office within twelve (12)  
27 months~~[retires following the election but]~~ prior to taking the new term



- 1 of office, he or she shall be deemed by the system as having a  
2 prearranged agreement under the provisions of this subparagraph and  
3 shall have his or her retirement voided. If the participating agency or  
4 employer fail to complete the certification, the member's retirement shall  
5 be voided and the provisions of paragraph (a) of this subsection shall  
6 apply to the member and the employer;
- 7 2. Notwithstanding any other provision of KRS Chapter 16, 61, or 78 to  
8 the contrary, the member shall not contribute to the systems and shall  
9 not earn any additional benefits for any work performed during the  
10 period of reemployment;
- 11 3. Except as provided by KRS 70.291 to 70.293 and 95.022 and except for  
12 any retiree employed as a school resource officer as defined by KRS  
13 158.441, the employer shall pay employer contributions as specified by  
14 KRS 61.565 and 61.702 on all creditable compensation earned by the  
15 employee during the period of reemployment. The additional  
16 contributions paid shall be used to reduce the unfunded actuarial liability  
17 of the systems; and
- 18 4. Except as provided by KRS 70.291 to 70.293 and 95.022 and except for  
19 any retiree employed as a school resource officer as defined by KRS  
20 158.441, the employer shall be required to reimburse the systems for the  
21 cost of the health insurance premium paid by the systems to provide  
22 coverage for the retiree, not to exceed the cost of the single premium.  
23 Effective July 1, 2015, local school boards shall not be required to pay  
24 the reimbursement required by this subparagraph for retirees employed  
25 by the board for eighty (80) days or less during the fiscal year;
- 26 (c) If a member is receiving a retirement allowance from the State Police  
27 Retirement System or from hazardous duty retirement coverage with the

1 Kentucky Employees Retirement System or the County Employees Retirement  
2 System, or has filed the forms required to receive a retirement allowance from  
3 the State Police Retirement System or from hazardous duty retirement  
4 coverage with the Kentucky Employees Retirement System or the County  
5 Employees Retirement System, and is employed in a regular full-time position  
6 required to participate in the State Police Retirement System or in a hazardous  
7 duty position with the Kentucky Employees Retirement System or the County  
8 Employees Retirement System within one (1) month following the member's  
9 initial retirement date, the member's retirement shall be voided, and the  
10 member shall repay to the retirement system all benefits received, including  
11 any health insurance benefits. If the member is returning to work in a regular  
12 full-time position required to participate in one (1) of the systems  
13 administered by Kentucky Retirement Systems:

- 14 1. The member shall contribute to a member account established for him or  
15 her in one (1) of the systems administered by Kentucky Retirement  
16 Systems, and employer contributions shall be paid on behalf of the  
17 member by the participating employer; and
  - 18 2. Upon subsequent retirement, the member shall be eligible for a  
19 retirement allowance based upon total service and creditable  
20 compensation, including any additional service or creditable  
21 compensation earned after his or her initial retirement was voided;
- 22 (d) If a member is receiving a retirement allowance from the State Police  
23 Retirement System or from hazardous duty retirement coverage with the  
24 Kentucky Employees Retirement System or the County Employees Retirement  
25 System and is employed in a regular full-time position required to participate  
26 in the State Police Retirement System or in a hazardous duty position with the  
27 Kentucky Employees Retirement System or the County Employees Retirement

1 System after a one (1) month period following the member's initial retirement  
2 date, the member may continue to receive his or her retirement allowance  
3 during the period of reemployment subject to the following provisions:

- 4 1. Both the employee and participating agency shall certify in writing on a  
5 form prescribed by the board that no prearranged agreement existed  
6 between the employee and agency prior to the employee's retirement for  
7 the employee to return to work with the participating agency. If an  
8 elected official is reelected to a new term of office in the same position  
9 and has retired from the elected office within twelve (12)  
10 months~~[retires following the election but]~~ prior to taking the new term  
11 of office, he or she shall be deemed by the system as having a  
12 prearranged agreement under the provisions of this subparagraph and  
13 shall have his or her retirement voided. If the participating agency or  
14 employer fail to complete the certification, the member's retirement shall  
15 be voided and the provisions of paragraph (c) of this subsection shall  
16 apply to the member and the employer;
- 17 2. Notwithstanding any other provision of KRS Chapter 16, 61, or 78 to  
18 the contrary, the member shall not contribute to the systems and shall  
19 not earn any additional benefits for any work performed during the  
20 period of reemployment;
- 21 3. Except as provided by KRS 70.291 to 70.293 and 95.022 and except for  
22 any retiree employed as a school resource officer as defined by KRS  
23 158.441, the employer shall pay employer contributions as specified by  
24 KRS 61.565 and 61.702 on all creditable compensation earned by the  
25 employee during the period of reemployment. The additional  
26 contributions paid shall be used to reduce the unfunded actuarial liability  
27 of the systems; and

