

1 AN ACT relating to the Kentucky Retirement Systems.

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

3 ➔Section 1. KRS 61.645 is amended to read as follows:

4 (1) The County Employees Retirement System, Kentucky Employees Retirement
5 System, and State Police Retirement System shall be administered by the board of
6 trustees of the Kentucky Retirement Systems composed of seventeen (17) members,
7 who shall be selected as follows:

8 (a) The secretary of the Personnel Cabinet shall serve as trustee for as long as he
9 occupies the position of secretary under KRS 18A.015, except as provided
10 under subsections (5) and (6) of this section;

11 (b) Three (3) trustees, who shall be members or retired from the County
12 Employees Retirement System, elected by the members and retired members
13 of the County Employees Retirement System;

14 (c) One (1) trustee, who shall be a member or retired from the State Police
15 Retirement System, elected by the members and retired members of the State
16 Police Retirement System;

17 (d) Two (2) trustees, who shall be members or retired from the Kentucky
18 Employees Retirement System, elected by the members and retired members
19 of the Kentucky Employees Retirement System; and

20 (e) Ten (10) trustees, appointed by the Governor of the Commonwealth, subject
21 to Senate confirmation in accordance with KRS 11.160 for each appointment
22 or reappointment. Of the ten (10) trustees appointed by the Governor:

23 1. One (1) trustee shall be knowledgeable about the impact of pension
24 requirements on local governments;

25 2. One (1) trustee shall be appointed from a list of three (3) applicants
26 submitted by the Kentucky League of Cities;

27 3. One (1) trustee shall be appointed from a list of three (3) applicants

1 submitted by the Kentucky Association of Counties;

2 4. One (1) trustee shall be appointed from a list of three (3) applicants
3 submitted by the Kentucky School Boards Association; and

4 5. Six (6) trustees shall have investment experience. For purposes of this
5 subparagraph, a trustee with "investment experience" means an
6 individual who does not have a conflict of interest, as provided by KRS
7 61.655, and who has at least ten (10) years of experience in one (1) of
8 the following areas of expertise:

9 a. A portfolio manager acting in a fiduciary capacity;

10 b. A professional securities analyst or investment consultant;

11 c. A current or retired employee or principal of a trust institution,
12 investment or finance organization, or endowment fund acting in
13 an investment-related capacity;

14 d. A chartered financial analyst in good standing as determined by the
15 CFA Institute; or

16 e. A university professor, teaching investment-related studies.

17 (2) The board is hereby granted the powers and privileges of a corporation, including
18 but not limited to the following powers:

19 (a) To sue and be sued in its corporate name;

20 (b) To make bylaws not inconsistent with the law;

21 (c) To conduct the business and promote the purposes for which it was formed;

22 (d) Except as provided in KRS 61.650(6), to contract for investment counseling,
23 actuarial, auditing, medical, and other professional or technical services as
24 required to carry out the obligations of the board subject to KRS Chapters 45,
25 45A, 56, and 57;

26 (e) To purchase fiduciary liability insurance;

27 (f) Except as provided in KRS 61.650(6), to acquire, hold, sell, dispose of,

1 pledge, lease, or mortgage, the goods or property necessary to exercise the
2 board's powers and perform the board's duties subject to KRS Chapters 45,
3 45A, and 56; and

4 (g) The board shall reimburse any trustee, officer, or employee for any legal
5 expense resulting from a civil action arising out of the performance of his
6 official duties. The hourly rate of reimbursement for any contract for legal
7 services under this paragraph shall not exceed the maximum hourly rate
8 provided in the Legal Services Duties and Maximum Rate Schedule
9 promulgated by the Government Contract Review Committee established
10 pursuant to KRS 45A.705, unless a higher rate is specifically approved by the
11 secretary of the Finance and Administration Cabinet or his or her designee.

12 (3) (a) Notwithstanding the provisions of subsection (1) of this section, each trustee
13 shall serve a term of four (4) years or until his successor is duly qualified
14 except as otherwise provided in this section. An elected trustee or a trustee
15 appointed by the Governor under subsection (1)(e) of this section, shall not
16 serve more than three (3) consecutive four (4) year terms. An elected trustee
17 or a trustee appointed by the Governor under subsection (1)(e) of this section,
18 who has served three (3) consecutive terms may be elected or appointed again
19 after an absence of four (4) years from the board.

20 (b) The term limits established by paragraph (a) of this subsection shall apply to
21 trustees serving on or after July 1, 2012, and all terms of office served prior to
22 July 1, 2012, shall be used to determine if the trustee has exceeded the term
23 limits provided by paragraph (a) of this subsection.

24 (4) (a) The trustees selected by the membership of each of the various retirement
25 systems shall be elected by ballot. For each trustee to be elected, the board
26 may nominate, not less than six (6) months before a term of office of a trustee
27 is due to expire, three (3) constitutionally eligible individuals.

- 1 (b) Individuals may be nominated by the retirement system members which are to
2 elect the trustee by presenting to the executive director, not less than four (4)
3 months before a term of office of a trustee is due to expire, a petition, bearing
4 the name, last four digits of the Social Security number, and signature of no
5 less than one-tenth (1/10) of the number voting in the last election by the
6 retirement system members.
- 7 (c) Within four (4) months of the nominations made in accordance with
8 paragraphs (a) and (b) of this subsection, the executive director shall cause to
9 be prepared an official ballot. The ballot shall ***include***~~carry~~ the name,
10 address, and position title of each individual nominated by the board and by
11 petition. Provisions shall also be made for write-in votes.
- 12 (d) ***Except as provided by paragraph (j) of this subsection,*** the ballots shall be
13 distributed to the eligible voters by mail to their last known residence address.
- 14 (e) The ballots shall be addressed to the Kentucky Retirement Systems in care of
15 a predetermined box number at a United States Post Office located within
16 Kentucky ***or submitted electronically as provided by paragraph (j) of this***
17 ***subsection.*** Access to this post office box shall be limited to the board's
18 contracted auditing firm. The individual receiving a plurality of votes shall be
19 declared elected.
- 20 (f) The eligible voter shall cast his ballot by checking a square opposite the name
21 of the candidate of his choice. He shall sign and mail the ballot ***or submit the***
22 ***electronic ballot*** at least thirty (30) days prior to the date the term to be filled
23 is due to expire. The latest mailing date, ***or date of submission in the case of***
24 ***electronic ballots,*** shall be ***provided***~~printed~~ on the ballot.
- 25 (g) The board's contracted auditing firm shall report in writing the outcome to the
26 chair of the board of trustees. Cost of an election shall be payable from the
27 funds of the system for which the trustee is elected.

