

1 AN ACT relating to collective bargaining agreements and declaring an emergency.

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

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 65 IS CREATED TO  
4 READ AS FOLLOWS:

5 *(1) The legislative body of any city, county, consolidated local government, urban-*  
6 *county government, charter county government, or unified local government*  
7 *shall not have the authority to enter into any collective bargaining agreement on*  
8 *or after the effective date of this Act.*

9 *(2) Collective bargaining agreements in existence as of the effective date of this Act*  
10 *shall not be subject to the provisions of subsection (1) of this section and any*  
11 *entity subject to a collective bargaining agreement may negotiate future*  
12 *agreements when the existing agreement ends.*

13 ➔Section 2. KRS 160.160 is amended to read as follows:

14 (1) Each school district shall be under the management and control of a board of  
15 education consisting of five (5) members, except in counties containing a city of the  
16 first class wherein a merger pursuant to KRS 160.041 shall have been accomplished  
17 which shall have seven (7) members elected from the divisions and in the manner  
18 prescribed by KRS 160.210(5), to be known as the "Board of Education of ...,  
19 Kentucky." Each board of education shall be a body politic and corporate with  
20 perpetual succession. It may sue and be sued; make contracts; expend funds  
21 necessary for liability insurance premiums and for the defense of any civil action  
22 brought against an individual board member in his official or individual capacity, or  
23 both, on account of an act made in the scope and course of his performance of legal  
24 duties as a board member; purchase, receive, hold, and sell property; issue its bonds  
25 to build and construct improvements; and do all things necessary to accomplish the  
26 purposes for which it is created. Each board of education shall elect a chairman and  
27 vice chairman from its membership in a manner and for a term prescribed by the

- 1 board not to exceed two (2) years.
- 2 (2) No board of education shall participate in any financing of school buildings, school  
3 improvements, appurtenances thereto, or furnishing and equipment, including  
4 education technology equipment without:
- 5 (a) First establishing the cost of the project in advance of financing, based on the  
6 receipt of advertised, public, and competitive bids for such project, in  
7 accordance with KRS Chapter 424; and
- 8 (b) Establishing the cost of financing in advance of the sale of any bonds,  
9 certificates of participation in any leases, or other evidences of financial  
10 commitments issued by or on behalf of such board. Any bonds, leases,  
11 participations, or other financial arrangements shall not involve a final  
12 commitment of the board until the purchaser or lender involved shall have  
13 been determined by public advertising in accordance with KRS Chapter 424.
- 14 (3) No board of education shall make a mortgage, lien, or other encumbrance upon any  
15 school building owned by the board, or transfer title to any such school building as  
16 part of any financing arrangement, without the specific approval of the Department  
17 of Education, and without the transaction being entered into pursuant to a detailed  
18 plan or procedure specifically authorized by Kentucky statute.
- 19 (4) Without the approval of the Department of Education, no board may lease, as  
20 lessee, a building or public facility that has been or is to be financed at the request  
21 of the board or on its behalf through the issuance of bonds by another public body  
22 or by a nonprofit corporation serving as an agency and instrumentality of the board,  
23 or by a leasing corporation. Any lease, participation, or other financial arrangement  
24 shall not involve a final commitment of the board unless and until the purchaser or  
25 lender involved in same shall have been determined by public advertising in  
26 accordance with KRS Chapter 424. No transaction shall be entered into by the  
27 board except upon the basis of public advertising and competitive bidding in

1 accordance with KRS Chapter 424.

2 (5) (a) A board of education shall not enter into any collective bargaining  
3 agreement on or after the effective date of this Act.

4 (b) Collective bargaining agreements in existence as of the effective date of this  
5 Act shall not be subject to the provisions of paragraph (a) of this subsection  
6 and a board of education may negotiate future agreements when the  
7 existing agreement ends.

8 (6) A school district may issue general obligation bonds in accordance with KRS  
9 Chapter 66.

10 ~~(7)~~~~(6)~~ Rental payments due by a board under a lease approved by the Department of  
11 Education in accordance with subsection (4) of this section, and debt service  
12 payments under a general obligation bond issued in accordance with this section,  
13 shall be due and payable not less than ten (10) days prior to the interest due date for  
14 the bonds, notes, or other debt obligations issued to finance the building or public  
15 facility. If a board fails to make a rental payment when due under a lease or a debt  
16 service payment when due for a general obligation bond issue, upon notification to  
17 the Department of Education by the paying agent, bond registrar, or trustee for the  
18 bonds not less than three (3) days prior to the interest due date, the Department of  
19 Education shall withhold or intercept any funds then due the board to the extent of  
20 the amount of the required payment on the bonds and remit the amount to the  
21 paying agent, bond registrar, or trustee as appropriate. Thereafter, the Department  
22 of Education shall resolve the matter with the board and adjust remittances to the  
23 board to the extent of the amount paid by the Department of Education on the  
24 board's behalf.

25 ~~(8)~~~~(7)~~ Bonds, notes, or leases negotiated to provide education technology shall not  
26 be sold for longer than seven (7) years or the useful life of the equipment as  
27 established by the state technology master plan, whichever is less.

1 ~~(9)~~(8) Notwithstanding any requirements of public advertising, competitive bidding,  
2 or approval by the Department of Education, or any administrative regulation  
3 promulgated pursuant to KRS 156.160(1)(o), a local board may authorize the  
4 transfer or sale of the district's real or personal property to another governmental or  
5 quasi-governmental agency in exchange for money or a similar type of property that  
6 equals or exceeds the fair market value of the district property as determined by an  
7 independent appraisal conducted by:

- 8 (a) An individual or organization not affiliated with the district or its officers or  
9 employees, using a generally accepted national or professional standard; or  
10 (b) A district's officers or employees using a nationally published valuation of  
11 property based on the most recent edition of the publication.

12 ➔Section 3. KRS 15.520 is amended to read as follows:

13 (1) As used in this section:

- 14 (a) "Citizen" means any individual who is not:  
15 1. A member or supervisor within the law enforcement agency that  
16 employs an officer; or  
17 2. An elected or appointed official within the unit of government under  
18 which the law enforcement agency that employs the officer is organized;  
19 (b) "Complaint" means any statement by a citizen, whether written or verbal, that  
20 alleges any type of misconduct by an officer, including statements that are  
21 submitted or received anonymously;  
22 (c) "Disciplinary action" means termination, demotion, a decrease in pay or  
23 grade, suspension without pay, and a written reprimand;  
24 (d) "General employment policies" means the rules, regulations, policies, and  
25 procedures commonly applicable to the general workforce or civilian  
26 employees that are not unique to law enforcement activities or the exercise of  
27 peace officer authority, regardless of whether those rules, regulations,

1 policies, and procedures exist or appear in a departmental manual or  
2 handbook that is solely applicable to a law enforcement department or agency  
3 within the unit of government employing the officer;

4 (e) "Interrogation" means a formal investigative interview and does not mean  
5 conversations or meetings of supervisory personnel and subordinate officers  
6 that are not intended to result in disciplinary action, such as conversations or  
7 meetings held for the purpose of providing corrective instruction counseling  
8 or coaching;

9 (f) "Law enforcement procedures" means only those policies, rules, and customs  
10 that:

- 11 1. Are specific to the conduct of officers in the exercise of law  
12 enforcement powers and functions, including, without limitation: use of  
13 force, conduct in the course of pursuits, conduct during stops or  
14 detentions of citizens, conduct in the course of interacting with,  
15 assisting, or questioning of citizens, and investigative conduct;
- 16 2. Are carried out in the course of peace officer functions;
- 17 3. Are not general employment policies; and
- 18 4. May exist in either written form or in the form of unwritten standards,  
19 practices, or protocols generally accepted and applied in the law  
20 enforcement profession;

21 (g) "Misconduct" means any act or omission by an officer that violates criminal  
22 law, law enforcement procedures, or the general employment policies of the  
23 employing agency; and

24 (h) "Officer" means a person employed as a full-time peace officer by a unit of  
25 government that receives funds under KRS 15.410 to 15.510, except a state  
26 officer listed in KRS 15.420(2)(a)2.b. to f. and n., who has completed any  
27 officially established initial probationary period of employment lasting no

1 longer than twelve (12) months not including, unless otherwise specified by  
2 the employing agency, any time the officer was employed and completing the  
3 basic training required by KRS 15.404.

4 (2) In order to establish a minimum system of professional conduct for officers of local  
5 units of government of this Commonwealth, the following standards are stated as  
6 the intention of the General Assembly to deal fairly and establish administrative due  
7 process rights in certain disciplinary matters concerning those officers of an  
8 employing unit of government that participates in the Kentucky Law Enforcement  
9 Foundation Program fund administered pursuant to KRS 15.430 and, at the same  
10 time, to provide a means for redress by the citizens of the Commonwealth for  
11 wrongs allegedly done to them by officers covered by this section.

12 (3) Any complaint taken from a citizen alleging misconduct on the part of any officer  
13 shall be taken as follows:

14 (a) If the complaint alleges criminal activity by an officer, the allegations may be  
15 investigated without a signed, sworn complaint of the citizen;

16 (b) If the complaint alleges any other type of violation not constituting criminal  
17 activity, including violations of law enforcement procedures or the general  
18 employment policies of the employing agency, an affidavit, signed and sworn  
19 to by the citizen, shall be obtained, except as provided by paragraph (c) of this  
20 subsection; or

21 (c) If a complaint is required to be obtained and the citizen, upon request, refuses  
22 to make allegations under oath in the form of an affidavit, signed and sworn  
23 to, the employing agency may investigate the allegations, but shall bring  
24 charges under subsection (6) of this section against the officer only if the  
25 employing agency can independently substantiate the allegations absent the  
26 sworn statement of the citizen.

27 (4) (a) When an officer is accused of an act or omission that would constitute a

1 violation of law enforcement procedures by any individual within the law  
2 enforcement agency employing the officer, including supervisors and elected  
3 or appointed officials of the officer's employing agency, the employing  
4 agency shall conform the conduct of any investigation to the provisions of  
5 subsection (5) of this section, shall formally charge the officer in accordance  
6 with subsection (6) of this section, and shall conduct a hearing in accordance  
7 with subsection (7) of this section before any disciplinary action shall be taken  
8 against the officer.

9 (b) The provisions of this subsection shall not prevent the employing agency from  
10 suspending the officer, with or without pay, during an investigation and  
11 pending the final disposition of any formal charges, except that an officer  
12 suspended without pay shall be entitled to full back pay and benefits for the  
13 regular hours he or she would have worked if no formal charges are brought  
14 or the hearing authority finds the officer not guilty of the charges.

15 (c) An employing agency shall not be required to follow the provisions of this  
16 section in addressing conduct by the officer that would constitute a violation  
17 of the general employment policies of the employing agency.

18 (5) (a) Any complaint filed by a citizen under subsection (3) of this section or any  
19 allegation of conduct that would constitute a violation of law enforcement  
20 procedures under subsection (4) of this section shall be investigated by the  
21 employing agency or another designated law enforcement agency in  
22 accordance with the provisions of this subsection if the employing agency  
23 determines that an investigation of the complaint or the alleged conduct is  
24 warranted.

25 (b) No threats, promises, or coercions shall be used at any time against any  
26 officer while he or she is a suspect in a criminal case or has been accused of a  
27 violation of law enforcement procedures. Suspension from duty with or

1 without pay, or reassignment to other than an officer's regular duties during  
2 the period shall not be deemed coercion. Prior to or within twenty-four (24)  
3 hours after suspending the officer pending investigation or disposition of a  
4 complaint, the officer shall be advised in writing of the reasons for the  
5 suspension.

6 (c) Unless otherwise agreed to in writing by the officer, no police officer shall be  
7 subjected to interrogation for alleged conduct that violates law enforcement  
8 procedures, until forty-eight (48) hours have expired from the time the request  
9 for interrogation is made to the accused officer, in writing. The notice of  
10 interrogation shall include a statement regarding any reason for the  
11 interrogation and shall be served on the officer by certified mail, return receipt  
12 requested, or by personal delivery.

13 (d) The interrogation shall be conducted while the officer is on duty. The officer  
14 may be required to submit a written report of the alleged incident if the  
15 request is made by the employing agency no later than the end of the subject  
16 officer's next tour of duty after the tour of duty during which the employing  
17 agency initially was made aware of the complaint.

18 (e) If an officer is under arrest, or likely to be arrested, or a suspect in any  
19 criminal investigation, he or she shall be afforded the same constitutional due  
20 process rights that are accorded to any civilian, including, but not limited to,  
21 the right to remain silent and the right to counsel, and shall be notified of  
22 those rights before any questioning commences.

