

1 AN ACT relating to a supplemental payment for recipients of a monthly retirement
2 allowance from the systems administered by the Kentucky Public Pensions Authority,
3 making an appropriation therefor, and declaring an emergency.

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

5 ➔Section 1. Notwithstanding any provisions of KRS 42.205 and 61.691 to the
6 contrary and subject to the limitations established by this section, recipients of a monthly
7 retirement allowance from the Kentucky Employees Retirement System or State Police
8 Retirement System who have been retired for at least 12 months shall receive a one-time
9 supplemental payment added to their July 2026 retirement allowance payment, equal to
10 the monthly retirement allowance the recipient receives from the system in the month of
11 June 2026.

12 ➔Section 2. There is hereby appropriated General Fund moneys in the amount of
13 \$96,000,000 in fiscal year 2026-2027 from the Kentucky Permanent Pension Fund
14 established by KRS 42.205 to the Kentucky Public Pensions Authority to be applied to
15 the following funds to prefund the supplemental payment provided by Section 1 of this
16 Act:

17 (1) \$84,000,000 to the Kentucky Employees Retirement Fund of the Kentucky
18 Employees Retirement System established by KRS 61.515 to prefund the supplemental
19 payment from the Kentucky Employees Retirement System to each recipient for service
20 in a nonhazardous position as defined in KRS 61.510(44);

21 (2) \$7,000,000 to the Kentucky Employees Retirement Fund of the Kentucky
22 Employees Retirement System established by KRS 61.515 to prefund the supplemental
23 payment from the Kentucky Employees Retirement System to each recipient for service
24 in a hazardous position as provided in KRS 61.592; and

25 (3) \$5,000,000 to the State Police Retirement Fund of the State Police Retirement
26 System established by KRS 16.510 to prefund the supplemental payment from the State
27 Police Retirement System to each recipient.

1 ➔Section 3. The Board of Trustees of the County Employees Retirement System
2 may, by board decision, elect to provide recipients of a monthly retirement allowance
3 from the County Employees Retirement System who have been retired for at least 12
4 months a one-time supplemental payment added to their July 2026 retirement allowance
5 payment, equal to the monthly retirement allowance the recipient receives from the
6 system in the month of June 2026. If provided, the board shall fund the one-time
7 supplemental payment by increasing employer contribution rates to the County
8 Employees Retirement System, effective July 1, 2027, for a one-year or two-year period
9 as determined by the board to cover the full actuarial cost of the one-time payment.

10 ➔Section 4. Whereas retired members and beneficiaries of the Kentucky
11 Employees Retirement System, County Employees Retirement System, and State Police
12 Retirement System have not received a cost-of-living adjustment to their retirement
13 allowances since fiscal year 2011-2012, an emergency is declared to exist, and this Act
14 takes effect upon its passage and approval by the Governor or upon its otherwise
15 becoming a law.