1 (h) For purposes of this subsection, an eligible voter shall be a person who was a
2 member of the retirement system on December 31 of the year preceding the
3 election year.

4 (i) Each individual who submits a request to be nominated by the board under
5 paragraph (a) of this subsection and each individual who is nominated by the
6 membership under paragraph (b) of this subsection shall:

7 1. Complete an application developed by the retirement systems which
8 shall include but not be limited to a disclosure of any prior felonies and
9 any conflicts of interest that would hinder the individual's ability to
10 serve on the board;

11 2. Submit a resume detailing the individual's education and employment
12 history and a cover letter detailing the member's qualifications for
13 serving as trustee to the board; and

14 3. Authorize the systems to have a criminal background check performed.
15 The criminal background check shall be performed by the Department of
16 Kentucky State Police.

17 **(j) In lieu of the ballots mailed to members and retired members as provided by**
18 **this subsection, the systems may by promulgation of administrative**
19 **regulation pursuant to KRS Chapter 13A conduct trustee elections using**
20 **electronic ballots, except that the systems shall mail a paper ballot upon**
21 **request of any eligible voter.**

22 (5) Any vacancy which may occur in an appointed position shall be filled in the same
23 manner which provides for the selection of the particular trustee, and any vacancy
24 which may occur in an elected position shall be filled by appointment by a majority
25 vote of the remaining elected trustees with a person selected from the system in
26 which the vacancy occurs, and if the secretary of the Personnel Cabinet resigns his
27 position as trustee, it shall be filled by appointment made by the Governor;

1 however, any vacancy shall be filled only for the duration of the unexpired term. In
2 the event of a vacancy of an elected trustee, Kentucky Retirement Systems shall
3 notify members of the system in which the vacancy occurs of the vacancy and the
4 opportunity to be considered for the vacant position. Any vacancy shall be filled
5 within ninety (90) days of the position becoming vacant.

6 (6) (a) Membership on the board of trustees shall not be incompatible with any other
7 office unless a constitutional incompatibility exists. No trustee shall serve in
8 more than one (1) position as trustee on the board; and if a trustee holds more
9 than one (1) position as trustee on the board, he shall resign a position.

10 (b) A trustee shall be removed from office upon conviction of a felony or for a
11 finding of a violation of any provision of KRS 11A.020 or 11A.040 by a court
12 of competent jurisdiction.

13 (c) A current or former employee of Kentucky Retirement Systems shall not be
14 eligible to serve as a member of the board.

15 (7) Trustees who do not otherwise receive a salary from the State Treasury shall receive
16 a per diem of eighty dollars (\$80) for each day they are in session or on official
17 duty, and they shall be reimbursed for their actual and necessary expenses in
18 accordance with state administrative regulations and standards.

19 (8) (a) The board shall meet at least once in each quarter of the year and may meet in
20 special session upon the call of the chair or the executive director.

21 (b) The board shall elect a chair and a vice chair. The chair shall not serve more
22 than four (4) consecutive years as chair or vice-chair of the board. The vice-
23 chair shall not serve more than four (4) consecutive years as chair or vice-
24 chair of the board. A trustee who has served four (4) consecutive years as
25 chair or vice-chair of the board may be elected chair or vice-chair of the board
26 after an absence of two (2) years from the positions.

27 (c) A majority of the trustees shall constitute a quorum and all actions taken by

1 the board shall be by affirmative vote of a majority of the trustees present.

2 (9) (a) The board of trustees shall appoint or contract for the services of an executive
3 director and fix the compensation and other terms of employment for this
4 position without limitation of the provisions of KRS Chapters 18A and KRS
5 64.640. The executive director shall be the chief administrative officer of the
6 board.

7 (b) The board of trustees shall authorize the executive director to appoint the
8 employees deemed necessary to transact the business of the system. All
9 employees of the systems, except for the executive director, shall be subject to
10 the state personnel system established pursuant to KRS 18A.005 to 18A.204
11 and shall have their salaries determined by the secretary of the Personnel
12 Cabinet.

13 (c) The board shall require the executive director and the employees as it thinks
14 proper to execute bonds for the faithful performance of their duties
15 notwithstanding the limitations of KRS Chapter 62.

16 (d) The board shall establish a system of accounting.

17 (e) The board shall do all things, take all actions, and promulgate all
18 administrative regulations, not inconsistent with the provisions of KRS 16.505
19 to 16.652, 61.510 to 61.705, and 78.510 to 78.852, necessary or proper in
20 order to carry out the provisions of KRS 16.505 to 16.652, 61.510 to 61.705,
21 and 78.510 to 78.852. Notwithstanding any other evidence of legislative
22 intent, it is hereby declared to be the controlling legislative intent that the
23 provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852
24 conform with federal statute or regulation and meet the qualification
25 requirements under 26 U.S.C. sec. 401(a), applicable federal regulations, and
26 other published guidance. Provisions of KRS 16.505 to 16.652, 61.510 to
27 61.705, and 78.510 to 78.852 which conflict with federal statute or regulation

1 or qualification under 26 U.S.C. sec. 401(a), applicable federal regulations,
2 and other published guidance shall not be available. The board shall have the
3 authority to promulgate administrative regulations to conform with federal
4 statute and regulation and to meet the qualification requirements under 26
5 U.S.C. sec. 401(a), including an administrative regulation to comply with 26
6 U.S.C. sec. 401(a)(9). ~~The board shall have the authority to promulgate an
7 administrative regulation to comply with any consent decrees entered into by
8 the board in Civil Action No. 3:99CV500(C) in order to bring the systems into
9 compliance with the Age Discrimination in Employment Act, 29 U.S.C.
10 Section 621, et seq., as amended.~~

11 (10) Notwithstanding any statute to the contrary, employees shall not be considered
12 legislative agents under KRS 6.611.

13 (11) The Attorney General, or an assistant designated by him, may attend each meeting
14 of the board and may receive the agenda, board minutes, and other information
15 distributed to trustees of the board upon request. The Attorney General may act as
16 legal adviser and attorney for the board, and the board may contract for legal
17 services, notwithstanding the limitations of KRS Chapter 12 or 13B.