23 (6) (a) If it is determined through investigation or other means that the facts alleged  
24 in a citizen complaint or in an accusation of a violation of law enforcement  
25 procedures warrant charging the officer, the charge shall be made in writing  
26 with sufficient specificity so as to fully inform the officer of the nature and  
27 circumstances of the alleged violation in order that he or she may be able to

- 1 properly defend himself or herself.
- 2 (b) The charge shall be signed by a representative of the employing agency, shall  
3 set out the disciplinary action recommended or imposed, and shall be served  
4 on the officer in writing by certified mail, return receipt requested, or by  
5 personal delivery.
- 6 (c) When an officer has been charged with a violation of law enforcement  
7 procedures, no public statements shall be made concerning the alleged  
8 violation by any person or persons of the employing agency or the officer so  
9 charged, until final disposition of the charges.
- 10 (d) No officer as a condition of continued employment by the employing agency  
11 shall be compelled to speak or testify or be questioned by any person or body  
12 of a nongovernmental nature.
- 13 (7) Unless waived by the charged officer in writing, a hearing shall be conducted by the  
14 officer's appointing authority to determine whether there is substantial evidence to  
15 prove the charges and to determine what, if any, disciplinary action shall be taken if  
16 substantial evidence does exist. In conducting a hearing, the following  
17 administrative due process rights shall be recognized and these shall be the  
18 minimum rights afforded any officer charged, except as otherwise agreed to in  
19 writing by the officer and the employing agency:
- 20 (a) The accused officer shall be given at least twelve (12) days' written notice of  
21 any hearing. The notice of hearing shall be served on the officer by certified  
22 mail, return receipt requested, or by personal delivery;
- 23 (b) Copies of any sworn statements or affidavits to be considered by the hearing  
24 authority and any exculpatory statements or affidavits shall be furnished to the  
25 officer no less than twelve days (12) prior to the time of any hearing;
- 26 (c) At any hearing based upon the sworn complaint of a citizen, the citizen shall  
27 be notified to appear at the time and place of the hearing by certified mail,

- 1 return receipt requested, or by personal delivery;
- 2 (d) If the return receipt has been returned unsigned, or the individual does not  
3 appear, except due to circumstances beyond his or her control he or she  
4 cannot appear at the time and place of the hearing, any charge resulting from a  
5 complaint made by that citizen shall not be considered by the hearing  
6 authority and shall be dismissed with prejudice;
- 7 (e) The accused officer shall have the right and opportunity to obtain and have  
8 counsel present, and to be represented by counsel;
- 9 (f) The appointing authority, legislative body, or other body as designated by the  
10 Kentucky Revised Statutes shall subpoena and require the attendance of  
11 witnesses and the production by them of books, papers, records, and other  
12 documentary evidence at the request of the accused officer or the charging  
13 party. If any person fails or refuses to appear under the subpoena, or to testify,  
14 or to attend, or produce the books, papers, records, or other documentary  
15 evidence lawfully required, the appointing authority, legislative body, or other  
16 body as designated by the Kentucky Revised Statutes may report to the  
17 Circuit Court or any judge thereof the failure or refusal, and apply for a rule.  
18 The Circuit Court, or any judge thereof, may on the application compel  
19 obedience by proceedings for contempt as in the case of disobedience of the  
20 requirements of a subpoena issued from the court;
- 21 (g) The accused officer shall be allowed to present witnesses and any  
22 documentary or other relevant evidence the officer wishes to provide to the  
23 hearing authority, and may cross-examine all witnesses called by the charging  
24 party;
- 25 (h) If any officer who has been suspended with or without pay is not given a  
26 hearing as provided by this section within seventy-five (75) days of any  
27 charge being filed pursuant to this section, the charge shall be dismissed with

- 1 prejudice and shall not be considered by any hearing authority and the officer  
2 shall be reinstated with full back pay and benefits;
- 3 (i) Any officer who has been suspended without pay who is found not guilty of  
4 the charges by the hearing authority shall be reinstated with the full back pay  
5 and benefits for the regular hours he or she would have worked;
- 6 (j) The failure to provide any of the rights or to follow the provisions of this  
7 section may be raised by the officer with the hearing authority. The hearing  
8 authority shall not exclude proffered evidence based on failure to follow the  
9 requirements of this section but shall consider whether, because of the failure,  
10 the proffered evidence lacks weight or credibility and whether the officer has  
11 been materially prejudiced; and
- 12 (k) To the extent the provisions of KRS 61.805 to 61.850 are applicable, the  
13 hearing authority may conduct the hearing required by this subsection in a  
14 closed session, unless the officer requests of the hearing authority in writing at  
15 least three (3) days prior to the hearing that the hearing be open to the public.
- 16 (8) (a) Any officer who is found guilty by any hearing authority of any charge, may  
17 bring an action in the Circuit Court in the county in which the employing  
18 agency is located within thirty (30) days of the date written findings are issued  
19 to appeal the action of the hearing authority. The appeal shall be initiated by  
20 the filing of a complaint in the same manner as any civil action under the  
21 Rules of Civil Procedure and shall include a copy of the hearing authority's  
22 final order. The Circuit Court review of the case shall be based solely upon  
23 the administrative record created before the hearing authority and any new  
24 evidence offered by the officer regarding alleged arbitrariness on the part of  
25 the hearing authority.
- 26 (b) The judgment of the Circuit Court shall be subject to appeal to the Court of  
27 Appeals. The procedure as to appeal to the Court of Appeals shall be the same

1 as in any civil action.

2 (9) The provisions of KRS 90.310 to 90.410, 95.450, and 95.765 shall not apply in any  
3 proposed disciplinary action arising from a citizen complaint made under  
4 subsection (3) of this section or arising from any allegation of conduct that would  
5 constitute a violation of law enforcement procedures under subsection (4) of this  
6 section. This section shall not be interpreted or construed to alter or impair any of  
7 the substantive rights provided to a city police officer under KRS 90.310 to 90.410,  
8 95.450, and 95.765 for any proposed disciplinary action or other matters not arising  
9 under subsections (3) and (4) of this section, including proposed actions involving  
10 alleged violations of general employment policies. To the extent that the provisions  
11 of this section are inapplicable to any proposed disciplinary action against a city  
12 police officer, the provisions of KRS 90.310 to 90.410, 95.450, and 95.765 shall  
13 remain in full force and effect.

14 (10) As the provisions of this section relate to a minimum system of professional  
15 conduct, nothing in this section shall be interpreted or construed to:

16 (a) Limit or to in any way affect any rights previously afforded to officers of the  
17 Commonwealth by statute~~[, collective bargaining or working agreement,]~~ or  
18 legally adopted ordinance;

19 (b) Preclude an employing agency from investigating and charging an officer  
20 both criminally and administratively;

21 (c) Prevent the suspension with or without pay or reassignment of an officer  
22 during an investigation and pending final disposition charges;

23 (d) Permit an employing agency to categorize and treat any complaint that  
24 originates from a citizen as an internal matter in order to avoid application of  
25 all of the provisions of this section to the final disposition of a citizen's  
26 complaint;

27 (e) Apply any disciplinary action required by this section to actions taken by an

1           employing agency that is not related to misconduct by a law enforcement  
 2           officer, such as personnel decisions made by the employing agency due to a  
 3           lack of resources or personnel decisions related to a chief's management of a  
 4           police department; or

5           (f) Prevent an employing agency from electing to apply the provisions of this  
 6           section, or parts thereof, in circumstances that would not be covered under  
 7           this section.

8           (11) This section shall not apply to officers employed by a consolidated local  
 9           government that receives funds under KRS 15.410 to 15.510, who shall instead be  
 10          governed by the provisions of KRS 67C.326.

11          ➔Section 4. KRS 61.598 is amended to read as follows:

12          (1) For purposes of this section, "bona fide promotion or career advancement":

13          (a) Means:

14               1. A professional advancement in substantially the same line of work held  
 15               by the employee in the four (4) years immediately prior to the final five  
 16               (5) fiscal years preceding retirement or a change in employment position  
 17               based on the training, skills, education, or expertise of the employee that  
 18               imposes a significant change in job duties and responsibilities to clearly  
 19               justify the increased compensation to the member; or

20               2. An increase in creditable compensation for all employees in a specified  
 21               class due to an increase in rate of pay authorized or funded by the  
 22               legislative or administrative body of the employer or due to an increase  
 23               in rate of pay ~~[mandated in a collective bargaining agreement]~~ approved  
 24               by the legislative body of the employer; and

25          (b) Does not include any circumstance where an elected official participating in  
 26          the Kentucky Employees Retirement System or the County Employees  
 27          Retirement System takes a position of employment with a different employer

1 participating in any of the state-administered retirement systems.

2 (2) (a) For employees retiring from the Kentucky Employees Retirement System, the  
3 County Employees Retirement System, or the State Police Retirement System  
4 on or after January 1, 2018, the systems shall, for each of the retiring  
5 employee's last five (5) fiscal years of employment, identify any fiscal year in  
6 which the creditable compensation increased at a rate of ten percent (10%) or  
7 more annually over the immediately preceding fiscal year's creditable  
8 compensation. The employee's creditable compensation in the fiscal year  
9 immediately prior to the employee's last five (5) fiscal years of employment  
10 shall be utilized to compare the initial fiscal year in the five (5) fiscal year  
11 period.

12 (b) Except as limited or excluded by subsections (3) and (4) of this section, any  
13 amount of increase in creditable compensation for a fiscal year identified  
14 under paragraph (a) of this subsection that exceeds ten percent (10%) more  
15 than the employee's creditable compensation from the immediately preceding  
16 fiscal year shall not be included in the creditable compensation used to  
17 calculate the retiring employee's monthly retirement allowance. If the  
18 creditable compensation for a specific fiscal year identified under paragraph  
19 (a) of this subsection as exceeding the ten percent (10%) increase limitation is  
20 not used to calculate the retiring employee's monthly retirement allowance,  
21 then no reduction in creditable compensation shall occur for that fiscal year.

22 (c) If the creditable compensation of the retiring employee is reduced as provided  
23 by paragraph (b) of this subsection, the retirement systems:

- 24 1. Shall refund the employee contributions and interest attributable to the  
25 reduction in creditable compensation; and
- 26 2. Shall not refund the employer contributions paid but shall utilize those  
27 funds to pay down the unfunded liability of the pension fund in which

1                   the retiring employee participated.

- 2 (3) (a) In order to ensure the prospective application of the limitations on increases in  
3           creditable compensation contained in subsection (2) of this section, only the  
4           creditable compensation earned by the retiring employee on or after July 1,  
5           2017, shall be subject to reduction under subsection (2) of this section.  
6           Creditable compensation earned by the retiring employee prior to July 1,  
7           2017, shall not be subject to reduction under subsection (2) of this section.
- 8 (b) If the reductions in creditable compensation during a retiring member's entire  
9           last five (5) years of employment results in a reduction in his or her monthly  
10          retirement allowance of less than twenty-five dollars (\$25) per month or an  
11          actuarially equivalent value under the various payment options, then no  
12          reduction in creditable compensation or retirement allowances shall occur  
13          under subsection (2) of this section.
- 14 (4) Subsection (2) of this section shall not apply to:
- 15 (a) A bona fide promotion or career advancement as defined by subsection (1) of  
16          this section;
- 17 (b) A lump-sum payment for compensatory time paid to an employee upon  
18          termination of employment;
- 19 (c) A lump-sum payment made pursuant to an alternate sick leave program under  
20          KRS 78.616(5) that is paid to an employee upon termination of employment;
- 21 (d) Increases in creditable compensation in a fiscal year over the immediately  
22          preceding fiscal year, where in the immediately preceding fiscal year the  
23          employer reported the employee as being on leave without pay for any reason,  
24          including but not limited to sick leave without pay, maternity leave, leave  
25          authorized under the Family Medical Leave Act, and any period of time  
26          where the employee received workers' compensation benefit payments that  
27          were not reported to the plan as creditable compensation;

- 1 (e) Increases in creditable compensation directly attributable to an employee's  
2 receipt of compensation for:
- 3 1. Overtime hours worked while serving as a participating employee under  
4 any state or federal grant, grant pass-through, or similar program that  
5 requires overtime as a condition or necessity of the employer's receipt of  
6 the grant; or
  - 7 2. The first one hundred (100) hours of mandatory overtime hours that the  
8 employee is individually required to work by the employer during a  
9 fiscal year. This subparagraph shall not be construed to apply to  
10 overtime hours voluntarily worked by the employee or in situations in  
11 which the employee has the option to elect out of participation in  
12 overtime hours. Any mandatory overtime hours exempt under this  
13 subparagraph shall be in addition to any overtime hours otherwise  
14 exempt under the provisions of this subsection; and
- 15 (f) Increases in creditable compensation directly attributable to an employee's  
16 receipt of compensation for overtime performed during and as a result of a  
17 state of emergency declared by:
- 18 1. The President of the United States or the Governor of the  
19 Commonwealth of Kentucky; or
  - 20 2. A local government in which the Governor authorizes mobilization of  
21 the Kentucky National Guard pursuant to KRS 38.030 and 39A.950  
22 during such time as the National Guard is mobilized.
- 23 (5) (a) For employees retiring on or after January 1, 2014, but prior to July 1, 2017,  
24 the last participating employer shall be required to pay for any additional  
25 actuarial costs resulting from annual increases in an employee's creditable  
26 compensation greater than ten percent (10%) over the employee's last five (5)  
27 fiscal years of employment that are not the direct result of a bona fide