- 1           4. Except as provided by KRS 70.291 to 70.293 and 95.022 and except for  
2           any retiree employed as a school resource officer as defined by KRS  
3           158.441, the employer shall be required to reimburse the systems for the  
4           cost of the health insurance premium paid by the systems to provide  
5           coverage for the retiree, not to exceed the cost of the single premium;
- 6           (e) Notwithstanding paragraphs (a) to (d) of this subsection, a retired member  
7           who qualifies as a volunteer for an employer participating in one (1) of the  
8           systems administered by Kentucky Retirement Systems and who is receiving  
9           reimbursement of actual expenses, a nominal fee for his or her volunteer  
10          services, or both, shall not be considered an employee of the participating  
11          employer and shall not be subject to paragraphs (a) to (d) of this subsection if:
- 12          1. Prior to the retired member's most recent retirement date, he or she did  
13          not receive creditable compensation from the participating employer in  
14          which the retired member is performing volunteer services;
- 15          2. Any reimbursement or nominal fee received prior to the retired  
16          member's most recent retirement date has not been credited as creditable  
17          compensation to the member's account or utilized in the calculation of  
18          the retired member's benefits;
- 19          3. The retired member has not purchased or received service credit under  
20          any of the provisions of KRS 61.510 to 61.705 or 78.510 to 78.852 for  
21          service with the participating employer for which the retired member is  
22          performing volunteer services; and
- 23          4. Other than the status of volunteer, the retired member does not become  
24          an employee, leased employee, or independent contractor of the  
25          employer for which he or she is performing volunteer services for a  
26          period of at least twenty-four (24) months following the retired  
27          member's most recent retirement date.

1           If a retired member, who provided volunteer services with a participating  
2           employer under this paragraph violates any provision of this paragraph, then  
3           he or she shall be deemed an employee of the participating employer as of the  
4           date he or she began providing volunteer services and both the retired member  
5           and the participating employer shall be subject to paragraphs (a) to (d) of this  
6           subsection for the period of volunteer service; and

7           (f) Notwithstanding any provision of this section, any mayor or member of a city  
8           legislative body who has not participated in the County Employees Retirement  
9           System prior to retirement, but who is otherwise eligible to retire from the  
10          Kentucky Employees Retirement System or the State Police Retirement  
11          System, shall not be:

12           1.    Required to resign from his or her position as mayor or as a member of  
13           the city legislative body in order to begin drawing benefits from the  
14           Kentucky Employees Retirement System or the State Police Retirement  
15           System; or

16           2.    Subject to any provision of this section as it relates solely to his or her  
17           service as a mayor or member of the city legislative body.

18          (18) Notwithstanding any provision of subsections (1) to (7)(a) and (10) to (17) of this  
19          section, the following shall apply to retired members, retirees, or annuitants of the  
20          systems or plans administered by the Kentucky Retirement Systems, the Judicial  
21          Form Retirement System, and the Teachers' Retirement System, who retire and  
22          begin drawing a retirement allowance on or after January 1, 2019, and are  
23          reemployed on or after January 1, 2019, by an agency participating in the systems  
24          administered by the Kentucky Retirement Systems:

25           (a)    Except as provided by paragraphs (c) and (d) of this subsection, if a retired  
26           member is receiving a retirement allowance from the systems administered by  
27           the Kentucky Retirement Systems and is reemployed in any position with an

1 agency participating in any of the systems administered by the Kentucky  
2 Retirement Systems, regardless of whether or not the position is considered  
3 regular full-time under KRS 61.510(21), 78.510(21), or paragraph (g) of this  
4 subsection, within a three (3) month period following the member's initial  
5 retirement date from the systems, the member's retirement shall be voided and  
6 the member shall repay to the system all benefits received, including any  
7 health insurance benefits. If the member's retirement is voided as provided by  
8 this paragraph and the member has returned to work in a position that is  
9 considered a regular full-time position in the systems administered by  
10 Kentucky Retirement Systems as defined in KRS 61.510(21) or 78.510(21), as  
11 applicable:

- 12 1. The member shall contribute to a member account established for him or  
13 her in one (1) of the systems administered by the Kentucky Retirement  
14 Systems and employer contributions shall be paid on behalf of the  
15 member by the participating employer; and
  - 16 2. Upon subsequent retirement, the member shall be eligible for a  
17 retirement allowance based upon total service, accumulated account  
18 balance, and creditable compensation, including any additional service,  
19 creditable compensation, or accumulated account balance earned after  
20 his or her initial retirement was voided, subject to the limitations of KRS  
21 6.525, 21.374, 61.5955, or 61.5956;
- 22 (b) Except as provided by paragraphs (c) and (d) of this subsection, if a retired  
23 member, annuitant, or retiree is receiving a retirement allowance from the  
24 systems administered by the Kentucky Retirement Systems and is reemployed  
25 or elected to a position with an agency participating in the systems  
26 administered by the Kentucky Retirement Systems after a three (3) month  
27 period following the member's initial retirement date from the system:

- 1           1. Both the employee and participating agency shall certify in writing on a  
2 form prescribed by the board that no prearranged agreement existed  
3 between the employee and agency prior to the employee's retirement for  
4 the employee to return to work with the participating agency. If an  
5 elected official is reelected to a new term of office in the same position  
6 and has retired from the elected office within twelve (12)  
7 months~~[retires following the election but]~~ prior to taking the new term  
8 of office, he or she shall be deemed by the system as having a  
9 prearranged agreement under the provisions of this subparagraph and  
10 shall have his or her retirement voided. If the participating agency or  
11 employer fails to complete the certification, the member's retirement  
12 shall be voided and the provisions of paragraph (a) of this subsection  
13 shall apply to the member and the employer;
- 14           2. The member shall not contribute to the systems and shall not earn any  
15 additional benefits for any work performed during the period of  
16 reemployment;
- 17           3. The retired member may continue to draw his or her retirement  
18 allowance during the period of reemployment if:
- 19           a. The period of reemployment is not considered regular full-time as  
20 defined by paragraph (g) of this subsection; or
- 21           b. The period of reemployment is considered regular full-time but the  
22 member has not returned to reemployment for at least a twelve  
23 (12) month period following his or her initial retirement. If the  
24 member returns to reemployment in a regular full-time position  
25 after a three (3) month but prior to a twelve (12) month period  
26 following his or her initial retirement, then the member's  
27 retirement allowance shall be suspended until twelve (12) months

1 following his or her initial retirement; and

2 4. The employer shall pay the employer normal cost contributions as  
3 specified by KRS 61.565(1)(b) and 61.702, on all creditable  
4 compensation earned by the employee during the period of regular full-  
5 time reemployment, based upon the system in which the member is  
6 reemployed. The employer normal cost contributions shall be payable on  
7 the employee's behalf for the period of regular full-time reemployment  
8 and shall be used to pay down the unfunded liability of the systems;

9 (c) If a member is receiving a retirement allowance from the State Police  
10 Retirement System or from hazardous duty retirement coverage with the  
11 Kentucky Employees Retirement System or the County Employees Retirement  
12 System or is a certified peace officer as provided in KRS Chapter 15, and is  
13 reemployed in any position with an agency participating in the systems or  
14 plans administered by the Kentucky Retirement Systems, regardless of  
15 whether or not the position is considered regular full-time under KRS  
16 61.510(21), 78.510(21), or paragraph (g) of this subsection, within a one (1)  
17 month period following the member's initial retirement date from the system,  
18 the member's retirement shall be voided and the member shall repay to the  
19 system or plan all benefits received, including any health insurance benefits. If  
20 the member's retirement is voided as provided by this paragraph and the  
21 member has returned to work in a position that qualifies for participation in a  
22 position that is considered a regular full-time position in the systems  
23 administered by Kentucky Retirement Systems as defined in KRS 61.510(21)  
24 or 78.510(21), as applicable:

25 1. The member shall contribute to a member account established for him or  
26 her in one (1) of the systems administered by the Kentucky Retirement  
27 Systems and employer contributions shall be paid on behalf of the



- 1 member by the participating employer; and
- 2 2. Upon subsequent retirement, the member shall be eligible for a
- 3 retirement allowance based upon total service, accumulated account
- 4 balance, and creditable compensation, including any additional service,
- 5 creditable compensation, or accumulated account balance earned after
- 6 his or her initial retirement was voided, subject to the limitations of KRS
- 7 6.525, 21.374, 61.5955, or 61.5956;
- 8 (d) If a member is receiving a retirement allowance from the State Police
- 9 Retirement System or from hazardous duty retirement coverage with the
- 10 Kentucky Employees Retirement System or the County Employees Retirement
- 11 System or is a certified peace officer as provided in KRS Chapter 15, and is
- 12 reemployed with an agency participating in the systems administered by the
- 13 Kentucky Retirement Systems after a one (1) month period following the
- 14 member's initial retirement date from the system, the member may continue to
- 15 receive his or her retirement allowance during the period of reemployment
- 16 subject to the following provisions:
- 17 1. Both the employee and participating agency shall certify in writing on a
- 18 form prescribed by the board that no prearranged agreement existed
- 19 between the employee and agency prior to the employee's retirement for
- 20 the employee to return to work with the participating agency. If an
- 21 elected official is reelected to a new term of office in the same position
- 22 and has retired from the elected office within twelve (12)
- 23 months~~[retires following the election but]~~ prior to taking the new term
- 24 of office, he or she shall be deemed by the system as having a
- 25 prearranged agreement under the provisions of this subparagraph and
- 26 shall have his or her retirement voided. If the participating agency or
- 27 employer fails to complete the certification, the member's retirement

