

1 AN ACT relating to in line of duty disability benefits and declaring an emergency.

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

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

4 (1) For purposes of this section:

5 (a) "Hospital and medical insurance plan" may include, at the board's discretion,
6 any one (1) or more of the following:

- 7 1. Any hospital and medical expense policy or certificate, provider-
8 sponsored integrated health delivery network, self-insured medical plan,
9 health maintenance organization contract, or other health benefit plan;
- 10 2. Any health savings account as permitted by 26 U.S.C. sec. 223 or health
11 reimbursement arrangement or a similar account as may be permitted by
12 26 U.S.C. sec. 105 or 106. Such arrangement or account, at the board's
13 discretion, may reimburse any medical expense permissible under 26
14 U.S.C. sec. 213; or
- 15 3. A medical insurance reimbursement program established by the board
16 through the promulgation of administrative regulation under which
17 members purchase individual health insurance coverage through a health
18 insurance exchange established under 42 U.S.C. sec. 18031 or 18041;

19 (b) "Monthly contribution rate" is the amount determined by the board based
20 upon the requirements of subsection (4)(a) to (d) of this section, except that
21 for members who began participating in the system on or after July 1, 2003,
22 the term shall mean the amount determined in subsection (4)(e) of this
23 section; and

24 (c) "Months of service" means the total months of combined service used to
25 determine benefits under the system, except service added to determine
26 disability benefits or service otherwise prohibited from being used to
27 determine retiree health benefits under KRS 16.505 to 16.652 or 61.510 to

1 61.705 shall not be counted as "months of service." For current and former
2 employees of the Council on Postsecondary Education who were employed
3 prior to January 1, 1993, and who earn at least fifteen (15) years of service
4 credit in the Kentucky Employees Retirement System, "months of service"
5 shall also include vested service in another retirement system other than the
6 Kentucky Teachers' Retirement System sponsored by the Council on
7 Postsecondary Education.

8 (2) (a) 1. The board of trustees of the system shall arrange by appropriate contract
9 or on a self-insured basis to provide a group hospital and medical
10 insurance plan coverage for:

11 a. Present and future recipients of a retirement allowance from the
12 Kentucky Employees Retirement System and the State Police
13 Retirement System; and

14 b. The spouse and each qualified dependent of a recipient who is a
15 former member or the beneficiary, provided the spouse and
16 dependent meet the requirements to participate in the hospital and
17 medical insurance plans established, contracted, or authorized by
18 the system.

19 2. Any recipient who chooses coverage under a hospital and medical
20 insurance plan shall pay, by payroll deduction from the retirement
21 allowance, electronic funds transfer, or by another method, the
22 difference between the premium cost of the hospital and medical
23 insurance plan coverage selected and the monthly contribution rate to
24 which he or she would be entitled under this section.

25 (b) 1. For present and future recipients of a retirement allowance from the
26 system who are not eligible for Medicare and for those recipients
27 described in subparagraph 3.b. of this paragraph, the board may

1 authorize these participants to be included in the Kentucky Employees
2 Health Plan as provided by KRS 18A.225 to 18A.2287 and shall provide
3 benefits for recipients in the plan equal to those provided to state
4 employees having the same Medicare hospital and medical insurance
5 eligibility status. Notwithstanding the provisions of any other statute
6 except subparagraph 3.b. of this paragraph, system recipients shall be
7 included in the same class as current state employees for purposes of
8 determining medical insurance policies and premiums in the Kentucky
9 Employees Health Plan as provided by KRS 18A.225 to 18A.2287.

10 2. Regardless of age, if a recipient or the spouse or dependent child of a
11 recipient who elects coverage becomes eligible for Medicare, he or she
12 shall participate in the plans offered by the systems for Medicare
13 eligible recipients. Individuals participating in the Medicare eligible
14 plans may be required to obtain and pay for Medicare Part A and Part B
15 coverage, in order to participate in the Medicare eligible plans offered
16 by the system.

17 3. The system shall continue to provide the same hospital and medical
18 insurance plan coverage for recipients and qualifying dependents after
19 the age of sixty-five (65) as before the age of sixty-five (65), if:

- 20 a. The recipient is not eligible for Medicare coverage; or
21 b. The recipient would otherwise be eligible for Medicare coverage
22 but is subject to the Medicare Secondary Payer Act under 42
23 U.S.C. sec. 1395y(b) and has been reemployed by a participating
24 agency which offers the recipient a hospital and medical insurance
25 benefit or by a participating agency which is prevented from
26 offering a hospital and medical benefit to the recipient as a
27 condition of reemployment under KRS 70.293, 95.022, or

1 164.952. Individuals who are eligible, pursuant to this subdivision,
2 to be included in the Kentucky Employees Health Plan as provided
3 by KRS 18A.225 to 18A.2287 may be rated as a separate class
4 from other eligible employees and retirees for the purpose of
5 determining medical insurance premiums.

6 (c) For recipients of a retirement allowance who are not eligible for the same
7 level of hospital and medical benefits as recipients living in Kentucky having
8 the same Medicare hospital and medical insurance eligibility status, the board
9 shall provide a medical insurance reimbursement plan as described in
10 subsection (6) of this section.

11 (d) Notwithstanding anything in KRS Chapter 16 or 61 to the contrary, the board
12 of trustees, in its discretion, may take necessary steps to ensure compliance
13 with 42 U.S.C. ~~sec. 1395j-3~~ 300bb-1 et seq.

14 (3) (a) Each employer participating in the Kentucky Employees Retirement System
15 or the State Police Retirement System as provided in KRS 16.505 to 16.652 or
16 61.510 to 61.705 shall contribute to the insurance trust fund established under
17 KRS 61.701 the amount necessary to provide the monthly contribution rate as
18 provided for under this section. Such employer contribution rate shall be
19 developed by appropriate actuarial method as a part of the determination of
20 each respective employer contribution rate determined under KRS 61.565.