18 (12) (a) The system shall publish an annual financial report showing all receipts,
19 disbursements, assets, and liabilities. The annual report shall include a copy of
20 an audit conducted in accordance with generally accepted auditing standards.
21 Except as provided by paragraph (b) of this subsection, the board may select
22 an independent certified public accountant or the Auditor of Public Accounts
23 to perform the audit. If the audit is performed by an independent certified
24 public accountant, the Auditor of Public Accounts shall not be required to
25 perform an audit pursuant to KRS 43.050(2)(a), but may perform an audit at
26 his discretion. All proceedings and records of the board shall be open for
27 inspection by the public. The system shall make copies of the audit required

1 by this subsection available for examination by any member, retiree, or
2 beneficiary in the office of the executive director of the Kentucky Retirement
3 Systems and in other places as necessary to make the audit available to all
4 members, retirees, and beneficiaries. A copy of the annual audit shall be sent
5 to the Legislative Research Commission no later than ten (10) days after
6 receipt by the board.

7 (b) At least once every five (5) years, the Auditor of Public Accounts shall
8 perform the audit described by this subsection, and the system shall reimburse
9 the Auditor of Public Accounts for all costs of the audit. The Auditor of
10 Public Accounts shall determine which fiscal year during the five (5) year
11 period the audit prescribed by this paragraph will be completed.

12 (13) All expenses incurred by or on behalf of the system and the board in the
13 administration of the system during a fiscal year shall be paid from the retirement
14 allowance account. Any other statute to the contrary notwithstanding, authorization
15 for all expenditures relating to the administrative operations of the system shall be
16 contained in the biennial budget unit request, branch budget recommendation, and
17 the financial plan adopted by the General Assembly pursuant to KRS Chapter 48.

18 (14) Any person adversely affected by a decision of the board, except as provided under
19 subsection (16) of this section or KRS 61.665, involving KRS 16.505 to 16.652,
20 61.510 to 61.705, and 78.510 to 78.852, may appeal the decision of the board to the
21 Franklin Circuit Court within sixty (60) days of the board action.

22 (15) (a) A trustee shall discharge his duties as a trustee, including his duties as a
23 member of a committee:

- 24 1. In good faith;
- 25 2. On an informed basis; and
- 26 3. In a manner he honestly believes to be in the best interest of the
27 Kentucky Retirement Systems.

- 1 (b) A trustee discharges his duties on an informed basis if, when he makes an
2 inquiry into the business and affairs of the Kentucky Retirement Systems or
3 into a particular action to be taken or decision to be made, he exercises the
4 care an ordinary prudent person in a like position would exercise under similar
5 circumstances.
- 6 (c) In discharging his duties, a trustee may rely on information, opinions, reports,
7 or statements, including financial statements and other financial data, if
8 prepared or presented by:
- 9 1. One (1) or more officers or employees of the Kentucky Retirement
10 Systems whom the trustee honestly believes to be reliable and competent
11 in the matters presented;
 - 12 2. Legal counsel, public accountants, actuaries, or other persons as to
13 matters the trustee honestly believes are within the person's professional
14 or expert competence; or
 - 15 3. A committee of the board of trustees of which he is not a member if the
16 trustee honestly believes the committee merits confidence.
- 17 (d) A trustee shall not be considered as acting in good faith if he has knowledge
18 concerning the matter in question that makes reliance otherwise permitted by
19 paragraph (c) of this subsection unwarranted.
- 20 (e) Any action taken as a trustee, or any failure to take any action as a trustee,
21 shall not be the basis for monetary damages or injunctive relief unless:
- 22 1. The trustee has breached or failed to perform the duties of the trustee's
23 office in compliance with this section; and
 - 24 2. In the case of an action for monetary damages, the breach or failure to
25 perform constitutes willful misconduct or wanton or reckless disregard
26 for human rights, safety, or property.
- 27 (f) A person bringing an action for monetary damages under this section shall

1 have the burden of proving by clear and convincing evidence the provisions of
2 paragraph (e)1. and 2. of this subsection, and the burden of proving that the
3 breach or failure to perform was the legal cause of damages suffered by the
4 Kentucky Retirement Systems.

5 (g) Nothing in this section shall eliminate or limit the liability of any trustee for
6 any act or omission occurring prior to July 15, 1988.

7 (h) In discharging his or her administrative duties under this section, a trustee
8 shall strive to administer the retirement system in an efficient and cost-
9 effective manner for the taxpayers of the Commonwealth of Kentucky.

10 (16) When an order by the system substantially impairs the benefits or rights of a
11 member, retired member, or recipient, except action which relates to entitlement to
12 disability benefits, or when an employer disagrees with an order of the system as
13 provided by KRS 61.598, the affected member, retired member, recipient, or
14 employer may request a hearing to be held in accordance with KRS Chapter 13B.
15 The board may establish an appeals committee whose members shall be appointed
16 by the chair and who shall have authority to act upon the recommendations and
17 reports of the hearing officer on behalf of the board. The member, retired member,
18 recipient, or employer aggrieved by a final order of the board following the hearing
19 may appeal the decision to the Franklin Circuit Court, in accordance with KRS
20 Chapter 13B.

21 (17) The board shall give the Kentucky Education Support Personnel Association
22 twenty-four (24) hours notice of the board meetings, to the extent possible.

23 (18) The board shall establish a formal trustee education program for all trustees of the
24 board. The program shall include but not be limited to the following:

25 (a) A required orientation program for all new trustees elected or appointed to the
26 board. The orientation program shall include training on:

27 1. Benefits and benefits administration;

- 1 2. Investment concepts, policies, and current composition and
2 administration of retirement systems investments;
- 3 3. Laws, bylaws, and administrative regulations pertaining to the
4 retirement systems and to fiduciaries; and
- 5 4. Actuarial and financial concepts pertaining to the retirement systems.

6 If a trustee fails to complete the orientation program within one (1) year from
7 the beginning of his or her first term on the board, the retirement systems shall
8 withhold payment of the per diem and travel expenses due to the board
9 member under this section and KRS 16.640 and 78.780 until the trustee has
10 completed the orientation program;

11 (b) Annual required training for board members on the administration, benefits,
12 financing, and investing of the retirement systems. If a trustee fails to
13 complete the annual required training during the calendar or fiscal year, the
14 retirement systems shall withhold payment of the per diem and travel
15 expenses due to the board member under this section and KRS 16.640 and
16 78.780 until the board member has met the annual training requirements; and

17 (c) The retirement systems shall incorporate by reference in an administrative
18 regulation, pursuant to KRS 13A.2251, the trustee education program.