- 1 promotion or career advancement. The cost shall be determined by the  
2 retirement systems.
- 3 (b) Lump-sum payments for compensatory time paid to an employee upon  
4 termination of employment shall be exempt from this subsection.
- 5 (c) The Authority shall be required to answer inquiries from participating  
6 employers regarding this subsection. Upon request of the employer prior to  
7 the employee's change of position or hiring, the systems shall make a  
8 determination that is binding to the systems as to whether or not a change of  
9 position or hiring constitutes a bona fide promotion or career advancement.
- 10 (d) For any additional actuarial costs charged to the employer under this  
11 subsection, the systems shall allow the employer to pay the costs without  
12 interest over a period of one (1) year from the date of receipt of the employer's  
13 final invoice.
- 14 (6) The Authority shall determine whether increases in creditable compensation during  
15 the last five (5) fiscal years of employment prior to retirement constitute a bona fide  
16 promotion or career advancement and may promulgate administrative regulations in  
17 accordance with KRS Chapter 13A to administer this section. All state-  
18 administered retirement systems shall cooperate to implement this section.
- 19 (7) Any employer who disagrees with a determination made by the system in  
20 accordance with this section regarding whether an increase in compensation  
21 constitutes a bona fide promotion or career advancement for purposes of subsection  
22 (5) of this section may request a hearing and appeal the decision in accordance with  
23 KRS 61.645(16) or 78.782(16).
- 24 (8) For the fiscal year beginning July 1, 2017, and subsequent years, the Kentucky  
25 Retirement Systems and the County Employees Retirement System shall provide a  
26 means for employers to separately report the specific exceptions provided in  
27 subsection (4) of this section within the reporting system utilized by the employers

1 for making employer reports under KRS 16.645, 61.675, and 78.545. The Kentucky  
 2 Retirement Systems and the County Employees Retirement System shall  
 3 continually provide communication, instructions, training, and educational  
 4 opportunities for employers regarding how to appropriately report exemptions  
 5 established by subsection (4) of this section.

6 (9) This section shall not apply to employees participating in the hybrid cash balance  
 7 plan as provided by KRS 16.583, 61.597, 78.5512, and 78.5516.

8 ➔Section 5. KRS 61.810 is amended to read as follows:

9 (1) All meetings of a quorum of the members of any public agency at which any public  
 10 business is discussed or at which any action is taken by the agency, shall be public  
 11 meetings, open to the public at all times, except for the following:

12 (a) Deliberations for decisions of the Kentucky Parole Board;

13 (b) Deliberations on the future acquisition or sale of real property by a public  
 14 agency, but only when publicity would be likely to affect the value of a  
 15 specific piece of property to be acquired for public use or sold by a public  
 16 agency;

17 (c) Discussions of proposed or pending litigation against or on behalf of the  
 18 public agency;

19 (d) Grand and petit jury sessions;

20 (e) ~~{Collective bargaining negotiations between public employers and their  
 21 employees or their representatives;~~

22 ~~(f) }Discussions or hearings which might lead to the appointment, discipline, or  
 23 dismissal of an individual employee, member, or student without restricting  
 24 that employee's, member's, or student's right to a public hearing if requested.  
 25 This exception shall not be interpreted to permit discussion of general  
 26 personnel matters in secret;~~

27 ~~(f)(g) } Discussions between a public agency and a representative of a business~~

1           entity and discussions concerning a specific proposal, if open discussions  
2           would jeopardize the siting, retention, expansion, or upgrading of the  
3           business;

4           ~~(g)~~~~(h)~~    State and local cabinet meetings and executive cabinet meetings;

5           ~~(h)~~~~(i)~~    Committees of the General Assembly other than standing committees;

6           ~~(i)~~~~(j)~~    Deliberations of judicial or quasi-judicial bodies regarding individual  
7           adjudications or appointments, at which neither the person involved, his  
8           representatives, nor any other individual not a member of the agency's  
9           governing body or staff is present, but not including any meetings of planning  
10          commissions, zoning commissions, or boards of adjustment;

11          ~~(j)~~~~(k)~~    Meetings which federal or state law specifically require to be conducted  
12          in privacy;

13          ~~(k)~~~~(l)~~    Meetings which the Constitution provides shall be held in secret;

14          ~~(l)~~~~(m)~~    That portion of a meeting devoted to a discussion of a specific public  
15          record exempted from disclosure under KRS 61.878(1)(m). However, that  
16          portion of any public agency meeting shall not be closed to a member of the  
17          Kentucky General Assembly; and

18          ~~(m)~~~~(n)~~    Meetings of any selection committee, evaluation committee, or other  
19          similar group established under KRS Chapter 45A or 56 or other state or local  
20          law, to select a successful bidder for award of a state or local contract.

21    (2) Any series of less than quorum meetings, where the members attending one (1) or  
22    more of the meetings collectively constitute at least a quorum of the members of the  
23    public agency and where the meetings are held for the purpose of avoiding the  
24    requirements of subsection (1) of this section, shall be subject to the requirements  
25    of subsection (1) of this section. Nothing in this subsection shall be construed to  
26    prohibit discussions between individual members where the purpose of the  
27    discussions is to educate the members on specific issues.

1        ➔Section 6. KRS 67.830 is amended to read as follows:

- 2        (1) The fiscal court in any county, except in a county containing a consolidated local  
3        government, a city of the first class, an urban-county government, or a unified local  
4        government, and a majority of all cities within the county may adopt an ordinance  
5        to study the question of merging the county government with all other units of local  
6        government within the county to form a charter county form of government, or  
7        consolidating any agency, subdivision, department, or subdistrict providing any  
8        services or performing any functions for a city or county.
- 9        (2) In lieu of the adoption of an ordinance pursuant to subsection (1) of this section, a  
10       petition may be filed with the county clerk pursuant to KRS 67.832 requesting the  
11       appointment of a commission to study the question of the adoption of a charter  
12       county form of government or the consolidation of any agency, subdivision,  
13       department, or subdistrict providing any services or performing any functions for a  
14       city or county. The petition shall be signed by a number of registered voters equal  
15       to at least twenty percent (20%) of the residents in the unincorporated area of the  
16       county voting in the preceding regular election and twenty percent (20%) of the  
17       residents in incorporated areas of the county voting in the preceding regular  
18       election.
- 19       (3) Within sixty (60) days of the adoption of an ordinance pursuant to subsection (1) of  
20       this section, or within sixty (60) days of a petition being filed with the county clerk  
21       pursuant to subsection (2) of this section and certified as sufficient pursuant to KRS  
22       67.832, the fiscal court and the city legislative body of each city within the county  
23       shall jointly appoint a commission to study the question of the adoption of a charter  
24       county form of government or the consolidation of any agency, subdivision,  
25       department, or subdistrict providing any services or performing any functions for a  
26       city or county. The fiscal court shall determine the size of the membership of the  
27       commission, which shall be composed of not less than twenty (20) or more than

1        forty (40) citizen members, and which may include elected or appointed county and  
2        city officials. Any officials appointed under this section shall serve as voting  
3        members of the commission. The actual appointment of individual members to the  
4        commission shall be governed by the following provisions:

- 5        (a)    The county judge/executive, with the approval of the fiscal court, shall make a  
6            number of appointments equal to fifty-five percent (55%) of the membership  
7            of the commission;
- 8        (b)    Jointly, the cities shall make a number of appointments equal to forty-five  
9            percent (45%) of the membership of the commission. The mayor of each city  
10           shall, subject to the approval of the city legislative body, make a number of  
11           appointments based on the ratio that the percentage of the population residing  
12           in the mayor's city bears to the total population of all cities in the county.  
13           Each city within the county shall have a minimum of one (1) representative on  
14           the commission; and
- 15        (c)    The county judge/executive shall serve as a voting member of the commission  
16           and preside as its chairman.
- 17        (4)    The commission shall be funded by the fiscal court and each city within the county  
18           in proportion to its ratio of membership on the commission and shall be responsible  
19           for developing a comprehensive plan for the consolidation of services and functions  
20           of cities and the county, or the formation of a charter county government that shall  
21           include but not be limited to the following provisions:
- 22           (a)    A description of the form, structure, functions, powers, and name of the  
23           proposed charter county government;
- 24           (b)    A description of the officers and their powers and duties of the proposed  
25           charter county government;
- 26           (c)    The procedures by which the original comprehensive plan may be amended  
27           by the subsequently created charter county government;

1 (d) The procedures by which the comprehensive plan may be amended by county  
2 and participating city or cities as a result of contingencies arising from the  
3 failure of certain jurisdictions to vote in favor of joining the comprehensive  
4 plan. The contingency plan shall be adopted by the participating county and  
5 city or cities by joint ordinance. The contingency plan shall be adopted by the  
6 participating county and city or cities within sixty (60) days of the  
7 certification of the election result. The contingency plan shall only address:

- 8 1. Issues of revenue;
- 9 2. Issues of indebtedness;
- 10 3. Issues of service provision, service areas, or service area boundaries;
- 11 4. Personnel or administration ~~[, but may not infringe upon any pre-existing~~  
12 ~~collective bargaining agreements in force in participating jurisdictions];~~  
13 and
- 14 5. Any issues directly related to the cost of government or provision of  
15 services within the comprehensive plan.

16 The contingency plan shall not address issues within the plan related to  
17 paragraph (a), (b), or (c) of this subsection; and

18 (e) The procedures whereby the charter county government may be dissolved.  
19 The procedures drafted shall include but are not limited to:

- 20 1. Requirements for a public petition for the dissolution of the charter  
21 county government;
- 22 2. The question to be presented to voters for the dissolution of the charter  
23 county government; and
- 24 3. Any administrative measures necessary to settle tax and debt issues  
25 created by the dissolution of the charter county government.

26 The proposed charter plan shall specify that no petition for the dissolution of  
27 the charter county government shall be valid until a period of five (5) years

1           have passed from commencement of the first terms of the duly elected officers  
2           of the charter county government.

3 (5) The comprehensive plan shall be completed within four (4) years of the  
4 commission's appointment. If a majority of the commission members are unable to  
5 agree on a single plan for the formation of a charter county government or the  
6 consolidation of services or functions within four (4) years of the appointment of  
7 the commission, the commission shall be disbanded unless two-thirds (2/3) of the  
8 commission agree to extend the commission for no longer than six (6) months.

9 (6) The comprehensive plan shall be consistent with the provisions of the Constitution  
10 of Kentucky and shall be advertised at least ninety (90) days before a regular  
11 election at which the voters will be asked to approve or disapprove the adoption of  
12 the comprehensive plan. The question of whether the comprehensive plan shall be  
13 adopted shall be filed with the county clerk not later than the second Tuesday in  
14 August preceding the day of the next regular election.

15 (7) The comprehensive plan proposed shall be presented to the voters at a regular  
16 election and:

17 (a) The votes shall be counted, returns made and canvassed in accordance with  
18 the provisions of KRS Chapters 116 to 121 governing elections;

19 (b) The results shall be certified by the county board of election commissioners to  
20 the county clerk; and

21 (c) If a majority of those voting on the issue within each area as required by  
22 subsections (8) and (9) of this section are in favor of adopting the  
23 comprehensive plan, the county board of election commissioners shall enter  
24 the fact of record, and the charter county commission shall organize the  
25 charter county government or the county and each participating city shall  
26 provide for the consolidation of services or functions as provided in the  
27 comprehensive plan.

- 1 (8) Subject to the restrictions in subsection (9) of this section, for the comprehensive  
2 plan to be adopted, it shall require both a majority of those residents voting within  
3 the unincorporated area of the county to vote in favor of its adoption, and:
- 4 (a) A majority of those residents voting within the city containing the largest  
5 population in the county, based on the most recent decennial census, to vote in  
6 favor of its adoption; or
- 7 (b) A majority of those residents voting, pursuant to subsection (9) of this section,  
8 within cities that together contain at least fifty percent (50%) of the population  
9 residing within the incorporated areas of the county, based on the most recent  
10 decennial census, to vote in favor of its adoption.
- 11 (9) (a) The votes shall be counted within each city to determine whether the majority  
12 of voters within each city are in favor of the adoption of the comprehensive  
13 plan.
- 14 (b) Each city where the majority of those voting are in favor of adopting the  
15 comprehensive plan shall participate in the charter county government,  
16 subject to the requirements of subsection (8) of this section.
- 17 (c) Each city where the majority of those voting are not in favor of adopting the  
18 comprehensive plan:
- 19 1. Shall not participate in the charter county government;
- 20 2. Shall remain incorporated unless dissolved in accordance with KRS  
21 81.094 and shall continue to exercise all powers and perform the  
22 functions permitted by the Constitution and general laws of the  
23 Commonwealth of Kentucky applicable to the cities of the class to  
24 which they have been assigned; and
- 25 3. Shall allow eligible voters within the city to vote for the chief executive  
26 officer of the charter county government and the relevant legislative  
27 body member or members of the charter county government for the area

1 including the nonparticipating city.