21 (b) 1. Each employer described in paragraph (a) of this subsection shall deduct
22 from the creditable compensation of each member whose membership
23 date begins on or after September 1, 2008, an amount equal to one
24 percent (1%) of the member's creditable compensation. The deducted
25 amounts shall, at the discretion of the board, be credited to accounts
26 established pursuant to 26 U.S.C. sec. 401(h), within the funds
27 established in KRS 16.510 and 61.515, or the insurance trust fund

1 established under KRS 61.701. Notwithstanding the provisions of this
2 paragraph, a transfer of assets between the accounts established pursuant
3 to 26 U.S.C. sec. 401(h), within the funds established in KRS 16.510
4 and 61.515, and the insurance trust fund established under KRS 61.701
5 shall not be allowed.

6 2. The employer shall file the contributions as provided by subparagraph 1.
7 of this paragraph at the retirement office in accordance with KRS
8 61.675. Any interest or penalties paid on any delinquent contributions
9 shall be credited to accounts established pursuant to 26 U.S.C. sec.
10 401(h), within the funds established in KRS 16.510 and 61.515, or the
11 insurance trust fund established under KRS 61.701. Notwithstanding
12 any minimum compensation requirements provided by law, the
13 deductions provided by this paragraph shall be made, and the
14 compensation of the member shall be reduced accordingly.

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

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

1 required by this paragraph directly instead of having the contribution
2 paid to accounts established pursuant to 26 U.S.C. sec. 401(h) within the
3 funds established in KRS 16.510 and 61.515, or the insurance trust fund
4 established under KRS 61.701. No member may receive a rebate or
5 refund of contributions. If a member establishes a membership date
6 prior to September 1, 2008, pursuant to KRS 61.552(2) or (3), then this
7 paragraph shall not apply to the member and all contributions previously
8 deducted in accordance with this paragraph shall be refunded to the
9 member without interest. The contribution made pursuant to this
10 paragraph shall not act as a reduction or offset to any other contribution
11 required of a member or recipient under KRS 16.505 to 16.652 or
12 61.510 to 61.705.

13 5. The board of trustees, at its discretion, may direct that the contributions
14 required by this paragraph be accounted for within accounts established
15 pursuant to 26 U.S.C. sec. 401(h) within the funds established in KRS
16 16.510 and 61.515, or the insurance trust fund established under KRS
17 61.701, through the use of separate accounts.

18 (4) (a) The premium required to provide hospital and medical insurance plan
19 coverage under this section shall be paid wholly or partly from funds
20 contributed by:

- 21 1. The recipient of a retirement allowance, by payroll deduction from his
22 or her retirement allowance, or by other method;
- 23 2. The insurance trust fund established under KRS 61.701 or accounts
24 established pursuant to 26 U.S.C. sec. 401(h) within the funds
25 established in KRS 16.510 and 61.515;
- 26 3. Another state-administered retirement system, including the County
27 Employees Retirement System, under a reciprocal arrangement, except

1 that any portion of the premium paid from the funds specified by
2 subparagraph 2. of this paragraph under a reciprocal agreement shall not
3 exceed the amount that would be payable under this section if all the
4 member's service were in the systems administered by the Kentucky
5 Retirement Systems. If the board provides for cross-referencing of
6 insurance premiums, the employer's contribution for the working
7 member or spouse shall be applied toward the premium, and the
8 insurance trust fund established under KRS 61.701 or accounts
9 established pursuant to 26 U.S.C. sec. 401(h) within the funds
10 established in KRS 16.510 and 61.515 shall pay the balance; or

- 11 4. A combination of the fund sources described by subparagraphs 1. to 3.
12 of this paragraph.

13 Group rates under the hospital and medical insurance plan shall be made
14 available to the spouse, each dependent child, and each disabled child,
15 regardless of the disabled child's age, of a recipient who is a former member
16 or the beneficiary, if the premium for the hospital and medical insurance for
17 the spouse, each dependent child, and each disabled child, or beneficiary is
18 paid by payroll deduction from the retirement allowance, electronic funds
19 transfer, or by another method. For purposes of this subsection only, a child
20 shall be considered disabled if he or she has been determined to be eligible for
21 federal Social Security disability benefits or meets the dependent disability
22 standard established by the Department of Employee Insurance in the
23 Personnel Cabinet.

- 24 (b) For a member who began participating in the system prior to July 1, 2003, the
25 monthly contribution rate shall be paid by the system from the funds specified
26 under paragraph (a)2. of this subsection and shall be equal to a percentage of
27 the single premium to cover the retired member as follows:

- 1 1. One hundred percent (100%) of the monthly premium for single
2 coverage shall be paid for a retired member who had two hundred forty
3 (240) months of service or more upon retirement or for a retired member
4 who when he or she was an employee became disabled as a direct result
5 of an act in line of duty as defined in KRS 16.505 or as a result of a
6 duty-related injury as defined in KRS 61.621;
 - 7 2. Seventy-five percent (75%) of the monthly premium for single coverage
8 shall be paid for a retired member who had less than two hundred forty
9 (240) months of service but at least one hundred eighty (180) months of
10 service upon retirement, provided such retired member agrees to pay the
11 remaining twenty-five percent (25%) by payroll deduction from his or
12 her retirement allowance, electronic funds transfer, or by another
13 method;
 - 14 3. Fifty percent (50%) of the monthly premium for single coverage shall be
15 paid for a retired member who had less than one hundred eighty (180)
16 months of service but had at least one hundred twenty (120) months of
17 service upon retirement, provided such retired member agrees to pay the
18 remaining fifty percent (50%) by payroll deduction from his or her
19 retirement allowance, electronic funds transfer, or by another method; or
 - 20 4. Twenty-five percent (25%) of the monthly premium for single coverage
21 shall be paid for a retired member who had less than one hundred twenty
22 (120) months of service but had at least forty-eight (48) months of
23 service upon retirement, provided such retired member agrees to pay the
24 remaining seventy-five percent (75%) by payroll deduction from his or
25 her retirement allowance, electronic funds transfer, or by another
26 method.
- 27 (c) Notwithstanding paragraph (b) of this subsection, for a member participating

1 in the system prior to July 1, 2003, who:

- 2 1. Dies as a direct result of an act in line of duty as defined in KRS 16.505
3 or dies as a result of a duty-related injury as defined in KRS 61.621, the
4 monthly premium shall be paid for his or her spouse so long as the
5 spouse remains eligible for a monthly retirement benefit;
- 6 2. Becomes totally and permanently disabled as defined in KRS 16.582 as
7 a direct result of an act in line of duty as defined in KRS 16.505,
8 receives a satisfactory determination of a hazardous disability that is a
9 direct result of an act in line of duty as defined in KRS 16.505, or
10 becomes disabled as a result of a duty-related injury as defined in KRS
11 61.621 and is eligible for the benefits provided by KRS 61.621(5)(a), the
12 monthly premium shall be paid for his or her spouse so long as the
13 member and the spouse individually remain eligible for a monthly
14 retirement benefit; and
- 15 3. Dies as a direct result of an act in line of duty as defined in KRS 16.505,
16 dies as a result of a duty-related injury as defined in KRS 61.621,
17 becomes totally and permanently disabled as defined in KRS 16.582 as a
18 direct result of an act in line of duty as defined in KRS 16.505, receives
19 a satisfactory determination of a hazardous disability that is a direct
20 result of an act in line of duty as defined in KRS 16.505, or becomes
21 disabled as a result of a duty-related injury as defined in KRS 61.621
22 and is eligible for the benefits provided by KRS 61.621(5)(a), the
23 monthly premium shall be paid for each dependent child as defined in
24 KRS 16.505, so long as the member remains eligible for a monthly
25 retirement benefit, unless deceased, and each dependent child
26 individually remains eligible under KRS 16.505.

- 27 (d) 1. For a member who began participating in the system prior to July 1,

1 2003, who was determined to be in a hazardous position in the Kentucky
2 Employees Retirement System or in a position in the State Police
3 Retirement System, or who is receiving a retirement allowance based on
4 General Assembly service, the funds specified under paragraph (a)2. of
5 this subsection shall also pay a percentage of the monthly contribution
6 rate sufficient to fund the premium costs for hospital and medical
7 insurance coverage for the spouse and for each dependent child of a
8 recipient.

- 9 2. The percentage of the monthly contribution rate paid for the spouse and
10 each dependent child of a recipient who was in a hazardous position or
11 who is receiving a retirement allowance based on General Assembly
12 service in accordance with subparagraph 1. of this paragraph shall be
13 based solely on the member's service in a hazardous position using the
14 formula in paragraph (b) of this subsection.

15 (e) For members who begin participating in the system on or after July 1, 2003:

- 16 1. Participation in the insurance benefits provided under this section shall
17 not be allowed until the member has earned at least one hundred twenty
18 (120) months of service in the state-administered retirement systems,
19 except that for members who begin participating in the system on or
20 after September 1, 2008, participation in the insurance benefits provided
21 under this section shall not be allowed until the member has earned at
22 least one hundred eighty (180) months of service credited under KRS
23 16.543(1) or 61.543(1), or another state-administered retirement system.
- 24 2. A member who meets the minimum service requirements as provided by
25 subparagraph 1. of this paragraph shall upon retirement be eligible for
26 the following monthly contribution rate to be paid on his or her behalf,
27 or on behalf of the spouse or dependent of a member with service in a

1 hazardous position, from the funds specified under paragraph (a)2. of
2 this subsection:

- 3 a. For members with service in a nonhazardous position, a monthly
4 insurance contribution of ten dollars (\$10) for each year of service
5 as a participating employee in a nonhazardous position;
- 6 b. For members with service in a hazardous position or who
7 participate in the State Police Retirement System, a monthly
8 insurance contribution of fifteen dollars (\$15) for each year of
9 service as a participating employee in a hazardous position or the
10 State Police Retirement System; and
- 11 c. Upon the death of the retired member, the beneficiary, if the
12 beneficiary is the member's spouse, shall be entitled to a monthly
13 insurance contribution of ten dollars (\$10) for each year of service
14 the member attained as a participating employee in a hazardous
15 position.

- 16 3. The minimum service requirement to participate in benefits as provided
17 by subparagraph 1. of this paragraph shall be waived for a member who
18 receives a satisfactory determination of a hazardous disability that is a
19 direct result of an act in line of duty as defined in KRS 16.505, and the
20 premium for the member, the member's spouse, and for each
21 dependent child as defined in KRS 16.505 shall be paid in full by the
22 systems so long as the member, member's spouse, or dependent child
23 individually remains eligible for a monthly retirement benefit~~member~~
24 ~~shall be entitled to the benefits payable under this subsection as though~~
25 ~~the member had twenty (20) years of service in a hazardous position].~~

- 26 4. The minimum service required to participate in benefits as provided by
27 subparagraph 1. of this paragraph shall be waived for a member who is

1 disabled as a result of a duty-related injury as defined in KRS 61.621
2 and is eligible for the benefits provided by KRS 61.621(5)(b), and the
3 member shall be entitled to the benefits payable under this subsection as
4 though the member had twenty (20) years of service in a nonhazardous
5 position.

6 5. Notwithstanding the provisions of this paragraph, the minimum service
7 requirement to participate in benefits as provided by subparagraph 1. of
8 this paragraph shall be waived for a for a member who dies as a direct
9 result of an act in line of duty as defined in KRS 16.505, who becomes
10 totally and permanently disabled as defined in KRS 16.582 as a direct
11 result of an act in line of duty as defined in KRS 16.505, who dies as a
12 result of a duty-related injury as defined in KRS 61.621, or who
13 becomes disabled as a result of a duty-related injury as defined in KRS
14 61.621 and is eligible for the benefits provided by KRS 61.621(5)(a),
15 and the premium for the member, the member's spouse, and for each
16 dependent child as defined in KRS 16.505 shall be paid in full by the
17 systems so long as the member, member's spouse, or dependent child
18 individually remains eligible for a monthly retirement benefit.