19 (19) In order to improve public transparency regarding the administration of the systems,
20 the board of trustees shall adopt a best practices model by posting the following
21 information to the retirement systems' Web site and shall make available to the
22 public:

23 (a) Meeting notices and agendas for all meetings of the board. Notices and
24 agendas shall be posted to the retirement systems' Web site at least seventy-
25 two (72) hours in advance of the board or committee meetings, except in the
26 case of special or emergency meetings as provided by KRS 61.823;

27 (b) The Comprehensive Annual Financial Report with the information as follows:

- 1 1. A general overview and update on the retirement systems by the
- 2 executive director;
- 3 2. A listing of the board of trustees;
- 4 3. A listing of key staff;
- 5 4. An organizational chart;
- 6 5. Financial information, including a statement of plan net assets, a
- 7 statement of changes in plan net assets, an actuarial value of assets, a
- 8 schedule of investments, a statement of funded status and funding
- 9 progress, and other supporting data;
- 10 6. Investment information, including a general overview, a list of the
- 11 retirement system's professional consultants, a total net of fees return on
- 12 retirement systems investments over a historical period, an investment
- 13 summary, contracted investment management expenses, transaction
- 14 commissions, and a schedule of investments;
- 15 7. The annual actuarial valuation report on the pension benefit and the
- 16 medical insurance benefit; and
- 17 8. A general statistical section, including information on contributions,
- 18 benefit payouts, and retirement systems' demographic data;
- 19 (c) All external audits;
- 20 (d) All board minutes or other materials that require adoption or ratification by
- 21 the board of trustees. The items listed in this paragraph shall be posted within
- 22 seventy-two (72) hours of adoption or ratification of the board;
- 23 (e) All bylaws, policies, or procedures adopted or ratified by the board of trustees;
- 24 (f) The retirement systems' summary plan description;
- 25 (g) A document containing an unofficial copy of the statutes governing the
- 26 systems administered by Kentucky Retirement Systems;
- 27 (h) A listing of the members of the board of trustees and membership on each

1 committee established by the board, including any investment committees;

2 (i) All investment holdings in aggregate, fees, and commissions for each fund
3 administered by the board, which shall be updated on a quarterly basis for
4 fiscal years beginning on or after July 1, 2017. The systems shall request from
5 all managers, partnerships, and any other available sources all information
6 regarding fees and commissions and shall, based on the requested information
7 received:

8 1. Disclose the dollar value of fees and commissions paid to each
9 individual manager or partnership;

10 2. Disclose the dollar value of any profit sharing, carried interest, or any
11 other partnership incentive arrangements, partnership agreements, or any
12 other partnership expenses received by or paid to each manager or
13 partnership; and

14 3. As applicable, report each fee or commission by manager or partnership
15 consistent with standards established by the Institutional Limited
16 Partners Association (ILPA).

17 In addition to the requirements of this paragraph, the systems shall also
18 disclose the name and address of all individual underlying managers or
19 partners in any fund of funds in which system assets are invested;

20 (j) An update of net of fees investment returns, asset allocations, and the
21 performance of the funds against benchmarks adopted by the board for each
22 fund, for each asset class administered by the board, and for each manager.
23 The update shall be posted on a quarterly basis for fiscal years beginning on or
24 after July 1, 2017;

25 (k) A searchable database of the systems' expenditures and a listing of each
26 individual employed by the systems along with the employee's salary or
27 wages. In lieu of posting the information required by this paragraph to the

- 1 systems' Web site, the systems may provide the information through a Web
2 site established by the executive branch to inform the public about executive
3 branch agency expenditures and public employee salaries and wages;
- 4 (l) All contracts or offering documents for services, goods, or property purchased
5 or utilized by the systems; and
- 6 (m) Information regarding the systems' financial and actuarial condition that is
7 easily understood by the members, retired members, and the public.
- 8 (20) Notwithstanding the requirements of subsection (19) of this section, the retirement
9 systems shall not be required to furnish information that is protected under KRS
10 61.661, exempt under KRS 61.878, or that, if disclosed, would compromise the
11 retirement systems' ability to competitively invest in real estate or other asset
12 classes, except that no provision of this section or KRS 61.878 shall exclude
13 disclosure and review of all contracts, including investment contracts, by the board,
14 the Auditor of Public Accounts, and the Government Contract Review Committee
15 established pursuant to KRS 45A.705 or the disclosure of investment fees and
16 commissions as provided by this section. If any public record contains material
17 which is not excepted under this section, the systems shall separate the excepted
18 material by removal, segregation, or redaction, and make the nonexcepted material
19 available for examination.
- 20 (21) Notwithstanding any other provision of KRS 16.505 to 16.652, 61.510 to 61.705,
21 and 78.510 to 78.852 to the contrary, no funds of the systems administered by
22 Kentucky Retirement Systems, including fees and commissions paid to an
23 investment manager, private fund, or company issuing securities, who manages
24 systems assets, shall be used to pay fees and commissions to placement agents. For
25 purposes of this subsection, "placement agent" means a third-party individual, who
26 is not an employee, or firm, wholly or partially owned by the entity being hired,
27 who solicits investments on behalf of an investment manager, private fund, or

1 company issuing securities.

2 ➔Section 2. KRS 78.625 is amended to read as follows:

- 3 (1) The agency reporting official of the county shall file the following at the retirement
4 office on or before the tenth day of the month following the period being reported:
- 5 (a) The employee and employer contributions required under KRS 78.610,
6 61.565, and 61.702;
- 7 (b) The employer contributions and reimbursements for retiree health insurance
8 premiums required under KRS 61.637; and
- 9 (c) A record of all contributions to the system on the forms prescribed by the
10 systems.
- 11 (2) (a) If the agency reporting official fails to file at the retirement office all
12 contributions and reports on or before the tenth day of the month following
13 the period being reported, interest on the delinquent contributions at the
14 actuarial rate adopted by the board compounded annually, but not less than
15 one thousand dollars (\$1,000), ~~may~~shall be added to the amount due the
16 system.
- 17 (b) Delinquent contributions, with interest at the rate adopted by the board
18 compounded annually, or penalties may be recovered by action in the Franklin
19 Circuit Court against the county liable or may, at the request of the board, be
20 deducted from any other moneys payable to the county by any department or
21 agency of the state.
- 22 (3) If an agency is delinquent in the payment of contributions due in accordance with
23 any of the provisions of KRS 78.510 to 78.852, refunds and retirement allowance
24 payments to members of this agency may be suspended until the delinquent
25 contributions, with interest at the rate adopted by the board compounded annually,
26 or penalties have been paid to the system.