- 1 shall be voided and the provisions of paragraph (c) of this subsection  
2 shall apply to the member and the employer;
- 3 2. The member shall not contribute to the systems and shall not earn any  
4 additional benefits for any work performed during the period of  
5 reemployment; and
- 6 3. The employer shall pay the employer normal cost contributions as  
7 specified by KRS 61.565(1)(b) and 61.702 on all creditable  
8 compensation earned by the employee during the period of regular full-  
9 time reemployment, based upon the system in which the member is  
10 reemployed. The employer normal cost contributions shall be payable on  
11 the employee's behalf for the period of regular full-time reemployment  
12 and shall be used to pay down the unfunded liability of the systems;
- 13 (e) Notwithstanding paragraphs (a) to (d) of this subsection, a retired member  
14 who qualifies as a volunteer for an employer participating in one (1) of the  
15 systems administered by Kentucky Retirement Systems and who is receiving  
16 reimbursement of actual expenses, a nominal fee for his or her volunteer  
17 services, or both, shall not be considered an employee of the participating  
18 employer and shall not be subject to paragraphs (a) to (d) of this subsection if:
- 19 1. Prior to the retired member's most recent retirement date, he or she did  
20 not receive creditable compensation from the participating employer for  
21 which the retired member is performing volunteer services;
- 22 2. Any reimbursement or nominal fee received prior to the retired  
23 member's most recent retirement date has not been credited as creditable  
24 compensation to the member's account or utilized in the calculation of  
25 the retired member's benefits;
- 26 3. The retired member has not purchased or received service credit under  
27 any of the provisions of KRS 61.510 to 61.705 or 78.510 to 78.852 for

1 service with the participating employer for which the retired member is  
2 performing volunteer services; and

3 4. Other than the status of volunteer, the retired member does not become  
4 an employee, leased employee, or independent contractor of the  
5 employer for which he or she is performing volunteer services for a  
6 period of at least twenty-four (24) months following the retired  
7 member's most recent retirement date.

8 If a retired member, who provided volunteer services with a participating  
9 employer under this paragraph violates any provision of this paragraph, then  
10 he or she shall be deemed an employee of the participating employer as of the  
11 date he or she began providing volunteer services, and both the retired  
12 member and the participating employer shall be subject to paragraphs (a) to  
13 (d) of this subsection for the period of volunteer service;

14 (f) Notwithstanding any provision of this section, any mayor or member of a city  
15 legislative body who has not participated in the County Employees Retirement  
16 System prior to retirement, but who is otherwise eligible to retire from the  
17 Kentucky Employees Retirement System or the State Police Retirement  
18 System, shall not be:

19 1. Required to resign from his or her position as mayor or as a member of  
20 the city legislative body in order to begin drawing benefits from the  
21 Kentucky Employees Retirement System or the State Police Retirement  
22 System; or

23 2. Subject to any provision of this section as it relates solely to his or her  
24 service as a mayor or member of the city legislative body; and

25 (g) For purposes of this subsection, "regular full-time" shall mean any position  
26 that requires an average of one hundred (100) or more hours per month over a  
27 calendar or fiscal year basis, except that in the case of classified school board

1 employees it shall be more than one hundred (100) days of work during the  
2 fiscal year. Interim, temporary, or seasonal positions as defined and time  
3 limited by KRS 61.510(21) or 78.510(21) shall not be considered regular full-  
4 time; and

5 (h) Notwithstanding any other provision of KRS Chapter 16, 61, or 78 to the  
6 contrary, an individual who retires and begins drawing a retirement allowance  
7 from one (1) or more of the systems or plans administered by the Teachers'  
8 Retirement System or the Judicial Form Retirement System on or after  
9 January 1, 2019, who is reemployed with an agency participating in one (1) of  
10 the systems administered by Kentucky Retirement Systems, shall not be  
11 eligible to earn benefits in the Kentucky Employees Retirement System,  
12 County Employees Retirement System, or the State Police Retirement System  
13 for reemployment that occurs on or after January 1, 2019.