19 6. Except as provided by subparagraphs 3. and 4.~~subparagraph 5.~~ of this
20 paragraph, the monthly insurance contribution amount shall be
21 increased:

22 a. On July 1 of each year by one and one-half percent (1.5%). The
23 increase shall be cumulative and shall continue to accrue after the
24 member's retirement for as long as a monthly insurance
25 contribution is payable to the retired member or beneficiary but
26 shall not apply to any increase in the contribution attributable to
27 the increase specified by subdivision b. of this subparagraph; and

- 1 b. On January 1 of each year by five dollars (\$5) for members who
2 have accrued an additional full year of service as a participating
3 employee beyond the career threshold, subject to the following
4 restrictions:
- 5 i. The additional insurance contribution provided by this
6 subdivision shall only be applied to the monthly contribution
7 amounts provided under subparagraph 2.a. and b. of this
8 paragraph;
- 9 ii. The additional insurance contribution provided by this
10 subdivision shall only be payable towards the health plans
11 offered by the system to retirees who are not eligible for
12 Medicare or for reimbursements provided to retirees not
13 eligible for Medicare pursuant to subsection (6)(a)2. of this
14 section; and
- 15 iii. In order for the annual increase to occur as provided by this
16 subdivision, the funding level of retiree health benefits for
17 the system in which the employee is receiving the additional
18 insurance contribution shall be at least ninety percent (90%)
19 as of the most recent actuarial valuation and be projected by
20 the actuary to remain ninety percent (90%) for the year in
21 which the increase is provided.
- 22 7. The benefits of this paragraph provided to a member whose participation
23 begins on or after July 1, 2003, shall not be considered as benefits
24 protected by the inviolable contract provisions of KRS 16.652 or
25 61.692. The General Assembly reserves the right to suspend or reduce
26 the benefits conferred in this paragraph if in its judgment the welfare of
27 the Commonwealth so demands.

- 1 8. An employee whose membership date is on or after September 1, 2008,
2 who retires and is reemployed in a regular full-time position required to
3 participate in the system or the County Employees Retirement System
4 shall not be eligible for health insurance coverage or benefits provided
5 by this section and shall take coverage with his or her employing agency
6 during the period of reemployment in a regular full-time position.
- 7 9. For purposes of this paragraph:
- 8 a. "Career threshold" for a member with service in a nonhazardous
9 position means twenty-seven (27) years of service credited under
10 KRS 16.543(1), 61.543(1), 78.615(1), or another state-
11 administered retirement system and for a member with service in a
12 hazardous position means the service requirements specified by
13 KRS 16.577(2) or (3) or 16.583(6)(b), as applicable; and
- 14 b. "Funding level" means the actuarial value of assets divided by the
15 actuarially accrued liability expressed as a percentage that is
16 determined and reported by the system's actuary in the annual
17 actuarial valuation.
- 18 (f) For members with service in another state-administered retirement system
19 who select hospital and medical insurance plan coverage through the system:
- 20 1. The system shall compute the member's combined service, including
21 service credit in another state-administered retirement system, and
22 calculate the portion of the member's premium monthly contribution rate
23 to be paid by the funds specified under paragraph (a)2. of this subsection
24 according to the criteria established in paragraphs (a) to (e) of this
25 subsection. Each state-administered retirement system shall pay
26 annually to the insurance trust fund established under KRS 61.701 the
27 portion of the system's cost of the retiree's monthly contribution for

1 single coverage for hospital and medical insurance plan which shall be
2 equal to the percentage of the member's number of months of service in
3 the other state-administered retirement plan divided by his or her total
4 combined service and in conjunction with the reciprocal agreement
5 established between the system and the other state-administered
6 retirement systems. The amounts paid by the other state-administered
7 retirement plans and by the Kentucky Retirement Systems from funds
8 specified under paragraph (a)2. of this subsection shall not be more than
9 one hundred percent (100%) of the monthly contribution adopted by the
10 respective boards of trustees;

11 2. A member may not elect coverage for hospital and medical benefits
12 through more than one (1) of the state-administered retirement systems;
13 and

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

17 (5) Premiums paid for hospital and medical insurance coverage procured under
18 authority of this section shall be exempt from any premium tax which might
19 otherwise be required under KRS Chapter 136. The payment of premiums by the
20 funds described by subsection (4)(a)2. of this section shall not constitute taxable
21 income to an insured recipient. No commission shall be paid for hospital and
22 medical insurance procured under authority of this section.

23 (6) (a) The board shall promulgate an administrative regulation to establish a medical
24 insurance reimbursement plan to provide reimbursement for hospital and
25 medical insurance plan premiums of recipients of a retirement allowance who:

26 1. Are not eligible for the same level of hospital and medical benefits as
27 recipients living in Kentucky and having the same Medicare hospital

1 and medical insurance eligibility status; or

2 2. Are eligible for retiree health subsidies as provided by subsection (4)(e)
3 of this section, except for those recipients eligible for full premium
4 subsidies under subsection (4)(e)5. of this section. The reimbursement
5 program as provided by this subparagraph shall be available to the
6 recipient regardless of the hospital and medical insurance plans offered
7 by the systems.

8 (b) An eligible recipient shall file proof of payment for hospital and medical
9 insurance plan coverage with the retirement office. Reimbursement to eligible
10 recipients shall be made on a quarterly basis. The recipient shall be eligible
11 for reimbursement of substantiated medical insurance premiums for an
12 amount not to exceed the total monthly contribution rate determined under
13 subsection (4) of this section.

14 (c) For purposes of recipients described by paragraph (a)1. of this subsection, the
15 plan shall not be made available if all recipients are eligible for the same
16 coverage as recipients living in Kentucky.

17 ➔Section 2. KRS 78.5536 is amended to read as follows:

18 (1) For purposes of this section:

19 (a) "Hospital and medical insurance plan" may include, at the board's discretion,
20 any one (1) or more of the following:

21 1. Any hospital and medical expense policy or certificate, provider-
22 sponsored integrated health delivery network, self-insured medical plan,
23 health maintenance organization contract, or other health benefit plan;

24 2. Any health savings account as permitted by 26 U.S.C. sec. 223 or health
25 reimbursement arrangement or a similar account as may be permitted by
26 26 U.S.C. sec. 105 or 106. Such arrangement or account, at the board's
27 discretion, may reimburse any medical expense permissible under 26

1 U.S.C. sec. 213; or

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

6 (b) "Monthly contribution rate" shall be the amount determined by the board
7 based upon the requirements of subsection (4)(a) to (d) of this section, except
8 that for members who began participating in the system on or after July 1,
9 2003, the term shall mean the amount determined in subsection (4)(e) of this
10 section; and

11 (c) "Months of service" shall mean the total months of combined service used to
12 determine benefits under the system, except service added to determine
13 disability benefits or service otherwise prohibited from being used to
14 determine retiree health benefits under KRS 78.510 to 78.852 shall not be
15 counted as "months of service."