2 (10) If the comprehensive plan is not adopted, the same proposal shall not be submitted  
3 for voter consideration for a period of five (5) years from the date of the election  
4 wherein the comprehensive plan failed to receive the requisite votes.

5 ➔Section 7. KRS 67.852 is amended to read as follows:

6 (1) All contracts, bonds, franchises, and other obligations of a participating city and the  
7 county in existence on the effective date of a charter county government~~[, including~~  
8 ~~but not limited to collective bargaining agreements,]~~ shall continue in force and  
9 effect as obligations of the charter county government for the term of those  
10 contracts, bonds, franchises, and other obligations.

11 (2) The charter county government shall succeed to all rights and entitlements of these  
12 contracts, bonds, franchises, and other obligations.

13 (3) All conflicts in the provisions of the contracts, bonds, franchises, and other  
14 obligations shall be resolved in a manner that does not impair the rights of any of  
15 the parties.†

16 ~~(4) Nothing in KRS 67.825 to 67.875 shall be construed to nullify a participating city's~~  
17 ~~petition pursuant to KRS 345.010 to be included under KRS Chapter 345 for~~  
18 ~~collective bargaining with firefighters. Nothing in KRS 67.825 to 67.875 shall be~~  
19 ~~construed to nullify any other legal obligations requiring the continuance of~~  
20 ~~collective bargaining with a county's or participating city's employees. To the extent~~  
21 ~~required by KRS Chapter 345 or any other legal obligation requiring the~~  
22 ~~continuance of collective bargaining, the charter county government shall continue~~  
23 ~~to bargain collectively with those employees who were covered under a contract~~  
24 ~~with the county or participating city at the time of the formation of the charter~~  
25 ~~county government.]~~

26 ➔Section 8. KRS 67.910 is amended to read as follows:

27 (1) The unification review commission shall study matters relating to the feasibility of

1 forming a unified local government and, if unification is proposed, develop a  
2 unification plan consistent with the provisions of the Kentucky Constitution and  
3 KRS 67.900 to 67.940. A unification plan shall include:

- 4 (a) The process for establishing the unified local government;
- 5 (b) A description of the form, structure, functions, and powers of the proposed  
6 unified local government;
- 7 (c) A description of the officers of the proposed unified local government and  
8 their powers and duties;
- 9 (d) A procedure for the orderly and timely transition of specified services,  
10 functions, and responsibilities from each affected city and the county to the  
11 unified local government;
- 12 (e) A procedure for the orderly transition to the unified local government of the  
13 services, functions, and responsibilities of any special district that will be  
14 eliminated;
- 15 (f) A procedure for the orderly transition to the unified local government of the  
16 services, functions, and responsibilities of any board, commission, or  
17 authority that will be eliminated;
- 18 (g) The procedures by which the unification plan may be amended by the  
19 subsequently created unified local government;
- 20 (h) The procedures by which the unification plan may be amended by the  
21 participating county and city or cities as a result of contingencies arising from  
22 the failure of certain jurisdictions to vote in favor of joining the unification  
23 plan. The contingency plan shall be adopted by the participating county and  
24 city or cities by joint ordinance. The contingency plan shall be adopted by the  
25 participating county and city or cities within sixty (60) days of the  
26 certification of the election result. The contingency plan shall only address:
- 27 1. Issues of revenue;

- 1           2.    Issues of indebtedness;
- 2           3.    Issues of service provision, service areas, or service area boundaries;
- 3           4.    Personnel or administration~~[- but may not infringe upon any pre-existing~~
- 4           ~~collective bargaining agreements in force in participating jurisdictions];~~
- 5           and
- 6           5.    Any issues directly related to the cost of government or provision of
- 7           services within the unification plan.

8           The contingency plan shall not address issues within the plan related to

9           paragraph (a), (b), (c), (d), (e), (f), or (g) of this subsection; and

10          (i)   The procedures by which the unified local government may be dissolved. The

11          procedures drafted shall include but are not limited to:

- 12           1.    Requirements for a public petition for the dissolution of the unified local
- 13           government;
- 14           2.    The question to be presented to voters for the dissolution of the unified
- 15           local government; and
- 16           3.    Any administrative measures necessary to settle tax and debt issues
- 17           created by the dissolution of the unified local government.

18          The proposed unification plan shall specify that no petition for the dissolution

19          of the unified local government shall be valid until a period of five (5) years

20          has passed from commencement of the first terms of the duly elected officers

21          of the unified local government; and

22          (j)   Such other provisions as the commission shall determine.

23          (2)   The unification review commission may propose a unification plan under which the

24          county and one (1) or more participating cities unite to form a single unit of local

25          government.

26          (3)   The unification plan shall be completed within two (2) years of the commission's

27          appointment. If a majority of the commission members are unable to agree on a

1 plan for unification within the two (2) year period, the unification review  
2 commission shall be dissolved by operation of law.

3 ➔Section 9. KRS 67C.101 is amended to read as follows:

4 (1) The governmental and corporate functions vested in any city of the first class shall,  
5 upon approval by the voters of the county at a regular or special election, be  
6 consolidated with the governmental and corporate functions of the county  
7 containing the city. This single government replaces and supersedes the  
8 governments of the pre-existing city of the first class and its county.

9 (2) (a) A consolidated local government shall have all powers and privileges that  
10 cities of the first class and their counties are, or may hereafter be, authorized  
11 to exercise under the Constitution and the general laws of the Commonwealth  
12 of Kentucky, including but not limited to those powers granted to cities of the  
13 first class and their counties under their respective home rule powers.

14 (b) A consolidated local government shall continue to exercise these powers and  
15 privileges notwithstanding repeal or amendment of any of the laws upon  
16 which the powers and privileges are based unless expressly repealed or  
17 amended for consolidated local governments.

18 (c) In addition, a consolidated local government shall have other powers and  
19 privileges as the government may be authorized to exercise under the  
20 Constitution and general laws of the Commonwealth of Kentucky.

21 (d) A consolidated local government is neither a city government nor a county  
22 government as those forms of government exist on July 15, 2002, but it is a  
23 separate classification of government which possess the greater powers  
24 conferred upon, and is subject to the lesser restrictions applicable to, county  
25 government and cities of the first class under the Constitution and general  
26 laws of the Commonwealth of Kentucky.

27 (e) A consolidated local government shall be accorded the same sovereign

- 1 immunity granted counties, their agencies, officers, and employees.
- 2 (3) A consolidated local government shall have power and authority to:
- 3 (a) Levy and collect taxes upon all property taxable for state purposes within the
- 4 territorial limits of the consolidated local government not exempt by law from
- 5 taxation;
- 6 (b) License, tax, and regulate privileges, occupations, trades, and professions
- 7 authorized by law, to be uniform throughout the jurisdiction;
- 8 (c) Make appropriations for the support of the consolidated local government and
- 9 provide for the payment of all debts and expenses of the consolidated local
- 10 government and the debts and expenses of the county and city of which it is
- 11 the successor;
- 12 (d) Issue or cause to be issued bonds and other debt instruments that counties
- 13 containing a city of the first class are authorized to issue or enter into all other
- 14 financial transactions as may be permitted by law;
- 15 (e) Purchase, lease, construct, maintain, or otherwise acquire, hold, use, and
- 16 operate any property, real or personal, for any public purpose, and sell, lease,
- 17 or otherwise dispose of any property, real or personal, belonging to a
- 18 consolidated local government;
- 19 (f) Exercise the power of eminent domain for any public purpose subject to the
- 20 limitations and exceptions prescribed by the Constitution and the general laws
- 21 of the Commonwealth of Kentucky;
- 22 (g) Accept federal or state funds and other sources of revenue that are applicable
- 23 to counties and cities of the first class;
- 24 (h) Establish, erect, maintain, and operate facilities for the confinement,
- 25 detention, and rehabilitation of persons convicted of the violation of the
- 26 ordinances and laws of a consolidated local government or the
- 27 Commonwealth of Kentucky;

- 1 (i) Pass and enforce by fines and penalties, if necessary, all ordinances, not
- 2 inconsistent with law, as are expedient in maintaining the peace, good
- 3 government, health, and welfare of the inhabitants of the county and prevent,
- 4 abate, and remove nuisances;
- 5 (j) Collect and dispose of garbage, junk, and other refuse, and regulate the
- 6 collection and disposal of garbage, junk, and other refuse by others;
- 7 (k) Provide for the redevelopment, renewal, or rehabilitation of blighted,
- 8 deteriorated, or dilapidated areas;
- 9 (l) Enforce zoning regulations;
- 10 (m) Enter into contracts and agreements with other governmental entities and with
- 11 private persons, firms, and corporations; and
- 12 (n) ~~[Adopt procedures for collective bargaining with its employees and for the~~
- 13 ~~certification of exclusive bargaining agents for groups of employees in~~
- 14 ~~accordance with the Constitution and general laws of the Commonwealth of~~
- 15 ~~Kentucky and its ordinances; and~~
- 16 ~~(o) ]~~Exercise all other powers and authorities granted to counties and cities of the
- 17 first class by the general laws of the Commonwealth of Kentucky.
- 18 (4) The powers of the consolidated local government shall be construed broadly in
- 19 favor of the consolidated local government. The specific mention, or failure to
- 20 mention, of particular powers in this section shall not be construed as limiting in
- 21 any way the general or specific powers of a consolidated local government.
- 22 (5) A consolidated local government shall have power and jurisdiction throughout the
- 23 total area embraced by the official jurisdictional boundaries of the county.
- 24 (6) A consolidated local government shall be known as...../.....County
- 25 Metro Government, which shall be the combination of the names of the largest city
- 26 in existence on the date of the adoption of the consolidated local government and
- 27 the county.

1           ➔Section 10. KRS 67C.326 is amended to read as follows:

2       (1) As used in this section:

3           (a) "Citizen" means any individual who is not:

4               1. A member or supervisor within the law enforcement agency that  
5               employs an officer; or

6               2. An elected or appointed official within the unit of government under  
7               which the law enforcement agency that employs the officer is organized;

8           (b) "Complaint" means any statement by a citizen, whether written or verbal, that  
9               alleges any type of misconduct by an officer, including any statement that is  
10              submitted or received anonymously;

11          (c) "Disciplinary action" means termination, demotion, a decrease in pay or  
12              grade, suspension without pay, or a written reprimand;

13          (d) "Interrogation" means a formal investigative interview and does not mean  
14              conversations or meetings of supervisory personnel and subordinate officers  
15              that are not intended to result in disciplinary action, such as conversations or  
16              meetings held for the purpose of providing corrective instruction, counseling,  
17              or coaching; and

18          (e) "Misconduct" means any act or omission by that officer that violates criminal  
19              law or the rules and administrative regulations of the department or  
20              consolidated local government.

21       (2) In order to establish a minimum system of professional conduct for the police  
22              officers of consolidated local governments of this Commonwealth, the following  
23              standards are stated as the intention of the General Assembly to deal fairly and  
24              establish administrative due process rights for police officers of the consolidated  
25              local government and, at the same time, provide a means for redress by the citizens  
26              of the Commonwealth for wrongs allegedly done to them by police officers covered  
27              by this section.

- 1 (3) Any complaint taken from a citizen alleging misconduct on the part of any police  
2 officer, as defined herein, shall be taken as follows:
- 3 (a) If the complaint alleges criminal activity by a police officer, the allegations  
4 may be investigated without a signed, sworn complaint of the citizen;
- 5 (b) If the complaint alleges any other type of misconduct, an affidavit, signed and  
6 sworn to by the citizen, shall be obtained, except as provided by paragraph (c)  
7 of this subsection; or
- 8 (c) If a complaint is required to be obtained and the citizen, upon request, refuses  
9 to make allegations under oath in the form of an affidavit, signed and sworn  
10 to, the department may investigate the allegations, but shall bring charges  
11 under subsection (6) of this section against the police officer only if the  
12 department can independently substantiate the allegations absent the sworn  
13 statement of the citizen.
- 14 (4) (a) When an officer is accused of misconduct by any individual within the  
15 department employing the police officer, including supervisors and elected or  
16 appointed officials of the police officer's department, or by a citizen  
17 complaint, the department shall conduct any investigation subject to the  
18 provisions of subsection (5) of this section, formally charge the police officer  
19 in accordance with subsection (6) of this section, and conduct a hearing in  
20 accordance with subsection (7) of this section before any disciplinary action is  
21 taken against the police officer.
- 22 (b) The provisions of this subsection shall not prevent the department from  
23 suspending the police officer, with or without pay, during an investigation and  
24 pending the final disposition of any formal charges, except that a police  
25 officer suspended without pay shall be entitled to full back pay and benefits  
26 for the regular hours the officer would have worked if no formal charges were  
27 brought or the board finds the officer not guilty of the charges.