27 ➔Section 3. KRS 61.675 is amended to read as follows:

- 1 (1) The employer shall prepare the records and, from time to time, shall furnish the
2 information the system may require in the discharge of its duties. Upon employment
3 of an employee, the employer shall inform him of his duties and obligations in
4 connection with the system as a condition of employment.
- 5 (2) The system may at any time conduct an audit of the employer in order to determine
6 if the employer is complying with the provisions of KRS 16.505 to 16.652, 61.610
7 to 61.705, or 78.510 to 78.852. The system shall have access to and may examine
8 all books, accounts, reports, correspondence files, and records of any employer.
9 Every employer, employee, or agency reporting official of a department or county,
10 as defined in KRS 78.510(3), having records in his possession or under his control,
11 shall permit access to and examination of the records upon the request of the
12 system.
- 13 (3) (a) Any agency participating in the Kentucky Employees Retirement System
14 which is not an integral part of the executive branch of state government shall
15 file the following at the retirement office on or before the tenth day of the
16 month following the period being reported:
- 17 1. The employer and employee contributions required under KRS 61.560,
18 61.565, and 61.702;
 - 19 2. The employer contributions and reimbursements for retiree health
20 insurance premiums required under KRS 61.637; and
 - 21 3. A record of all contributions to the system on the forms prescribed by
22 the board.
- 23 (b) If the agency fails to file all contributions and reports on or before the tenth day of
24 the month following the period being reported, interest on the delinquent
25 contributions at the actuarial rate adopted by the board compounded annually, but
26 not less than one thousand dollars (\$1,000), ~~may~~shall be added to the amount due
27 the system.

1 ➔Section 4. KRS 61.702 is amended to read as follows:

- 2 (1) (a) 1. The board of trustees of Kentucky Retirement Systems shall arrange by
3 appropriate contract or on a self-insured basis to provide a group
4 hospital and medical insurance plan for present and future recipients of a
5 retirement allowance from the Kentucky Employees Retirement System,
6 County Employees Retirement System, and State Police Retirement
7 System, except as provided in subsection (8) of this section. The board
8 shall also arrange to provide health care coverage through an insurer
9 licensed pursuant to Subtitle 38 of KRS Chapter 304 and offering a
10 managed care plan as defined in KRS 304.17A-500, as an alternative to
11 group hospital and medical insurance for any person eligible for hospital
12 and medical benefits under this section.
- 13 2. Any person who chooses coverage under a hospital and medical
14 insurance plan shall pay, by payroll deduction from the retirement
15 allowance or by another method, the difference in premium between the
16 cost of the hospital and medical insurance plan coverage and the benefits
17 to which he would be entitled under this section.
- 18 3. For purposes of this section, "hospital and medical insurance plan" may
19 include, at the board's discretion, any one (1) or more of the following:
- 20 a. Any hospital and medical expense policy or certificate, provider-
21 sponsored integrated health delivery network, self-insured medical
22 plan, health maintenance organization contract, or other health
23 benefit plan;
- 24 b. Any health savings account as permitted by 26 U.S.C. sec. 223 or
25 health reimbursement arrangement or a similar account as may be
26 permitted by 26 U.S.C. sec. 105 or 106. Such arrangement or
27 account, in the board's discretion, may reimburse any medical

1 expense permissible under 26 U.S.C. sec. 213; or

2 c. A medical insurance reimbursement program established by the
3 board through the promulgation of administrative regulation under
4 which members purchase individual health insurance coverage
5 through a health insurance exchange established under 42 U.S.C.
6 sec. 18031 or 18041.

7 (b) The board may authorize present and future recipients of a retirement
8 allowance from any of the three (3) retirement systems to be included in the
9 state employees' group for hospital and medical insurance and shall provide
10 benefits for recipients equal to those provided to state employees having the
11 same Medicare hospital and medical insurance eligibility status, except as
12 provided in subsection (8) of this section. Notwithstanding the provisions of
13 any other statute, recipients shall be included in the same class as current state
14 employees in determining medical insurance policies and premiums.

15 (c) For recipients of a retirement allowance who are not eligible for the same
16 level of hospital and medical benefits as recipients living in Kentucky having
17 the same Medicare hospital and medical insurance eligibility status, the board
18 shall provide a medical insurance reimbursement plan as described in
19 subsection (7) of this section.

20 (d) Notwithstanding anything in KRS Chapter 61 to the contrary, the board of
21 trustees, in its discretion, may take necessary steps to ensure compliance with
22 42 U.S.C. secs. 300bb-1 et seq., including but not limited to receiving
23 contributions and premiums from, and providing benefits pursuant to this
24 section to, persons entitled to continuation coverage under 42 U.S.C. secs.
25 300bb-1 et seq., regardless of whether such persons are recipients of a
26 retirement allowance.

27 (2) (a) Each employer participating in the State Police Retirement System as

1 provided for in KRS 16.505 to 16.652, each employer participating in the
2 County Employees Retirement System as provided in KRS 78.510 to 78.852,
3 and each employer participating in the Kentucky Employees Retirement
4 System as provided for in KRS 61.510 to 61.705 shall contribute to the
5 Kentucky Retirement Systems insurance trust fund the amount necessary to
6 provide hospital and medical insurance as provided for under this section.
7 Such employer contribution rate shall be developed by appropriate actuarial
8 method as a part of the determination of each respective employer
9 contribution rate to each respective retirement system determined under KRS
10 61.565.

- 11 (b) 1. Each employer described in paragraph (a) of this subsection shall deduct
12 from the creditable compensation of each member having a membership
13 date on or after September 1, 2008~~, and effective January 1, 2019, of~~
14 ~~each member having a membership date on or after July 1, 2003, but~~
15 ~~prior to September 1, 2008~~, an amount equal to one percent (1%) of the
16 member's creditable compensation. The deducted amounts shall, at the
17 discretion of the board, be credited to accounts established pursuant to
18 26 U.S.C. sec. 401(h), within the funds established in KRS 16.510,
19 61.515, and 78.520, or the Kentucky Retirement Systems insurance
20 trust fund established under KRS 61.701, or partially to one fund with
21 the remainder deposited to the other fund. Notwithstanding the
22 provisions of this paragraph, a transfer of assets between the accounts
23 established pursuant to 26 U.S.C. sec. 401(h), within the funds
24 established in KRS 16.510, 61.515, and 78.520, and the Kentucky
25 Retirement Systems insurance trust fund established under KRS
26 61.701 shall not be allowed.
- 27 2. The employer shall file the contributions as provided by subparagraph 1.