16 (2) (a) 1. The board of trustees of the system shall arrange by appropriate contract
17 or on a self-insured basis to provide a group hospital and medical
18 insurance plan coverage for:

19 a. Present and future recipients of a retirement allowance from the
20 County Employees Retirement System; and

21 b. The spouse and each qualified dependent of a recipient who is a
22 former member or the beneficiary, provided the spouse and
23 dependent meet the requirements to participate in the hospital and
24 medical insurance plans established, contracted, or authorized by
25 the system.

26 2. Any recipient who chooses coverage under a hospital and medical
27 insurance plan shall pay, by payroll deduction from the retirement

1 allowance, electronic funds transfer, or by another method, the
2 difference between the premium cost of the hospital and medical
3 insurance plan coverage selected and the monthly contribution rate to
4 which he or she would be entitled under this section.

5 (b) 1. For present and future recipients of a retirement allowance from the
6 system who are not eligible for Medicare and for those recipients
7 described in subparagraph 3.b. of this paragraph, the board may
8 authorize these participants to be included in the Kentucky Employees
9 Health Plan as provided by KRS 18A.225 to 18A.2287 and shall provide
10 benefits for recipients in the plan equal to those provided to state
11 employees having the same Medicare hospital and medical insurance
12 eligibility status. Notwithstanding the provisions of any other statute
13 except subparagraph 3.b. of this paragraph, system recipients shall be
14 included in the same class as current state employees for purposes of
15 determining medical insurance policies and premiums in the Kentucky
16 Employees Health Plan as provided by KRS 18A.225 to 18A.2287.

17 2. Regardless of age, if a recipient or the spouse or dependent child of a
18 recipient who elects coverage becomes eligible for Medicare, he or she
19 shall participate in the plans offered by the systems for Medicare
20 eligible recipients. Individuals participating in the Medicare eligible
21 plans may be required to obtain and pay for Medicare Part A and Part B
22 coverage in order to participate in the Medicare eligible plans offered by
23 the system.

24 3. The system shall continue to provide the same hospital and medical
25 insurance plan coverage for recipients and qualifying dependents after
26 the age of sixty-five (65) as before the age of sixty-five (65), if:

27 a. The recipient is not eligible for Medicare coverage; or

- 1 b. The recipient would otherwise be eligible for Medicare coverage
2 but is subject to the Medicare Secondary Payer Act under 42
3 U.S.C. sec. 1395y(b) and has been reemployed by a participating
4 agency which offers the recipient a hospital and medical insurance
5 benefit or by a participating agency which is prevented from
6 offering a hospital and medical benefit to the recipient as a
7 condition of reemployment under KRS 70.293, 95.022, or
8 164.952. Individuals who are eligible, pursuant to this subdivision,
9 to be included in the Kentucky Employees Health Plan as provided
10 by KRS 18A.225 to 18A.2287 may be rated as a separate class
11 from other eligible employees and retirees for the purpose of
12 determining medical insurance premiums.
- 13 (c) For recipients of a retirement allowance who are not eligible for the same
14 level of hospital and medical benefits as recipients living in Kentucky having
15 the same Medicare hospital and medical insurance eligibility status, the board
16 shall provide a medical insurance reimbursement plan as described in
17 subsection (6) of this section.
- 18 (d) Notwithstanding anything in KRS Chapter 78 to the contrary, the board of
19 trustees, in its discretion, may take necessary steps to ensure compliance with
20 42 U.S.C. sec. 300bb-1 et seq.
- 21 (3) (a) Each employer participating in the County Employees Retirement System as
22 provided in KRS 78.510 to 78.852 shall contribute to the insurance trust fund
23 established by KRS 61.701 the amount necessary to provide the monthly
24 contribution rate as provided for under this section. Such employer
25 contribution rate shall be developed by appropriate actuarial method as a part
26 of the determination of each respective employer contribution rate determined
27 under KRS 78.635.

- (b) 1. Each employer described in paragraph (a) of this subsection shall deduct from the creditable compensation of each member whose membership date begins on or after July 1, 2003, and who is subject to the benefits provided under subsection (4)(e) of this section, an amount equal to one percent (1%) of the member's creditable compensation if the member is participating in a nonhazardous position and two percent (2%) of the member's creditable compensation if the member is participating in a hazardous position. The deducted amounts shall, at the discretion of the board, be credited to accounts established pursuant to 26 U.S.C. sec. 401(h), within the funds established in KRS 78.520, or the insurance trust fund established under KRS 61.701. Notwithstanding the provisions of this paragraph, a transfer of assets between the accounts established pursuant to 26 U.S.C. sec. 401(h), within the funds established in KRS 78.520, and the insurance trust fund established under KRS 61.701 shall not be allowed.
2. The employer shall file the contributions as provided by subparagraph 1. of this paragraph at the retirement office in accordance with KRS 78.625. Any interest or penalties paid on any delinquent contributions shall be credited to accounts established pursuant to 26 U.S.C. sec. 401(h), within the funds established in KRS 78.520, or the insurance trust fund established under KRS 61.701. Notwithstanding any minimum compensation requirements provided by law, the deductions provided by this paragraph shall be made, and the compensation of the member shall be reduced accordingly.
3. Each employer shall submit payroll reports, contributions lists, and other data as may be required by administrative regulation promulgated by the board of trustees pursuant to KRS Chapter 13A.