- 1 (5) (a) Any complaint filed by a citizen under subsection (3) of this section or any  
2 allegation of misconduct under subsection (4) of this section shall be  
3 investigated by the department or another designated law enforcement agency  
4 if the department determines that an investigation of the complaint or the  
5 alleged misconduct is warranted.
- 6 (b) No threats, promises, or coercions shall be used at any time against any police  
7 officer while he or she is a suspect in a criminal or departmental matter.  
8 Suspension from duty with or without pay, or reassignment to other than an  
9 officer's regular duties during the period, shall not be deemed coercion. Prior  
10 to or within twenty-four (24) hours after suspending the officer pending  
11 investigation or disposition of a complaint, the officer shall be advised in  
12 writing of the reasons for the suspension.
- 13 (c) No police officer shall be subjected to interrogation in a departmental matter  
14 involving alleged misconduct on his or her part, until forty-eight (48) hours  
15 have expired from the time the request for interrogation is made to the  
16 accused officer, in writing. The interrogation shall be conducted while the  
17 officer is on duty. The notice of interrogation shall include a statement of any  
18 reason for the interrogation and served on the officer by certified mail, return  
19 receipt requested, or by personal delivery.
- 20 (d) If requested by the department no later than the end of the subject officer's  
21 next tour of duty after the tour of duty during which the department initially  
22 was made aware of the allegations of misconduct, the officer shall submit a  
23 written report of the alleged incident.
- 24 (e) If a police officer is under arrest, or likely to be arrested, or a suspect in any  
25 criminal investigation, he or she shall be afforded the same constitutional due  
26 process rights that are accorded to any civilian, including but not limited to  
27 the right to remain silent and the right to counsel, and shall be notified of

1           those rights before any questioning commences.

2       (6) (a) If it is determined through investigation or other means that the facts alleged  
3           in a citizen complaint or other allegation of misconduct warrant disciplining  
4           the officer, the department shall provide the officer the written statement  
5           required in KRS 67C.321(1)(a), which shall include sufficient specificity so as  
6           to fully inform the police officer of the nature and circumstances of the  
7           alleged violation in order that he or she may be able to properly defend  
8           himself or herself.

9       (b) The written statement shall be signed by the chief, set out the disciplinary  
10          action intended by the chief, and be served on the police officer in writing by  
11          certified mail, return receipt requested, or by personal delivery.

12       (c) When a police officer has been charged with misconduct, no public statements  
13          shall be made concerning the alleged violation by any person or persons of the  
14          consolidated local government or the police officer so charged, until final  
15          disposition of the charges.

16       (d) No police officer as a condition of continued employment by the consolidated  
17          local government shall be compelled to speak or testify or be questioned by  
18          any person or body of a nongovernmental nature.

19       (7) Subject to KRS 67C.321 and 67C.325, a hearing shall be conducted by the board to  
20          determine whether the discipline issued by the chief is supported by a  
21          preponderance of the evidence and whether the disciplinary action recommended by  
22          the chief is justified. In conducting a hearing, the following administrative due  
23          process rights shall be recognized and these shall be the minimum rights afforded  
24          any police officer charged, except as otherwise agreed to in writing by the officer  
25          and the employing agency:

26       (a) The accused police officer shall have been given at least twelve (12) days'  
27          written notice of any hearing. The notice shall be served on the officer by

- 1 certified mail, return receipt requested, or by personal delivery;
- 2 (b) Copies of any sworn statements or affidavits to be considered by the board  
3 and any exculpatory statements or affidavits shall be furnished to the police  
4 officer no less than twelve (12) days prior to the time of any hearing;
- 5 (c) At any hearing based upon the sworn complaint of a citizen, the citizen shall  
6 be notified to appear at the time and place of the hearing by certified mail,  
7 return receipt requested, or by personal delivery;
- 8 (d) If the return receipt has been returned unsigned, or the citizen does not appear,  
9 except where due to circumstances beyond his or her control he or she cannot  
10 appear at the time and place of the hearing, any charge resulting from a  
11 complaint made by that citizen shall not be considered by the hearing  
12 authority and shall be dismissed with prejudice;
- 13 (e) The accused police officer shall have the right and opportunity to obtain and  
14 have counsel present, and to be represented by the counsel;
- 15 (f) The board shall subpoena and require the attendance of witnesses and the  
16 production by them of books, papers, records, and other documentary  
17 evidence at the request of the accused police officer or the chief. If any person  
18 fails or refuses to appear under the subpoena, or to testify, or to attend, or  
19 produce the books, papers, records, or other documentary evidence lawfully  
20 required, the board may report to the Circuit Court or any judge thereof the  
21 failure or refusal, and apply for a rule. The Circuit Court, or any judge thereof,  
22 may on the application compel obedience by proceedings for contempt as in  
23 the case of disobedience of the requirements of a subpoena issued from the  
24 court;
- 25 (g) The accused police officer shall be allowed to present witnesses and any  
26 documentary or other relevant evidence the police officer wishes to provide to  
27 the board, and may cross-examine all witnesses called by the charging party;

- 1 (h) For any police officer suspended with or without pay who is not given a  
2 hearing as provided by this section within sixty (60) days his or her appeal of  
3 the final opinion by the chief or the chief's designee, the discipline and  
4 charges issued by the chief shall be dismissed with prejudice, shall not be  
5 considered by the board, and the officer shall be reinstated with full back pay  
6 and benefits;
- 7 (i) Any police officer who has been suspended without pay who is found not  
8 guilty of the charges by the board shall be reinstated with the full back pay  
9 and benefits for the regular hours he or she would have worked;
- 10 (j) The failure to provide any of the rights or to follow the provisions of this  
11 section may be raised by the officer with the hearing authority. The hearing  
12 authority shall not exclude proffered evidence based on failure to follow the  
13 requirements of this section but shall consider whether, because of the failure,  
14 the proffered evidence lacks weight or credibility and whether the officer has  
15 been materially prejudiced; and
- 16 (k) To the extent the provisions of KRS 61.805 to 61.850 are applicable, the  
17 board may conduct the hearing required by this subsection in a closed session  
18 unless the police officer requests of the board, in writing at least three (3) days  
19 prior to the hearing, that the hearing be open to the public.
- 20 (8) As the provisions of this section relate to a minimum system of professional  
21 conduct, nothing in this section shall be interpreted or construed to:
- 22 (a) Limit or in any way affect any rights previously afforded to a police officer of  
23 the consolidated local government by statute~~], collective bargaining or~~  
24 ~~working agreement,~~ or legally adopted ordinance;
- 25 (b) Preclude a consolidated local government from investigating and charging a  
26 police officer both criminally and administratively; or
- 27 (c) Prevent the suspension, with or without pay or reassignment, of a police

1 officer during an investigation and pending the final disposition of charges.

2 ➔Section 11. KRS 78.425 is amended to read as follows:

- 3 (1) All police officers of whatever rank and title, and all employees~~[, except civilian~~  
4 ~~employees covered by a collective bargaining agreement,]~~ of every county police  
5 force affected by KRS 78.400 to 78.460 and 78.990 are covered by the provisions  
6 hereof, except probationary officers and employees. All covered officers and  
7 employees of every county police force on active duty or service as of the effective  
8 date of an order of the fiscal court of the county creating a county police merit  
9 system and board, shall be deemed fit and qualified to continue their respective  
10 duties of employment on or for their respective county police force without  
11 examination or further qualification, except and unless the chief of police of any  
12 county police force shall, within sixty (60) days after the establishment of the  
13 board, certify to the board that any officer or employee is physically unfit to  
14 continue his or her duties.
- 15 (2) If a merit system is established which covers a county fire department, the  
16 provisions of subsection (1) shall apply to the county fire department as they apply  
17 to the county police force.
- 18 (3) All personnel covered by the provisions (a) of KRS 78.400 to 78.460, or (b) KRS  
19 67.323, 67.325 and this section, or both, except probationary officers and  
20 employees, shall be deemed to be permanent employees subject to their ability to  
21 satisfactorily perform their respective duties and further subject to their good  
22 behavior.
- 23 (4) Probationary officers and employees shall not be included in the merit system until  
24 they satisfactorily complete their initial probationary periods established by the  
25 governing merit board. Officers and employees serving promotional probationary  
26 periods, however, shall not be deemed excluded from the merit system during the  
27 promotional probationary periods.

1       ➔Section 12. KRS 95.290 is amended to read as follows:

- 2       (1) The city legislative body in cities of the first class may enact ordinances providing  
3       for a system of pensions for retired and disabled members of the police and fire  
4       divisions of the department of public safety and their dependents, may appropriate  
5       funds for the purpose of paying such pensions, may allot and pay to the policemen's  
6       pension fund or the firefighters' pension fund or either or both of them, all fines and  
7       forfeitures imposed upon members of the respective divisions, and may provide for,  
8       assess, and collect contributions from the members for the benefit of the fund.
- 9       (2) (a) There shall be a governing body of the policemen's pension fund, and a  
10       governing body of the firefighters' pension fund. The governing bodies of the  
11       respective funds shall hold title to all assets in their respective funds, and shall  
12       have exclusive authority relating to investment of the assets of the funds,  
13       including contracting with investment advisors or managers to perform  
14       investment services as deemed necessary and prudent by the board. A  
15       majority of the governing body of each fund shall be composed of persons  
16       receiving pension benefits from the respective pension systems, and no more  
17       than one (1) member of the city legislative body may be a member of the  
18       governing body of either the policemen's or the firefighters' pension fund,  
19       except if there are fewer than six (6) active and retired members of the  
20       policemen's or the firefighters' pension fund, the governing body of the  
21       pension fund shall be composed of the mayor, city treasurer or chief financial  
22       officer, and two (2) employees appointed by the mayor from the city's  
23       respective police department or fire department. To be effective, an action of  
24       the governing body of a fund shall require only a simple majority of the votes  
25       cast at a properly convened meeting of the governing body where a quorum is  
26       present, with a quorum being a majority of the members of a governing body.
- 27       (b) If there are fewer than twelve (12) active and retired members or beneficiaries

1 of the policemen's or the firefighters' pension fund, the governing body of the  
2 fund may elect to offer to individuals entitled to benefits from the fund a one  
3 (1) time irrevocable option to convert monthly pension benefits from the fund  
4 to monthly annuity benefits from an insurance company for the same amount.  
5 An insurance company accepting a benefit transfer shall honor any features  
6 and options available under the existing plan. If the governing body of the  
7 fund elects to offer the option to convert monthly pension benefits to monthly  
8 annuity benefits, it shall provide to individuals entitled to benefits from the  
9 fund sufficiently complete and appropriate disclosures to assist in making an  
10 informed decision.

11 (c) If all liabilities to all individuals entitled to benefits from the policemen's  
12 pension fund or firefighters' pension fund have been satisfied, the ordinances  
13 establishing the fund may be repealed by the majority vote of the duly elected  
14 members of the entire legislative body. If repealed, the governing body of the  
15 policemen's or firefighters' pension fund shall, within sixty (60) days of  
16 repeal, proceed with the liquidation of any residual assets of the fund. All  
17 residual assets liquidated pursuant to this paragraph shall be distributed by the  
18 governing body to the city's general fund provided the return of assets  
19 complies with federal and state law governing the distribution of assets.  
20 Within thirty (30) days following the distribution of residual assets, the  
21 governing body of the fund shall as its last act file a complete report with the  
22 legislative body of the city, for retention by the city clerk the same as for other  
23 city records, of the actions taken to dissolve the fund and liquidate residual  
24 assets of the fund.

25 (3) Any policemen's pension fund or any firefighters' pension fund established under  
26 the provisions of this section shall be held or distributed for, and only for, any of the  
27 following purposes of the respective fund as applicable:

- 1 (a) Paying pensions, and any bonus payments under applicable ordinances;
- 2 (b) Making payments to the city for transfer to the County Employees Retirement  
3 System for alternate participation pursuant to KRS 78.530(3)(a) and 78.531(2)  
4 or for the distribution of residual assets in the event the fund is dissolved  
5 pursuant to subsection (2)(c) of this section;
- 6 (c) Making payments to the city for transfer to an insurance company for  
7 conversion of monthly pension benefits to monthly annuity benefits as  
8 provided in subsection (2)(b) of this section;
- 9 (d) Transferring pension assets through investment contract or other financial  
10 instrument for the purpose of amortizing unfunded service liabilities; and
- 11 (e) Payment from the city to the County Employees Retirement System for future  
12 pension contributions required pursuant to KRS 61.702 and 78.635.