1 of this paragraph at the retirement office in accordance with KRS 61.675
2 and 78.625. Any interest or penalties paid on any delinquent
3 contributions shall be credited to accounts established pursuant to 26
4 U.S.C. sec. 401(h), within the funds established in KRS 16.510, 61.515,
5 and 78.520, *or the Kentucky Retirement Systems insurance trust fund*
6 *established under KRS 61.701*. Notwithstanding any minimum
7 compensation requirements provided by law, the deductions provided by
8 this paragraph shall be made, and the compensation of the member shall
9 be reduced accordingly.

10 3. Each employer shall submit payroll reports, contributions lists, and other
11 data as may be required by administrative regulation promulgated by the
12 board of trustees pursuant to KRS Chapter 13A.

13 4. Every member shall be deemed to consent and agree to the deductions
14 made pursuant to this paragraph, and the payment of salary or
15 compensation less the deductions shall be a full and complete discharge
16 of all claims for services rendered by the person during the period
17 covered by the payment, except as to any benefits provided by KRS
18 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852. No member
19 may elect whether to participate in, or choose the contribution amount
20 *payable* to accounts established pursuant to 26 U.S.C. sec. 401(h) within
21 the funds established in KRS 16.510, 61.515, and 78.520, *or the*
22 *Kentucky Retirement Systems insurance trust fund established under*
23 *KRS 61.701*. The member shall have no option to receive the
24 contribution required by this paragraph directly instead of having the
25 contribution paid to accounts established pursuant to 26 U.S.C. sec.
26 401(h) within the funds established in KRS 16.510, 61.515, and 78.520,
27 *or the Kentucky Retirement Systems insurance trust fund established*

1 under KRS 61.701. No member may receive a rebate or refund of
2 contributions. If a member establishes a membership date prior to
3 September 1, 2008, pursuant to KRS 61.552(1) or 61.552(20), then this
4 paragraph shall not apply to the member and all contributions previously
5 deducted in accordance with this paragraph shall be refunded to the
6 member without interest. The contribution made pursuant to this
7 paragraph shall not act as a reduction or offset to any other contribution
8 required of a member or recipient under KRS 16.505 to 16.652, 61.510
9 to 61.705, and 78.510 to 78.852.

10 5. The board of trustees, at its discretion, may direct that the contributions
11 required by this paragraph be accounted for within accounts established
12 pursuant to 26 U.S.C. sec. 401(h) within the funds established in KRS
13 16.510, 61.515, and 78.520, or the Kentucky Retirement Systems
14 insurance trust fund established under KRS 61.701, through the use of
15 separate accounts.

16 (3) (a) The premium required to provide hospital and medical benefits under this
17 section shall be paid:

18 1. Wholly or partly from funds contributed by the recipient of a retirement
19 allowance, by payroll deduction, or otherwise;

20 2. Wholly or partly from funds contributed by the Kentucky Retirement
21 Systems insurance trust fund;

22 3. Wholly or partly from funds contributed to accounts established
23 pursuant to 26 U.S.C. sec. 401(h) within the funds established in KRS
24 16.510, 61.515, and 78.520;

25 4. Wholly or partly from funds contributed by another state-administered
26 retirement system under a reciprocal arrangement, except that any
27 portion of the premium paid from the Kentucky Retirement Systems

1 insurance trust fund or accounts established pursuant to 26 U.S.C. sec.
2 401(h) within the funds established in KRS 16.510, 61.515, and 78.520
3 under a reciprocal agreement shall not exceed the amount that would be
4 payable under this section if all the member's service were in one (1) of
5 the systems administered by the Kentucky Retirement Systems;

6 5. Partly from subparagraphs 1. to 4. of this paragraph, except that any
7 premium for hospital and medical insurance over the amount contributed
8 by the Kentucky Retirement Systems insurance trust fund; accounts
9 established pursuant to 26 U.S.C. sec. 401(h) within the funds
10 established in KRS 16.510, 61.515, and 78.520; or another state-
11 administered retirement system under a reciprocal agreement shall be
12 paid by the recipient by an automatic electronic transfer of funds. If the
13 board provides for cross-referencing of insurance premiums, the
14 employer's contribution for the working member or spouse shall be
15 applied toward the premium, and the Kentucky Retirement Systems
16 insurance trust fund or accounts established pursuant to 26 U.S.C. sec.
17 401(h) within the funds established in KRS 16.510, 61.515, and 78.520
18 shall pay the balance, not to exceed the monthly contribution; or

19 6. In full from the Kentucky Retirement Systems insurance trust fund or
20 accounts established pursuant to 26 U.S.C. sec. 401(h) within the funds
21 established in KRS 16.510, 61.515, and 78.520 for all recipients of a
22 retirement allowance from any of the three (3) retirement systems where
23 such recipient is a retired former member of one (1) or more of the three
24 (3) retirement systems (not a beneficiary or dependent child receiving
25 benefits) and had two hundred and forty (240) months or more of service
26 upon retirement. Should such recipient have less than two hundred forty
27 (240) months of service but have at least one hundred eighty (180)

1 months of service, seventy-five percent (75%) of such premium shall be
2 paid from the insurance trust fund or accounts established pursuant to 26
3 U.S.C. sec. 401(h) within the funds established in KRS 16.510, 61.515,
4 and 78.520, provided such recipient agrees to pay the remaining twenty-
5 five percent (25%) by payroll deduction from his retirement allowance
6 or by another method. Should such recipient have less than one hundred
7 eighty (180) months of service but have at least one hundred twenty
8 (120) months of service, fifty percent (50%) of such premium shall be
9 paid from the insurance trust fund or accounts established pursuant to 26
10 U.S.C. sec. 401(h) within the funds established in KRS 16.510, 61.515,
11 and 78.520, provided such recipient agrees to pay the remaining fifty
12 percent (50%) by payroll deduction from his retirement allowance or by
13 another method. Should such recipient have less than one hundred
14 twenty (120) months of service but have at least forty-eight (48) months
15 of service, twenty-five percent (25%) of such premium shall be paid
16 from the insurance trust fund or accounts established pursuant to 26
17 U.S.C. sec. 401(h) within the funds established in KRS 16.510, 61.515,
18 and 78.520, provided such recipient agrees to pay the remaining seventy-
19 five percent (75%) by payroll deduction from his retirement allowance
20 or by another method. Notwithstanding the foregoing provisions of this
21 subsection, an employee participating in one (1) of the retirement
22 systems administered by the Kentucky Retirement Systems who
23 becomes disabled as a direct result of an act in line of duty as defined in
24 KRS 16.505 or as a result of a duty-related injury as defined in KRS
25 61.621, shall have his premium paid in full as if he had two hundred
26 forty (240) months or more of service. Further, an employee
27 participating in one (1) of the retirement systems administered by the