- 1 4. Every member shall be deemed to consent and agree to the deductions
2 made pursuant to this paragraph, and the payment of salary or
3 compensation less the deductions shall be a full and complete discharge
4 of all claims for services rendered by the person during the period
5 covered by the payment, except as to any benefits provided by KRS
6 78.510 to 78.852. No member may elect whether to participate in, or
7 choose the contribution amount to accounts established pursuant to 26
8 U.S.C. sec. 401(h) within the funds established in KRS 78.520, or the
9 insurance trust fund established under KRS 61.701. The member shall
10 have no option to receive the contribution required by this paragraph
11 directly instead of having the contribution paid to accounts established
12 pursuant to 26 U.S.C. sec. 401(h) within the funds established in KRS
13 78.520, or the insurance trust fund established under KRS 61.701. No
14 member may receive a rebate or refund of contributions. If a member
15 establishes a membership date prior to July 1, 2003, pursuant to KRS
16 61.552(2) or (3) or who is subject to the benefits provided under
17 subsection (4)(b) or (d) of this section, then this paragraph shall not
18 apply to the member and all contributions previously deducted in
19 accordance with this paragraph shall be refunded to the member without
20 interest. The contribution made pursuant to this paragraph shall not act
21 as a reduction or offset to any other contribution required of a member
22 or recipient under KRS 78.510 to 78.852.
- 23 5. The board of trustees, at its discretion, may direct that the contributions
24 required by this paragraph be accounted for within accounts established
25 pursuant to 26 U.S.C. sec. 401(h) within the funds established in KRS
26 78.520, or the insurance trust fund established under KRS 61.701,
27 through the use of separate accounts.

1 (4) (a) The premium required to provide hospital and medical insurance plan
2 coverage under this section shall be paid wholly or partly from funds
3 contributed by:

- 4 1. The recipient of a retirement allowance, by payroll deduction from his
5 or her retirement allowance, electronic funds transfer, or by other
6 method;
- 7 2. The insurance trust fund established by KRS 61.701 or accounts
8 established pursuant to 26 U.S.C. sec. 401(h) within the funds
9 established in KRS 78.520;
- 10 3. Another state-administered retirement system, including the systems
11 administered by Kentucky Retirement Systems, under a reciprocal
12 arrangement, except that any portion of the premium paid from the
13 funds specified by subparagraph 2. of this paragraph under a reciprocal
14 agreement shall not exceed the amount that would be payable under this
15 section if all the member's service were in the County Employees
16 Retirement System. If the board provides for cross-referencing of
17 insurance premiums, the employer's contribution for the working
18 member or spouse shall be applied toward the premium, and the
19 insurance trust fund established under KRS 61.701 or accounts
20 established pursuant to 26 U.S.C. sec. 401(h) within the funds
21 established in KRS 78.520, shall pay the balance; or
- 22 4. A combination of the fund sources described by subparagraphs 1. to 3.
23 of this paragraph.

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

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

8 (b) For a member who began participating in the system prior to July 1, 2003, the
9 monthly contribution rate shall be paid by the system from the funds specified
10 under paragraph (a)2. of this subsection and shall be equal to a percentage of
11 the single premium to cover the retired member as follows:

- 12 1. One hundred percent (100%) of the monthly premium for single
13 coverage shall be paid for a retired member who had two hundred forty
14 (240) months of service or more upon retirement or for a retired member
15 who when he or she was an employee was disabled as a direct result of
16 an act in line of duty as defined in KRS 78.510~~[(48)]~~ or as a result of a
17 duty-related injury as defined in KRS 61.621;
- 18 2. Seventy-five percent (75%) of the monthly premium for single coverage
19 shall be paid for a retired member who had less than two hundred forty
20 (240) months of service but at least one hundred eighty (180) months of
21 service upon retirement, provided such retired member agrees to pay the
22 remaining twenty-five percent (25%) by payroll deduction from his or
23 her retirement allowance, electronic funds transfer, or by another
24 method;
- 25 3. Fifty percent (50%) of the monthly premium for single coverage shall be
26 paid for a retired member who had less than one hundred eighty (180)
27 months of service but had at least one hundred twenty (120) months of

- 1 service upon retirement, provided such retired member agrees to pay the
2 remaining fifty percent (50%) by payroll deduction from his or her
3 retirement allowance, electronic funds transfer, or by another method; or
4 4. Twenty-five percent (25%) of the monthly premium for single coverage
5 shall be paid for a retired member who had less than one hundred twenty
6 (120) months of service but had at least forty-eight (48) months of
7 service upon retirement, provided such retired member agrees to pay the
8 remaining seventy-five percent (75%) by payroll deduction from his or
9 her retirement allowance, electronic funds transfer, or by another
10 method.
- 11 (c) Notwithstanding paragraph (b) of this subsection, for a member participating
12 in the system prior to July 1, 2003, who:
- 13 1. Dies as a direct result of an act in line of duty as defined in KRS 78.510
14 or dies as a result of a duty-related injury as defined in KRS 61.621, the
15 monthly premium shall be paid for his or her spouse so long as the
16 spouse remains eligible for a monthly retirement benefit;
- 17 2. Becomes totally and permanently disabled as defined in KRS 78.5524 as
18 a direct result of an act in line of duty as defined in KRS 78.510,
19 *receives a satisfactory determination of a hazardous disability that is a*
20 *direct result of an act in line of duty as defined in KRS 78.510,* or
21 becomes disabled as a result of a duty-related injury as defined in KRS
22 61.621 and is eligible for the benefits provided by KRS 61.621(5)(a), the
23 monthly premium shall be paid for his or her spouse so long as the
24 member and the spouse individually remain eligible for a monthly
25 retirement benefit; and
- 26 3. Dies as a direct result of an act in line of duty as defined in KRS 78.510,
27 dies as a result of a duty-related injury as defined in KRS 61.621,

1 becomes totally and permanently disabled as defined in KRS 78.5524 as
2 a direct result of an act in line of duty as defined in KRS 78.510,
3 receives a satisfactory determination of a hazardous disability that is a
4 direct result of an act in line of duty as defined in KRS 78.510, or
5 becomes disabled as a result of a duty-related injury as defined in KRS
6 61.621 and is eligible for the benefits provided by KRS 61.621(5)(a), the
7 monthly premium shall be paid for each dependent child as defined in
8 KRS 78.510, so long as the member remains eligible for a monthly
9 retirement benefit, unless deceased, and each dependent child
10 individually remains eligible under KRS 78.510.

11 (d) 1. For a member who began participating in the system prior to July 1,
12 2003, who was determined to be in a hazardous position in the County
13 Employees Retirement System, or who is receiving a retirement
14 allowance based on General Assembly service, the funds specified under
15 paragraph (a)2. of this subsection shall also pay a percentage of the
16 monthly contribution rate sufficient to fund the premium costs for
17 hospital and medical insurance coverage for the spouse and for each
18 dependent child of a recipient.