13 Pursuant to the terms of this section, if policemen of the city of the first class elect  
14 entry into the County Employees Retirement System and thereby create excess  
15 funds over those required to provide for the purposes set forth in paragraphs (a), (b),  
16 (c), (d), and (e) of this subsection, these excess funds shall be distributed to the city  
17 for use by the city for any other purpose it may elect, including but not limited to  
18 the establishment of a reserve for payment under paragraph (e) of this subsection.  
19 The governing board of the fund may annually expend for the necessary expenses  
20 connected with the fund, including but not limited to expenses for medical,  
21 actuarial, accounting, and legal services, the amount such governing board deems  
22 proper.

- 23 (f) Payment from the city to the County Employees Retirement System for future  
24 pension contributions required pursuant to KRS 61.702 and 78.635. Pursuant  
25 to the terms of this section, if firefighters of the city of the first class elect  
26 entry into the County Employees Retirement System and thereby create  
27 excess funds over those required to provide for the purposes set forth in

1 paragraphs (a), (b), (c), (d), and (e) of this subsection, these excess funds shall  
2 be distributed according to the terms of an agreement negotiated between the  
3 city and the union organization representing the firefighters. The city may use  
4 its share of the distributed excess funds for any purpose it may elect, including  
5 but not limited to the establishment of a reserve for payment under paragraph  
6 (f) of this subsection.

7 (4) (a) The governing body of each pension fund shall ensure that all of the assets in  
8 the fund are distributed for the purposes in subsection (3) of this section, and  
9 only for these purposes. If in any calendar year the assets in either fund  
10 exceed those needed for the actuarial liability for payment of pension benefits  
11 and any anticipated liabilities under subsection (3)(b) and (d) of this section,  
12 the legislative body of the city establishing the pension system shall ensure by  
13 pension bonus ordinance that a portion of these excess funds be distributed in  
14 an equitable manner to all eligible pension recipients. Nothing in this  
15 subsection shall be construed to require any change to be made to any pension  
16 ordinance as it exists on July 15, 1998.

17 (b) The governing board of either fund may annually expend for the necessary  
18 expenses connected with the fund, including but not limited to expenses for  
19 medical, actuarial, accounting, and legal or other professional services, the  
20 amount such governing board deems proper.

21 (5) Any ordinance establishing a pension fund under this section shall make equitable  
22 provision for the rights of persons having an interest in assets transferred to the fund  
23 from any fund heretofore established by statute.

24 (6) To assure equal protection for the beneficiaries of either fund, any action taken by  
25 the city executive or legislative body in cities of the first class that affects a  
26 policemen's pension fund or a firefighters' pension fund established under this  
27 section shall, to the maximum extent permitted by law, treat each fund in a uniform

1 manner and shall not cause any change to be made to the structure or operation of  
2 either fund, whether through legislation, litigation, compromise, settlement, or  
3 otherwise, unless any proposed change is offered to the other fund before it takes  
4 effect. Nothing in this subsection shall be construed to require any change to be  
5 made to any pension ordinance as it exists on July 15, 1998.

6 (7) The legislative body in a city of the first class shall issue the appropriate order,  
7 pursuant to KRS 78.530(1), directing participation for policemen in the County  
8 Employees Retirement System. All new employees who would have been granted  
9 membership in the local policemen's pension system shall be members of the  
10 County Employees Retirement System. All active members of the local policemen's  
11 pension system at the time of transition to the County Employees Retirement  
12 System may choose membership in the County Employees Retirement System or  
13 may retain membership in the local system. The city shall elect the alternate  
14 participation plan, pursuant to KRS 78.530(3), for policemen who transfer to the  
15 County Employees Retirement System. Notwithstanding the provisions of KRS  
16 78.530(3)(b), the city may, at its option, extend the payment period for the cost of  
17 alternate participation to a maximum of twenty (20) years with the interest at the  
18 rate actuarially assumed by the board. The city shall have the right to use assets in  
19 the local pension fund, other than assets necessary to pay benefits to the remaining  
20 active members of the local policemen's pension system and to retirees and their  
21 survivors as determined by actuarial valuation, to assist in the payment of the  
22 annual installment cost of alternate participation. All policemen who become  
23 members of the County Employees Retirement System pursuant to this section shall  
24 be granted hazardous duty coverage, and the city may, at its option, purchase  
25 accumulated sick leave for each policeman upon retirement pursuant to KRS  
26 78.616.

27 (8) The legislative body in a city of the first class may issue the appropriate order,

1 pursuant to KRS 78.530(1), directing participation for firefighters in the County  
2 Employees Retirement System. In the event that the legislative body in a city of the  
3 first class issues such an order, then all new employees who would have been  
4 granted membership in the local firefighters' pension system shall be members of  
5 the County Employees Retirement System. All active members of the local  
6 firefighters' pension system at the time of transition to the County Employees  
7 Retirement System may choose membership in the County Employees Retirement  
8 System or may retain membership in the local system. The city shall elect the  
9 alternate participation plan, pursuant to KRS 78.530(3), for firefighters who transfer  
10 to the County Employees Retirement System. Notwithstanding the provisions of  
11 KRS 78.530(3)(b), the city may, at its option, extend the payment period for the  
12 cost of alternate participation to a maximum of twenty (20) years with the interest at  
13 the rate actuarially assumed by the board. The city shall have the right to use assets  
14 in the local firefighters' pension fund, other than assets necessary to pay benefits to  
15 the remaining active members of the local firefighters' pension system and to  
16 retirees and their survivors as determined by actuarial valuation, to assist in the  
17 payment of the annual installment cost of alternate participation. After certification  
18 by the County Employees Retirement System of eligibility for hazardous duty  
19 coverage, each firefighter who becomes a member of the County Employees  
20 Retirement System pursuant to this section shall be granted hazardous duty  
21 coverage.

22 (9) ~~Notwithstanding the provisions of KRS 61.702 and 78.635, which relate to the~~  
23 ~~contributions required of participating employers, any city of the first class~~  
24 ~~participating in the County Employees Retirement System hazardous duty pension~~  
25 ~~plan which has in effect a collective bargaining agreement with a group of~~  
26 ~~employees who participate in said plan, shall have the right to enter into agreement~~  
27 ~~with its employees or with their respective collective bargaining representatives.~~

1       ~~This agreement may include but is not limited to specifications of what portion of~~  
 2       ~~the required employer contribution shall be borne by the participating employer and~~  
 3       ~~what portion shall be borne by the participating employee. This provision in no way~~  
 4       ~~modifies the employer's obligation to remit the contributions required by the~~  
 5       ~~County Employees Retirement System pursuant to KRS 61.702 and 78.635,~~  
 6       ~~whether such contributions are borne by the city or by its participating employees.~~

7       (10) With regard to the employer participation or employer contributions pursuant to  
 8       KRS 61.702 and 78.635 as it relates to future pension contribution requirements or  
 9       as it relates to payback period or interest charge for service liability cost under  
 10       alternate participation, if any statute or any resolution of the appropriate state board  
 11       of trustees having authority over employer participation or employer contribution  
 12       grants any terms or conditions to any city of the home rule class, or to any county,  
 13       or to any urban-county government, which are more favorable in terms of  
 14       participation than terms or conditions granted to any city of the first class, then said  
 15       provisions for employer participation or contribution shall be available to the city of  
 16       the first class, at its option and effective upon adoption by the city of the first class  
 17       and notification to the County Employees Retirement System.

18       ➔Section 13. KRS 95.500 is amended to read as follows:

19       (1) The chief of the fire department in cities or urban-county governments, or an officer  
 20       acting under his or her authority:

21       (a) Shall be present at all fires and investigate their cause;

22       (b) May examine witnesses, compel the production of testimony, administer  
 23       oaths, make arrests, and enter any building for the purpose of examination  
 24       that, in his or her opinion, is in danger from fires; and

25       (c) Shall report his or her proceedings to the city legislative body when required.

26       (2) The chief shall:

27       (a) Direct and control the operations of the members of the fire department in the

- 1 discharge of their duties;
- 2 (b) Have access to and use of all cisterns, fireplugs, the waters of the waterworks,  
3 and the cisterns of private persons, for the purpose of extinguishing fires;
- 4 (c) Have the right to examine all cisterns, and all plugs and pipes of the  
5 waterworks, to see that they are in condition for use in case of fire;
- 6 (d) Have control of all buildings, hose, engines, and other equipment provided for  
7 the fire department; and
- 8 (e) Perform such other duties as the legislative body shall, by ordinance,  
9 prescribe.
- 10 (3) (a) The fire department of each city listed on the registry pursuant to subsection  
11 (5) of this section or urban-county government shall be divided into three (3)  
12 platoons of firefighters. Each platoon, excluding the chief, the assistant chief,  
13 clerical employees, maintenance employees, fire inspectors, fire investigators,  
14 and arson investigators, in fire departments in the cities listed on the registry  
15 or in urban-county governments, shall be on duty for:
- 16 1. Twenty-four (24) consecutive hours, after which the platoon serving  
17 twenty-four (24) hours shall be allowed to remain off duty for forty-  
18 eight (48) consecutive hours;
- 19 2. ~~Unless otherwise provided in a collective bargaining agreement,~~ Be on  
20 forty-eight (48) consecutive hours, after which the platoon serving forty-  
21 eight (48) consecutive hours shall be allowed to remain off duty for the  
22 following ninety-six (96) consecutive hours; or
- 23 3. ~~Unless otherwise provided in a collective bargaining agreement,~~  
24 ~~Twenty-four (24) hours, after which the platoon serving twenty-four~~  
25 ~~(24) hours shall be allowed to remain off duty for seventy-two (72)~~  
26 ~~hours, after which that platoon shall be on duty again for forty-eight (48)~~  
27 ~~hours, then shall be allowed to remain off duty again for seventy-two~~

1 (72) hours;  
2 except in cases of dire emergency. The chief of the fire department shall  
3 arrange the schedule of working hours to comply with the provisions of this  
4 section. The pay, rank, or benefits of the members and officers of the fire  
5 department shall not be reduced as a result of this subsection.

6 (b) ~~[Notwithstanding paragraph (a) of this subsection, any city or urban-county~~  
7 ~~government that maintains a collective bargaining agreement with members~~  
8 ~~of its fire department may reach an agreement with the bargaining unit to~~  
9 ~~establish an alternative staffing and scheduling plan for the operation of its~~  
10 ~~fire department.~~

11 ~~(c)~~ Any change in a work schedule made pursuant to this subsection shall not  
12 result in a decrease in the compensation of firefighters, exclusive of  
13 unscheduled overtime.

14 (4) In each city or urban-county government listed on the registry, all employees of the  
15 fire department shall be given not less than two (2) weeks leave of absence  
16 annually, with full pay.

17 (5) On or before January 1, 2015, the Department for Local Government shall create a  
18 registry of cities that shall be required to comply with the provisions of subsections  
19 (3) and (4) of this section. The Department for Local Government shall include  
20 each of those cities on the registry that were classified as cities of the second class  
21 on August 1, 2014. The Department for Local Government shall make the  
22 information included on the registry available to the public by publishing it on its  
23 website.

24 ➔Section 14. KRS 96A.200 is amended to read as follows:

25 If an authority acquires an existing transit system, the authority shall assume and observe  
26 all existing labor contracts and pension obligations. All employees of such system who  
27 are necessary for the operation thereof by the authority shall be transferred to and

1 appointed as employees of the authority. Such employees shall be given seniority credit  
2 and sick leave, vacation, insurance, and pension credits in accordance with the records or  
3 labor agreements from the acquired transit system. The authority shall assume the  
4 obligations of any transit system acquired by it with regard to wages, salaries, hours,  
5 working conditions, sick leave, health and welfare and pension or retirement provisions  
6 for employees. The authority and the employees~~[, through their representatives for~~  
7 ~~collective bargaining purposes,]~~ shall take whatever action may be necessary to have  
8 pension trust funds presently under the joint control of the acquired transportation system  
9 and the participating employees through their representatives transferred to the trust fund  
10 to be established, maintained and administered jointly by the authority and the  
11 participating employees through their representatives. No employee of any acquired  
12 transportation system who is transferred to a position with the authority shall by reason of  
13 such transfer be placed in any worse position with respect to workers' compensation,  
14 pension, seniority, wages, sick leave, vacation, health and welfare insurance or any other  
15 benefits than he enjoyed as an employee of such acquired transportation system.