1 Kentucky Retirement Systems who is killed as a direct result of an act in
2 line of duty as defined in KRS 16.505 or as a result of a duty-related
3 injury as defined in KRS 61.621, shall have the premium for the
4 beneficiary, if the beneficiary is the member's spouse, and for each
5 dependent child as defined in KRS 16.505, paid so long as they
6 individually remain eligible for a monthly retirement benefit. "Months of
7 service" as used in this section shall mean the total months of combined
8 service used to determine benefits under any or all of the three (3)
9 retirement systems, except service added to determine disability benefits
10 shall not be counted as "months of service." For current and former
11 employees of the Council on Postsecondary Education who were
12 employed prior to January 1, 1993, and who earn at least fifteen (15)
13 years of service credit in the Kentucky Employees Retirement System,
14 "months of service" shall also include vested service in another
15 retirement system other than the Kentucky Teachers' Retirement System
16 sponsored by the Council on Postsecondary Education.

- 17 (b) 1. For a member electing insurance coverage through the Kentucky
18 Retirement Systems, "months of service" shall include, in addition to
19 service as described in paragraph (a) of this subsection, service credit in
20 one (1) of the other state-administered retirement plans.
- 21 2. Effective August 1, 1998, the Kentucky Retirement Systems shall
22 compute the member's combined service, including service credit in
23 another state-administered retirement plan, and calculate the portion of
24 the member's premium to be paid by the insurance trust fund accounts
25 established pursuant to 26 U.S.C. sec. 401(h) within the funds
26 established in KRS 16.510, 61.515, and 78.520, according to the criteria
27 established in paragraph (a) of this subsection. Each state-administered

1 retirement plan annually shall pay to the insurance trust fund the
2 percentage of the system's cost of the retiree's monthly contribution for
3 single coverage for hospital and medical insurance which shall be equal
4 to the percentage of the member's number of months of service in the
5 other state-administered retirement plan divided by his total combined
6 service. The amounts paid by the other state-administered retirement
7 plans and the insurance trust fund or accounts established pursuant to 26
8 U.S.C. sec. 401(h) within the funds established in KRS 16.510, 61.515,
9 and 78.520 shall not be more than one hundred percent (100%) of the
10 monthly contribution adopted by the respective boards of trustees.

11 3. A member may not elect coverage for hospital and medical benefits
12 under this subsection through more than one (1) of the state-
13 administered retirement plans.

14 4. A state-administered retirement plan shall not pay any portion of a
15 member's monthly contribution for medical insurance unless the member
16 is a recipient or annuitant of the plan.

17 5. The premium paid by the Kentucky Retirement Systems insurance trust
18 fund or accounts established pursuant to 26 U.S.C. sec. 401(h) within
19 the funds established in KRS 16.510, 61.515, and 78.520 shall not
20 exceed one hundred percent (100%) of the monthly contribution rate
21 toward hospital and medical insurance coverage approved by the board
22 of trustees of the Kentucky Retirement Systems.

23 (4) (a) Group rates under the hospital and medical insurance plan shall be made
24 available to the spouse, each dependent child, and each disabled child,
25 regardless of the disabled child's age, of a recipient who is a former member
26 or the beneficiary, if the premium for the hospital and medical insurance for
27 the spouse, each dependent child, and each disabled child, or beneficiary is

1 paid by payroll deduction from the retirement allowance or by another
2 method. For purposes of this subsection only, a child shall be considered
3 disabled if he has been determined to be eligible for federal Social Security
4 disability benefits or meets the dependent disability standard established by
5 the Department of Employee Insurance in the Personnel Cabinet.

6 (b) The other provisions of this section notwithstanding, the insurance trust fund
7 or accounts established pursuant to 26 U.S.C. sec. 401(h) within the funds
8 established in KRS 16.510, 61.515, and 78.520 shall pay a percentage of the
9 monthly contribution for the spouse and for each dependent child of a
10 recipient who was a member of the General Assembly and is receiving a
11 retirement allowance based on General Assembly service, of the Kentucky
12 Employees Retirement System and determined to be in a hazardous position,
13 of the County Employees Retirement System, and determined to be in a
14 hazardous position or of the State Police Retirement System. The percentage
15 of the monthly contribution paid for the spouse and each dependent child of a
16 recipient who was in a hazardous position shall be based solely on the
17 member's service with the State Police Retirement System or service in a
18 hazardous position using the formula in subsection (3)(a) of this section,
19 except that for any recipient of a retirement allowance from the County
20 Employees Retirement System who was contributing to the system on January
21 1, 1998, for service in a hazardous position, the percentage of the monthly
22 contribution shall be based on the total of hazardous service and any
23 nonhazardous service as a police or firefighter with the same agency, if that
24 agency was participating in the County Employees Retirement System but did
25 not offer hazardous duty coverage for its police and firefighters at the time of
26 initial participation.

27 (c) The insurance trust fund or accounts established pursuant to 26 U.S.C. sec.

1 401(h) within the funds established in KRS 16.510, KRS 61.515, and 78.520
2 shall continue the same level of coverage for a recipient who was a member of
3 the County Employees Retirement System after the age of sixty-five (65) as
4 before the age of sixty-five (65), if the recipient is not eligible for Medicare
5 coverage. If the insurance trust fund or accounts established pursuant to 26
6 U.S.C. sec. 401(h) within the funds established in KRS 16.510, 61.515, and
7 78.520 provides coverage for the spouse or each dependent child of a former
8 member of the County Employees Retirement System, the insurance trust fund
9 or accounts established pursuant to 26 U.S.C. sec. 401(h) within the funds
10 established in KRS 16.510, 61.515, and 78.520 shall continue the same level
11 of coverage for the spouse or each dependent child after the age of sixty-five
12 (65) as before the age of sixty-five (65), if the spouse or dependent child is not
13 eligible for Medicare coverage.