19 2. The percentage of the monthly contribution rate paid for the spouse and
20 each dependent child of a recipient who was in a hazardous position or
21 who is receiving a retirement allowance based on General Assembly
22 service in accordance with subparagraph 1. of this paragraph shall be
23 based solely on the member's service in a hazardous position using the
24 formula in paragraph (b) of this subsection, except that for any recipient
25 of a retirement allowance from the County Employees Retirement
26 System who was contributing to the system on January 1, 1998, for
27 service in a hazardous position, the percentage of the monthly

1 contribution shall be based on the total of hazardous service and any
2 nonhazardous service as a police or firefighter with the same agency, if
3 that agency was participating in the County Employees Retirement
4 System but did not offer hazardous duty coverage for its police and
5 firefighters at the time of initial participation.

6 (e) For members who begin participating in the system on or after July 1, 2003:

7 1. Participation in the insurance benefits provided under this section shall
8 not be allowed until the member has earned at least one hundred twenty
9 (120) months of service in the state-administered retirement systems,
10 except that for members who begin participating in the system on or
11 after September 1, 2008, participation in the insurance benefits provided
12 under this section shall not be allowed until the member has earned at
13 least one hundred eighty (180) months of service credited under KRS
14 78.615(1) or another state-administered retirement system;

15 2. A member who meets the minimum service requirements as provided by
16 subparagraph 1. of this paragraph shall upon retirement be eligible for
17 the following monthly contribution rate to be paid on his or her behalf,
18 or on behalf of the spouse or dependent of a member with service in a
19 hazardous position, from the funds specified under paragraph (a)2. of
20 this subsection:

21 a. For members with service in a nonhazardous position who do not
22 meet the career threshold, a monthly insurance contribution of ten
23 dollars (\$10) for each year of service as a participating employee
24 in a nonhazardous position;

25 b. For members with service in a nonhazardous position who meet
26 the career threshold, a monthly insurance contribution towards the
27 health plans offered to retirees who are not eligible for Medicare

1 of forty dollars (\$40) for each year of service as a participating
2 employee in a nonhazardous position and a monthly insurance
3 contribution towards the health plans offered to retirees who are
4 eligible for Medicare of ten dollars (\$10) for each year of service
5 as a participating employee in a nonhazardous position. The
6 monthly insurance contribution payable to retirees eligible for
7 Medicare under this subdivision shall be adjusted as necessary so
8 that it is equivalent to the monthly contribution amount computed
9 under subdivision a. of this subparagraph as adjusted by
10 subparagraph 6.a. of this paragraph;

11 c. For members with service in a hazardous position who do not meet
12 the career threshold, a monthly insurance contribution of fifteen
13 dollars (\$15) for each year of service as a participating employee
14 in a hazardous position;

15 d. For members with service in a hazardous position who meet the
16 career threshold, a monthly insurance contribution towards the
17 health plans offered to retirees who are not eligible for Medicare
18 of fifty dollars (\$50) for each year of service as a participating
19 employee in a hazardous position and a monthly insurance
20 contribution towards the health plans offered to retirees who are
21 eligible for Medicare of fifteen dollars (\$15) for each year of
22 service as a participating employee in a hazardous position. The
23 monthly insurance contribution payable to retirees eligible for
24 Medicare under this subdivision shall be adjusted as necessary so
25 that it is equivalent to the monthly contribution amount computed
26 under subdivision c. of this subparagraph as adjusted by
27 subparagraph 6.a. of this paragraph; and

- 1 e. Upon the death of the retired member, the beneficiary, if the
2 beneficiary is the member's spouse, shall be entitled to a monthly
3 insurance contribution of ten dollars (\$10) for each year of service
4 the member attained as a participating employee in a hazardous
5 position;
- 6 3. The minimum service requirement to participate in benefits as provided
7 by subparagraph 1. of this paragraph shall be waived for a member who
8 receives a satisfactory determination of a hazardous disability that is a
9 direct result of an act in line of duty as defined in KRS 78.510~~[(48)]~~ and
10 the *premium for the member, the member's spouse, and for each*
11 *dependent child as defined in KRS 78.510 shall be paid in full by the*
12 *systems so long as the member, member's spouse, or dependent child*
13 *individually remains eligible for a monthly retirement benefit*~~member~~
14 ~~shall be entitled to the benefits payable under this subsection as though~~
15 ~~the member had twenty (20) years of service in a hazardous position];~~
- 16 4. The minimum service required to participate in benefits as provided by
17 subparagraph 1. of this paragraph shall be waived for a member who is
18 disabled as a result of a duty-related injury as defined in KRS 61.621
19 and is eligible for the benefits provided by KRS 61.621(5)(b), and the
20 member shall be entitled to the benefits payable under this subsection as
21 though the member had twenty (20) years of service in a nonhazardous
22 position;
- 23 5. Notwithstanding the provisions of this paragraph, the minimum service
24 requirement to participate in benefits as provided by subparagraph 1. of
25 this paragraph shall be waived for a member who dies as a direct result
26 of an act in line of duty as defined in KRS 78.510~~[(48)]~~, who becomes
27 totally and permanently disabled as defined in KRS 78.5524 as a direct

1 result of an act in line of duty as defined in KRS 78.510, who dies as a
2 result of a duty-related injury as defined in KRS 61.621, or who
3 becomes disabled as a result of a duty-related injury as defined in KRS
4 61.621 and is eligible for the benefits provided by KRS 61.621(5)(a),
5 and the premium for the member, the member's spouse, and for each
6 dependent child as defined in KRS 78.510 shall be paid in full by the
7 systems so long as the member, member's spouse, or dependent child
8 individually remains eligible for a monthly retirement benefit;

9 6. Except as provided by subparagraphs 3. and 4.~~subparagraph 5.~~ of this
10 paragraph, the monthly insurance contribution amount shall be
11 increased:

12 a. On July 1 of each year by one and one-half percent (1.5%). The
13 increase shall be cumulative and shall continue to accrue after the
14 member's retirement for as long as a monthly insurance
15 contribution is payable to the retired member or beneficiary but
16 shall not apply to any increase in the contribution attributable to
17 the increase specified by subdivision b. of this subparagraph; and