16 ➔Section 15. KRS 160.1599 is amended to read as follows:

- 17 (1) An existing public school not scheduled for closure may be converted into a public  
18 charter school and be identified to become a conversion public charter school if an  
19 applicant indicates to a valid authorizer the intent to convert an existing public  
20 school into a conversion public charter school.
- 21 (2) A conversion public charter school may only be established if:
- 22 (a) A school has been identified by the Kentucky Department of Education as  
23 performing in the lowest five percent (5%) of its level and sixty percent (60%)  
24 of the parents or guardians of students who attend the school have signed a  
25 petition requesting the conversion, which shall be completed and submitted to  
26 a valid authorizer no later than ninety (90) days after the date of the first  
27 signature;

- 1 (b) A school has been identified by the Kentucky Department of Education as not  
2 performing in the lowest five percent (5%) of its level and sixty percent (60%)  
3 of the parents or guardians of students who attend the school have signed a  
4 petition requesting the conversion, which is approved by a majority vote of  
5 the local school board. If approved the completed petition shall be submitted  
6 to a valid authorizer no later than ninety (90) days after the date of the first  
7 signature; or
- 8 (c) The local school board votes to convert an existing public school over which  
9 it has authority.
- 10 (3) For each conversion option identified in subsection (2) of this section, the Kentucky  
11 Board of Education shall promulgate administrative regulations to govern the  
12 processes and procedures for the petition, the conversion, and the operation of a  
13 conversion public charter school.
- 14 (4) A conversion public charter school shall be governed by a board of directors  
15 constituted and empowered as provided in KRS 160.1592.
- 16 (5) A conversion public charter school shall continue to comply with all federal and  
17 state requirements concerning the treatment of children with special needs and  
18 accept all students who attended the school prior to its conversion who wish to  
19 attend.
- 20 (6) A conversion public charter school shall hire its own employees.
- 21 (7) An employee who works in a conversion public charter school shall be an employee  
22 of the public charter school.
- 23 (8) ~~{(a) For any collective bargaining agreement entered into on or after June 29,~~  
24 ~~2017, a governing board shall not be bound by its collective bargaining~~  
25 ~~agreement for employees of a conversion public charter school.~~
- 26 ~~(b) Employees of a conversion public charter school may organize and~~  
27 ~~collectively bargain only as a unit separate from other school employees.~~

1 ~~(9)~~—]A conversion public charter school shall continue to be housed in the same public  
2 school facility and shall have the option of using the existing assets of the school.

3 ➔Section 16. KRS 161.141 is amended to read as follows:

4 (1) As used in this section, "education service provider," "public charter school," "local  
5 school board," and "local school district" have the same meanings as in KRS  
6 160.1590.

7 (2) (a) Public charter school employees shall participate in the Teachers' Retirement  
8 System or the County Employees Retirement System, as determined by their  
9 eligibility for participation in the appropriate system and provided the public  
10 charter school satisfies the criteria set by the Internal Revenue Service to  
11 participate in a governmental retirement plan.

12 (b) Teachers and other certified personnel shall make any required employee  
13 contributions to the Teachers' Retirement System under KRS 161.220 to  
14 161.716.

15 (c) Classified employees shall make any required employee contributions to the  
16 County Employees Retirement System under KRS 78.510 to 78.852.

17 (d) A public charter school shall participate in the state-sponsored health  
18 insurance program on the same basis as a local school district pursuant to  
19 KRS 18A.225.

20 (e) Any state appropriation for retirement, health, or life insurance benefits made  
21 on behalf of a local public employee or a school district employee shall also  
22 be made on behalf of a public charter school employee.

23 (f) A public charter school shall make any required employer contributions to the  
24 Teachers' Retirement System under KRS 161.220 to 161.716 and the County  
25 Employees Retirement System under KRS 78.510 to 78.852 in the same  
26 manner as local school districts.

27 (g) For the purposes of calculating sick leave credit under KRS 161.220 to

1           161.716, teachers and other certified personnel of a public charter school shall  
 2           not accumulate more days of sick leave during their employment with the  
 3           public charter school than they would have otherwise accumulated as a  
 4           certified employee of the school district of location.

5       (3) ~~[(a) A public charter school employee shall not be required to be a member of any  
 6           collective bargaining agreement.~~

7       ~~[(b) A public charter school employee who enters into any collective bargaining  
 8           unit must do so as a separate unit from the local school district.~~

9       ~~(4) A local school board shall not require any employee of the local school district to  
 10       be employed in a public charter school or any student enrolled in the school district  
 11       to attend a public charter school.~~

12       (4)~~[(5)]~~ A local school board shall not harass, threaten, discipline, discharge, retaliate,  
 13       or in any manner discriminate against any district employee involved directly or  
 14       indirectly with an application to establish a public charter school.

15       (5)~~[(6)]~~ An employee of an education service provider shall not be considered a public  
 16       charter school employee, but shall meet the same certification and background  
 17       check requirements otherwise required of a public charter school employee.

18       ➔Section 17. KRS 304.48-250 is amended to read as follows:

19       (1) If the assets of a liability self-insurance group are at any time insufficient to enable  
 20       the group to discharge its legal liabilities, other obligations, and to maintain the  
 21       required reserves under this subtitle, the group shall immediately levy an  
 22       assessment upon its members for the amount necessary to make up the deficiency.

23       (2) If there is a deficiency in any fund year, the deficiency shall be made up  
 24       immediately, from the following:

25       (a) Surplus from a fund year other than the current fund year after prior notice of  
 26       the transfer has been given to the commissioner;

27       (b) Administrative funds;

- 1 (c) Assessment of membership; or
- 2 (d) Alternate methods as the commissioner may direct or approve.
- 3 (3) If a liability self-insurance group fails to assess its members within thirty (30) days
- 4 to make up a deficit, the commissioner shall order it to do so. This subsection shall
- 5 not apply to liability self-insurance groups formed by governmental entities which
- 6 do not have joint and several liability.
- 7 (4) If a liability self-insurance group fails to make the required assessment of its
- 8 members within thirty (30) days after the commissioner orders it to do so, or if the
- 9 deficiency is not fully made up within sixty (60) days after the date on which the
- 10 assessment is made, or within a longer period of time as may be permitted by the
- 11 commissioner, the group shall be determined to be insolvent and may be placed in
- 12 delinquency proceedings as an insurer pursuant to Subtitle 33 of this chapter.
- 13 (5) (a) Governmental entities that:
- 14 1. Participate or have participated in a liability self-insurance group
- 15 authorized by this subtitle; and
- 16 2. Are assessed by the liability self-insurance group to cover an accrued
- 17 deficit;
- 18 may finance the payment of the assessment over a period not to exceed twenty
- 19 (20) years.
- 20 (b) Financing obtained pursuant to paragraph (a) of this subsection may be
- 21 accomplished by:
- 22 1. The issuance of bonds, notes, or other obligations; or
- 23 2. A lease, installment payment agreement, or other similar agreement.
- 24 (c) If the governmental entity fails to make a scheduled payment on the financing
- 25 obtained pursuant to paragraph (a) of this subsection, any payments due to
- 26 that governmental entity shall be withheld or intercepted using the process
- 27 established in KRS 160.160~~(7)~~~~(6)~~.

1 (6) Except as provided in subsection (5) of this section, all other provisions of the  
2 Kentucky Revised Statutes applying to any financing obtained by a governmental  
3 entity shall apply.

4 ➔Section 18. KRS 304.50-055 is amended to read as follows:

5 (1) As used in this section, "nationally recognized statistical rating organization" or  
6 "NRSRO" means a credit rating agency approved by the United States Securities  
7 and Exchange Commission to provide assessments of the creditworthiness of  
8 financial instruments.

9 (2) A workers' compensation self-insured group shall establish plans for premium  
10 payment, determination and collection of assessments, and for declaration and  
11 payment of dividends or other disbursements, which shall be filed for prior  
12 approval with the commissioner. Any change in the plans for premium payment,  
13 assessments, or dividends shall be filed for prior approval with the commissioner.  
14 Approval of plans for assessments and dividends does not constitute approval of  
15 any particular assessment or dividend by the commissioner.

16 (3) Prior to the inception of each group member's self-insurance year, the trustees shall  
17 collect from that member at least twenty-five percent (25%) of the estimated  
18 premium for the ensuing year, except that in the case of a self-insured group formed  
19 by governmental entities twenty-five percent (25%) of the estimated premium for  
20 the ensuing year shall be collected no later than thirty (30) days after the beginning  
21 of the self-insured group's self-insurance year. The balance of the estimated  
22 premium shall be collected in either quarterly or monthly installments as set forth in  
23 the enabling documents described in KRS 304.50-030(2)(b) or 304.50-060(2)(b).  
24 Each group member's payroll shall be audited annually and an adjustment to  
25 premium shall be made accordingly.

26 (4) A disbursement from a workers' compensation self-insured group fund shall be for  
27 a purpose related to the self-insured group. A dividend shall not be approved or

1       paid until at least thirty-six (36) months after the expiration of the self-insurance  
2       year and shall be paid from surplus funds not required for payment of claims or  
3       other liabilities. The dividends shall be paid or credited to members according to the  
4       reasonable classifications the trustees may establish. A dividend shall not be paid  
5       which unfairly discriminates between members of the same classifications. A  
6       dividend plan shall specify whether past group members are eligible for the  
7       dividend. Payment of a dividend under a dividend plan shall not be made unless the  
8       self-insured group has notified the commissioner of its intent to make a dividend  
9       payment at least thirty (30) days prior to the payment, and the commissioner has not  
10      disapproved the payment within that time.

11      (5) The formula to be used for collection of assessments shall be determined by the  
12      trustees and approved by the commissioner. Assessments shall be fair and equitable  
13      and shall not unfairly discriminate between members of the same classification.

14      (6) A trustee, fiscal agent, or service organization shall not utilize an asset of the self-  
15      insured group for a purpose unrelated to workers' compensation. The trustees shall  
16      maintain cash or cash equivalent accounts as may be prudently necessary to pay  
17      expenses without having to liquidate long-term investments.

18      (7) The trustees may invest funds in:

19      (a) United States Government bonds, United States Treasury notes, Treasury  
20      bills, or other direct obligations guaranteed by the full faith and credit of the  
21      United States Government or its agencies;

22      (b) Tax exempt and taxable obligations issued by any state or any of its agencies,  
23      counties, cities, municipalities, districts, political subdivisions, or other legal  
24      authorities within the United States of America with a minimum rating of  
25      "BBB" by any NRSRO, except that no less than fifty percent (50%) of the  
26      investments made under this paragraph shall be in obligations issued by the  
27      Commonwealth, its agencies, or a county, city district, municipality, political

- 1 subdivision, or other legal authority within the Commonwealth;
- 2 (c) Investment share accounts in a savings and loan association in the  
3 Commonwealth whose deposits are insured by a federal agency;
- 4 (d) Certificates of deposit if issued by a duly chartered commercial bank;
- 5 (e) 1. At the time of purchase, equity securities actively traded on the New  
6 York or NASDAQ Stock Exchanges or other registered national  
7 securities exchanges with no individual equity holding comprising  
8 greater than ten percent (10%) of the equity portion of the portfolio  
9 reflected on the most recent quarterly or annual statement of financial  
10 condition on file with the commissioner.
- 11 2. An investment in an individual equity holding shall not represent at the  
12 time of purchase more than five percent (5%) of the total market value  
13 of the security.
- 14 3. At the time of purchase, investments in equity securities shall not exceed  
15 twenty percent (20%) of the total market value of the investment  
16 portfolio of the self-insured group reflected on the most recent quarterly  
17 or annual statement of financial condition on file with the commissioner;
- 18 (f) Corporate bonds if:
- 19 1. The bond is issued, assumed, or guaranteed by a solvent institution  
20 created or existing under the laws of the United States, or a state,  
21 province, district, or territory;
- 22 2. At the time of purchase, the corporate bond investments do not exceed  
23 twenty-five percent (25%) of the total market value of the investment  
24 portfolio reflected on the most recent quarterly or annual statement of  
25 financial condition on file with the commissioner; and
- 26 3. The bond has a minimum rating of "BBB" by any NRSRO;
- 27 (g) At the time of purchase, mutual funds and exchange traded funds if the

1 investments do not exceed twenty percent (20%) of the total market value of  
2 the investment portfolio reflected on the most recent quarterly or annual  
3 statement of financial condition on file with the commissioner; and

4 (h) Asset-backed securities if:

5 1. The bond is issued, assumed, or guaranteed by a solvent institution  
6 created or existing under the laws of the United States, or a state,  
7 province, district, or territory;

8 2. The asset-backed security investments do not exceed ten percent (10%)  
9 of the total market value of the investment portfolio reflected on the  
10 most recent quarterly or annual statement of financial condition on file  
11 with the commissioner; and

12 3. The bond has a minimum rating of "BBB" by any NRSRO.

13 (8) Of the aggregate investments made by the trustees of the self-insured group under  
14 this section:

15 (a) Not less than fifty percent (50%) of the total market value of the entire  
16 investment portfolio shall be held in cash, cash equivalents, or securities as  
17 described in subsection (7)(a) to (d) of this section; and

18 (b) A minimum of five percent (5%) of the total investment portfolio value shall  
19 be maintained in cash or cash equivalent accounts or United States Treasury  
20 and Federal Agency Securities with a remaining maturity of one (1) year or  
21 less.

22 (9) In the event that any security investment authorized by subsection (7) of this section  
23 is downgraded below "BBB," the workers' compensation self-insurance group shall  
24 divest itself of that investment as prudently as possible without incurring  
25 unnecessary losses.