14 (5) After July 1, 1998, notwithstanding any other provision to the contrary, a member
15 who holds a judicial office but did not elect to participate in the Judicial Retirement
16 Plan and is participating instead in the Kentucky Employees Retirement System, the
17 County Employees Retirement System, or the State Police Retirement System, as
18 provided in KRS 61.680, and who has at least twenty (20) years of total service,
19 one-half (1/2) of which is in a judicial office, shall receive the same hospital and
20 medical insurance benefits, including paid benefits for spouse and dependents, as
21 provided to persons retiring under the provisions of KRS 21.427. The
22 Administrative Office of the Courts shall pay the cost of the medical insurance
23 benefits provided by this subsection.

24 (6) Premiums paid for hospital and medical insurance coverage procured under
25 authority of this section shall be exempt from any premium tax which might
26 otherwise be required under KRS Chapter 136. The payment of premiums by the
27 insurance trust fund or accounts established pursuant to 26 U.S.C. sec. 401(h)

1 within the funds established in KRS 16.510, 61.515, and 78.520 shall not constitute
2 taxable income to an insured recipient. No commission shall be paid for hospital
3 and medical insurance procured under authority of this section.

4 (7) The board shall promulgate an administrative regulation to establish a medical
5 insurance reimbursement plan to provide reimbursement for hospital and medical
6 insurance premiums of recipients of a retirement allowance who are not eligible for
7 the same level of hospital and medical benefits as recipients living in Kentucky and
8 having the same Medicare hospital and medical insurance eligibility status. An
9 eligible recipient shall file proof of payment for hospital and medical insurance at
10 the retirement office. Reimbursement to eligible recipients shall be made on a
11 quarterly basis. The recipient shall be eligible for reimbursement of substantiated
12 medical insurance premiums for an amount not to exceed the total monthly
13 premium determined under subsection (3) of this section. The plan shall not be
14 made available if all recipients are eligible for the same coverage as recipients
15 living in Kentucky.

16 (8) (a) 1. For employees having a membership date on or after July 1, 2003, and
17 before September 1, 2008, participation in the insurance benefits
18 provided under this section shall not be allowed until the employee has
19 earned at least one hundred twenty (120) months of service in the state-
20 administered retirement systems.

21 2. For an employee having a membership date on or after September 1,
22 2008, participation in the insurance benefits provided under this section
23 shall not be allowed until the employee has earned at least one hundred
24 eighty (180) months of service credited under KRS 16.543(1),
25 61.543(1), or 78.615(1) or another state-administered retirement system.

26 (b) An employee who meets the minimum service requirements as provided by
27 paragraph (a) of this subsection shall be eligible for benefits as follows:

- 1 1. For employees who are not in a hazardous position, a monthly insurance
2 contribution of ten dollars (\$10) for each year of service as a
3 participating employee.
- 4 2. For employees who are in a hazardous position or who participate in the
5 State Police Retirement System, a monthly insurance contribution of
6 fifteen dollars (\$15) for each year of service as a participating employee
7 in a hazardous position or as a participating member of the State Police
8 Retirement System. Upon the death of the retired member, the
9 beneficiary, if the beneficiary is the member's spouse, shall be entitled to
10 a monthly insurance contribution of ten dollars (\$10) for each year of
11 service the member attained as a participating employee in a hazardous
12 position or as a participating member of the State Police Retirement
13 System.
- 14 (c) 1. The minimum service requirement to participate in benefits as provided
15 by paragraph (a) of this subsection shall be waived for a member who is
16 disabled as a direct result of an act in line of duty as defined in KRS
17 16.505, and the member or his spouse and eligible dependents shall be
18 entitled to the benefits payable under this subsection as though the
19 member had twenty (20) years of service in a hazardous position.
- 20 2. The minimum service required to participate in benefits as provided by
21 paragraph (a) of this subsection shall be waived for a member who is
22 disabled by a duty-related injury as defined in KRS 61.621, and the
23 member shall be entitled to the benefits payable under this subsection as
24 though the member has twenty (20) years of service in a nonhazardous
25 position.
- 26 3. Notwithstanding the provisions of this section, the minimum service
27 required to participate in benefits as provided by paragraph (a) of this

1 subsection shall be waived for a member who dies as a direct result of an
2 act in line of duty as defined in KRS 16.505 or who dies as a result of a
3 duty-related injury as defined in KRS 61.621, and the premium for the
4 member's spouse and for each dependent child as defined in KRS 16.505
5 shall be paid in full by the systems so long as they individually remain
6 eligible for a monthly retirement benefit.

7 (d) Except as provided by paragraph (c)3. of this subsection, the monthly
8 insurance contribution amount shall be increased July 1 of each year by one
9 and one-half percent (1.5%). The increase shall be cumulative and shall
10 continue to accrue after the member's retirement for as long as a monthly
11 insurance contribution is payable to the retired member or beneficiary.

12 (e) The benefits of this subsection provided to a member whose participation
13 begins on or after July 1, 2003, shall not be considered as benefits protected
14 by the inviolable contract provisions of KRS 61.692, 16.652, and 78.852. The
15 General Assembly reserves the right to suspend or reduce the benefits
16 conferred in this subsection if in its judgment the welfare of the
17 Commonwealth so demands.

18 (f) An employee whose membership date is on or after September 1, 2008, who
19 retires and is reemployed in a regular full-time position required to participate
20 in one (1) of the systems administered by Kentucky Retirement Systems shall
21 not be eligible for health insurance coverage or benefits provided by this
22 section and shall take coverage with his or her employing agency during the
23 period of reemployment in a regular full-time position.

24 ➔Section 5. Notwithstanding the provisions of Section 1 of this Act or 2013 Ky.
25 Acts ch. 120 to the contrary, the successor of the County Employees Retirement System
26 trustee whose election as trustee was completed in accordance with 2013 Ky. Acts ch.
27 120, sec. 82, shall be elected during the period of January 1, 2021, through March 31,

1 2021, in accordance with procedures set forth in Section 1 of this Act and the election
2 policy adopted by the board of trustees, but shall not take office until November 1, 2021,
3 and shall serve a term of office ending March 31, 2025.