18 b. On January 1 of each year by five dollars (\$5) for members who
19 have accrued an additional full year of service as a participating
20 employee beyond the career threshold, subject to the following
21 restrictions:

22 i. The additional insurance contribution provided by this
23 subdivision shall only be applied to the monthly contribution
24 amounts provided under subparagraph 2.b. and d. of this
25 paragraph;

26 ii. The additional insurance contribution provided by this
27 subdivision shall only be payable towards the health plans

- 1 offered by the system to retirees who are not eligible for
2 Medicare or for reimbursements provided to retirees not
3 eligible for Medicare pursuant to subsection (6)(a)2. of this
4 section; and
- 5 iii. In order for the annual increase to occur as provided by this
6 subdivision, the funding level of retiree health benefits for
7 the system in which the employee is receiving the additional
8 insurance contribution shall be at least ninety percent (90%)
9 as of the most recent actuarial valuation and be projected by
10 the actuary to remain ninety percent (90%) for the year in
11 which the increase is provided;
- 12 7. The benefits of this paragraph provided to a member whose participation
13 begins on or after July 1, 2003, shall not be considered as benefits
14 protected by the inviolable contract provisions of KRS 78.852. The
15 General Assembly reserves the right to suspend or reduce the benefits
16 conferred in this paragraph if in its judgment the welfare of the
17 Commonwealth so demands;
- 18 8. An employee whose membership date is on or after September 1, 2008,
19 who retires and is reemployed in a regular full-time position required to
20 participate in the system or the Kentucky Retirement Systems shall not
21 be eligible for health insurance coverage or benefits provided by this
22 section and shall take coverage with his or her employing agency during
23 the period of reemployment in a regular full-time position; and
- 24 9. For purposes of this paragraph:
- 25 a. "Career threshold" for a member with service in a nonhazardous
26 position means twenty-seven (27) years of service credited under
27 KRS 16.543(1), 61.543(1), 78.615(1), or another state-

1 administered retirement system and for a member with service in a
2 hazardous position means the service requirements specified by
3 KRS 78.5514(2)(a)2. or (3)(b), or 78.5516(6)(b), as applicable;
4 and

5 b. "Funding level" means the actuarial value of assets divided by the
6 actuarially accrued liability expressed as a percentage that is
7 determined and reported by the system's actuary in the annual
8 actuarial valuation.

9 (f) For members with service in another state-administered retirement system
10 who select hospital and medical insurance plan coverage through the system:

11 1. The system shall compute the member's combined service, including
12 service credit in another state-administered retirement system, and
13 calculate the portion of the member's premium monthly contribution rate
14 to be paid by the funds specified under paragraph (a)2. of this subsection
15 according to the criteria established in paragraphs (a) to (e) of this
16 subsection. Each state-administered retirement system shall pay
17 annually to the insurance trust fund established under KRS 61.701 the
18 portion of the system's cost of the retiree's monthly contribution for
19 single coverage for hospital and medical insurance plan which shall be
20 equal to the percentage of the member's number of months of service in
21 the other state-administered retirement plan divided by his or her total
22 combined service and in conjunction with the reciprocal agreement
23 established between the system and the other state-administered
24 retirement systems. The amounts paid by the other state-administered
25 retirement plans and by the County Employees Retirement System from
26 funds specified under paragraph (a)2. of this subsection shall not be
27 more than one hundred percent (100%) of the monthly contribution

1 adopted by the respective boards of trustees;

2 2. A member may not elect coverage for hospital and medical benefits
3 through more than one (1) of the state-administered retirement systems;
4 and

5 3. A state-administered retirement system shall not pay any portion of a
6 member's monthly contribution for medical insurance unless the
7 member is a recipient or annuitant of the plan.

8 (5) Premiums paid for hospital and medical insurance coverage procured under
9 authority of this section shall be exempt from any premium tax which might
10 otherwise be required under KRS Chapter 136. The payment of premiums by the
11 funds described by subsection (4)(a)2. of this section shall not constitute taxable
12 income to an insured recipient. No commission shall be paid for hospital and
13 medical insurance procured under authority of this section.

14 (6) (a) The board shall promulgate an administrative regulation to establish a medical
15 insurance reimbursement plan to provide reimbursement for hospital and
16 medical insurance plan premiums of recipients of a retirement allowance who:

17 1. Are not eligible for the same level of hospital and medical benefits as
18 recipients living in Kentucky and having the same Medicare hospital
19 and medical insurance eligibility status; or

20 2. Are eligible for retiree health subsidies as provided by subsection (4)(e)
21 of this section, except for those recipients eligible for full premium
22 subsidies under subsection (4)(e)5. of this section. The reimbursement
23 program as provided by this subparagraph shall be available to the
24 recipient regardless of the hospital and medical insurance plans offered
25 by the systems.

26 (b) An eligible recipient shall file proof of payment for hospital and medical
27 insurance plan coverage with the retirement office. Reimbursement to eligible

1 recipients shall be made on a quarterly basis. The recipient shall be eligible
2 for reimbursement of substantiated medical insurance premiums paid by the
3 recipient to obtain coverage for an amount not to exceed the total monthly
4 contribution rate determined under subsection (4) of this section. For
5 reimbursements provided under paragraph (a)2. of this subsection, the full
6 subsidy under subsection (4)(e)2. of this section shall be reimbursed by the
7 system to the recipient up to the amount individually paid by the recipient to
8 obtain coverage. In the case of recipients of a retirement allowance from a
9 nonhazardous position, the reimbursement shall be limited to the amount paid
10 by the recipient to obtain single coverage.

11 (c) For purposes of recipients described by paragraph (a)1. of this subsection, the
12 plan shall not be made available if all recipients are eligible for the same
13 coverage as recipients living in Kentucky.

14 ➔Section 3. Whereas protecting and honoring the public safety officers who have
15 given their health and their lives in service to the Commonwealth is a value held by all
16 Kentuckians, an emergency is declared to exist, and this Act takes effect upon its passage
17 and approval by the Governor or upon its otherwise becoming a law.