26 (10) The commissioner may permit variation from the requirements of this section for  
27 good cause.

- 1 (11) (a) Governmental entities that:
- 2 1. Participate or have participated in a workers' compensation self-insured
- 3 group authorized by this subtitle; and
- 4 2. Are assessed by the workers' compensation self-insured group to cover
- 5 an accrued deficit;
- 6 may finance the payment of the assessment over a period not to exceed twenty
- 7 (20) years.
- 8 (b) Financing obtained pursuant to paragraph (a) of this subsection may be
- 9 accomplished by:
- 10 1. The issuance of bonds, notes, or other obligations; or
- 11 2. A lease, installment payment agreement, or other similar agreement.
- 12 (c) If the governmental entity fails to make a scheduled payment on the financing
- 13 obtained pursuant to paragraph (a) of this subsection, any payments due to
- 14 that governmental entity shall be withheld or intercepted using the process
- 15 established in KRS 160.160~~(7)~~~~(6)~~.
- 16 (12) Except as provided in subsection (11) of this section, all other provisions of the
- 17 Kentucky Revised Statutes applying to any financing obtained by a governmental
- 18 entity shall apply.
- 19 ➔Section 19. KRS 336.130 is amended to read as follows:
- 20 (1) Employees may, free from restraint or coercion by the employers or their agents,
- 21 associate collectively for self-organization and designate collectively
- 22 representatives of their own choosing to negotiate the terms and conditions of their
- 23 employment to effectively promote their own rights and general welfare.
- 24 Employees, collectively and individually, may strike, engage in peaceful picketing,
- 25 and assemble collectively for peaceful purposes, except that no public employee,
- 26 collectively or individually, may engage in a strike or a work stoppage. ~~Nothing in~~
- 27 ~~this statute and KRS 65.015, 67A.6904, 67C.406, 70.262, 78.470, 78.480, 336.132,~~

1       ~~336.134, 336.180, 336.990, and 345.050 shall be construed as altering, amending,~~  
2       ~~granting, or removing the rights of public employees to associate collectively for~~  
3       ~~self-organization and designate collectively representatives of their own choosing to~~  
4       ~~negotiate the terms and conditions of their employment to effectively promote their~~  
5       ~~own rights and general welfare].~~

6       (2) Neither employers or their agents nor employees or associations, organizations or  
7       groups of employees shall engage or be permitted to engage in unfair or illegal acts  
8       or practices or resort to violence, intimidation, threats or coercion.

9       (3) (a) Notwithstanding subsection (1) of this section or any provision of the  
10       Kentucky Revised Statutes to the contrary, no employee shall be required, as a  
11       condition of employment or continuation of employment, to:

- 12           1.    Become or remain a member of a labor organization;
- 13           2.    Pay any dues, fees, assessments, or other similar charges of any kind or  
14           amount to a labor organization; or
- 15           3.    Pay to any charity or other third party, in lieu of these payments, any  
16           amount equivalent to or pro rata portion of dues, fees, assessments, or  
17           other charges required of a labor organization.

18       (b) As used in this subsection, the term "employee" means any person employed  
19       by or suffered or permitted to work for a public or private employer.

20       (4) The secretary of the Education and Labor Cabinet or his or her representative shall  
21       investigate complaints of violations or threatened violations of subsection (3) of this  
22       section and may initiate enforcement of a criminal penalty by causing a complaint  
23       to be filed with the appropriate local prosecutor and ensure effective enforcement.

24       (5) Except in instances where violence, personal injury, or damage to property have  
25       occurred and such occurrence is supported by an affidavit setting forth the facts and  
26       circumstances surrounding such incidents, the employees and their agents shall not  
27       be restrained or enjoined from exercising the rights granted them in subsection (1)

1 of this section without a hearing first being held, unless the employees or their  
2 agents are engaged in a strike in violation of a "no strike" clause in their labor  
3 contract.

4 (6) Submission of a false affidavit concerning violence, personal injury, or damage to  
5 property shall constitute a violation of KRS 523.030. In the absence of any such  
6 affidavit alleging violence, personal injury, or damage injunctions shall be issued  
7 only by a Circuit Judge or other justice or judge acting as a Circuit Judge pursuant  
8 to law.

9 ➔Section 20. KRS 337.285 is amended to read as follows:

10 (1) No employer shall employ any of his or her employees for a work week longer than  
11 forty (40) hours, unless such employee receives compensation for his or her  
12 employment in excess of forty (40) hours in a work week at a rate of not less than  
13 one and one-half (1-1/2) times the hourly wage rate at which he or she is employed.

14 (2) This provision shall not apply to the following:

15 (a) Employees of retail stores engaged in work connected with selling,  
16 purchasing, and distributing merchandise, wares, goods, articles, or  
17 commodities;

18 (b) Employees of restaurant, hotel, and motel operations;

19 (c) Employees as defined and exempted from the overtime provision of the Fair  
20 Labor Standards Act in Sections 213(b)(1), 213(b)(6), 213(b)(10), and  
21 213(b)(17) of Title 29, U.S.C.;

22 (d) Employees whose function is to provide twenty-four (24) hour residential care  
23 on the employer's premises in a parental role to children who are primarily  
24 dependent, neglected, and abused and who are in the care of private nonprofit  
25 childcaring facilities licensed by the Cabinet for Health and Family Services  
26 under KRS 199.640 to 199.670; or

27 (e) Any individual who is employed by a third-party employer or agency other

1           than the family or household using his or her services to provide in-home  
2           companionship services for a sick, convalescing, or elderly person.

3 (3) As used in subsection (2) of this section, "companionship services" means those  
4           services which provide in-home fellowship, care, and protection for a person who,  
5           because of advanced age or physical or mental infirmity, cannot care for his or her  
6           own needs. These services may include household work related to the care of the  
7           aged or infirm person such as meal preparation, bed making, washing of clothes,  
8           and other similar services. They may also include the performance of general  
9           household work, provided that the household work is incidental, i.e., does not  
10          exceed twenty percent (20%) of the total weekly hours worked. The term  
11          "companionship services" does not include services relating to the care and  
12          protection of the aged or infirm which require and are performed by trained  
13          personnel, such as a registered or practical nurse.

14 (4) Notwithstanding the provisions of subsection (1) of this section or any other chapter  
15          of the KRS to the contrary, upon written request by a county or city employee or a  
16          Trooper R Class or CVE R Class, made freely and without coercion, pressure, or  
17          suggestion by the employer, and upon a written agreement reached between the  
18          employer and the county or city employee or the Trooper R Class or CVE R Class  
19          before the performance of the work, a county or city employee or a Trooper R Class  
20          or CVE R Class who is authorized to work one (1) or more hours in excess of the  
21          prescribed hours per week may be granted compensatory leave on an hour-for-hour  
22          basis. Upon the written request by a county or city employee or a Trooper R Class  
23          or CVE R Class, made freely and without coercion, pressure, or suggestion by the  
24          employer, and upon a written agreement reached between the employer and the  
25          county or city employee or the Trooper R Class or CVE R Class, before the  
26          performance of the work, a county or city employee or a Trooper R Class or CVE R  
27          Class who is not exempt from the provisions of the Federal Fair Labor Standards

1 Act of 1938, as amended, 29 U.S.C. sec. 201 et seq., may be granted compensatory  
2 time in lieu of overtime pay, at the rate of not less than one and one-half (1-1/2)  
3 hours for each hour the county or city employee or the Trooper R Class or CVE R  
4 Class is authorized to work in excess of forty (40) hours in a work week.

5 (5) (a) Upon the request of the county or city employee or the Trooper R Class or  
6 CVE R Class, and as provided in subsection (4) of this section, compensatory  
7 time shall be awarded as follows:

8 1. A county or city employee who provided work in excess of forty (40)  
9 hours in a public safety activity, an emergency response activity, or a  
10 seasonal activity as described in 29 C.F.R. sec. 553.24, may accrue not  
11 more than four hundred eighty (480) hours of compensatory time; or

12 2. A county or city employee or a Trooper R Class or CVE R Class  
13 engaged in other work in excess of forty (40) hours, may accrue not  
14 more than two hundred forty (240) hours of compensatory time.

15 (b) A county or city employee or a Trooper R Class or CVE R Class who has  
16 accrued four hundred eighty (480) hours of compensatory time off pursuant to  
17 paragraph (a)1. of this subsection, or two hundred forty (240) hours of  
18 compensatory time off pursuant to paragraph (a)2. of this subsection, shall for  
19 additional overtime hours of work, be paid overtime compensation.

20 (6) A county or city employee or a Trooper R Class or CVE R Class who has accrued  
21 compensatory time off as provided in subsection (4) of this section, and who  
22 requested the use of compensatory time, shall be permitted by the employer to use  
23 the compensatory time within a reasonable period after making the request if the  
24 use of the compensatory time does not unduly disrupt the operations of the  
25 employer. Mere inconvenience to the employer shall not constitute a sufficient basis  
26 for denial of a county or city employee's request or a Trooper R Class or CVE R  
27 Class request for compensatory time off.

- 1 (7) If compensation is paid to a county or city employee or a Trooper R Class or CVE  
2 R Class for accrued compensatory time off, the compensation shall be paid at the  
3 regular rate earned by the county or city employee or the Trooper R Class or CVE  
4 R Class at the time the county or city employee or the Trooper R Class or CVE R  
5 Class receives the payment.
- 6 (8) Upon a county or city employee's termination of employment or the termination of  
7 employment of a Trooper R Class or CVE R Class, all unused accrued  
8 compensatory time shall be paid at a rate of compensation not less than:
- 9 (a) The average regular rate received by the county or city employee or the  
10 Trooper R Class or CVE R Class during the last three (3) years of the  
11 employment of the county or city employee or Trooper R Class or CVE R  
12 Class; or
- 13 (b) The final regular rate received by the county or city employee or Trooper R  
14 Class or CVE R Class, whichever is higher.
- 15 (9) Compensatory time shall not be used as a means to avoid statutory overtime  
16 compensation. A county or city employee or a Trooper R Class or CVE R Class  
17 shall have the right to use compensatory time earned and shall not be coerced to  
18 accept more compensatory time than an employer can realistically and in good faith  
19 expect to be able to grant within a reasonable period upon the county or city  
20 employee or the Trooper R Class or CVE R Class making the request for  
21 compensatory time off.
- 22 (10) ~~Nothing in subsections (4) to (9) of this section shall be construed to supersede any~~  
23 ~~collective bargaining agreement, memorandum of understanding, or any other~~  
24 ~~agreement between the employer and representative of the county or city employees~~  
25 ~~or the Trooper R Class or CVE R Class.~~
- 26 ~~(11)~~ As used in subsections (4) to (9) of this section:
- 27 (a) "County or city employee" means an employee of any county, city, charter

1 county, consolidated local government, unified local government, or urban-  
 2 county government, including an employee of a county or city elected official;

3 (b) "CVE R Class" has the same meaning as in KRS 16.010; and

4 (c) "Trooper R Class" has the same meaning as in KRS 16.010.

5 ~~(11)~~~~(12)~~ In addition to the designation of a work week under subsection (1) of this  
 6 section, local governments, as defined in KRS 95A.210(5), may designate a work  
 7 period for professional firefighter employees as defined in KRS 95A.210. The  
 8 designated work period shall be not less than one (1) work week of seven (7)  
 9 consecutive days and not more than four (4) work weeks of twenty-eight (28)  
 10 consecutive days for purposes of complying with the requirements of the Federal  
 11 Labor Standards Act of 1938, as amended, 29 U.S.C. sec. 201 et seq. This  
 12 subsection shall not exempt local governments from complying with the overtime  
 13 requirements set forth in subsection (1) of this section and is intended to:

14 (a) Clarify the option to designate both a work week for compliance with  
 15 Kentucky law and a work period for compliance with the Fair Labor  
 16 Standards Act of 1938, as amended, 29 U.S.C. sec. 201 et seq.; and

17 (b) Allow for the application of the partial exemption set forth in 29 U.S.C. sec.  
 18 207(k) in determining overtime pay under the Fair Labor Standards Act of  
 19 1938, as amended, 29 U.S.C. sec. 201 et seq., only.

20 ~~(12)~~~~(13)~~ (a) A law enforcement department of a consolidated local government  
 21 organized under KRS Chapter 67C, a city of the home rule class, or a sheriff's  
 22 office or county police force, shall not be deemed to have violated subsection  
 23 (1) of this section with respect to the employment of a peace officer if:

24 1. The officer works eighty (80) hours or less in a work period of fourteen  
 25 (14) consecutive days; and

26 2. a. For a law enforcement department of a consolidated local  
 27 government ~~operating under KRS 67C.408 and organized under~~

1 ~~KRS Chapter 67C~~, the law enforcement department and any other  
 2 entity working with the law enforcement department that includes  
 3 the officer agree to the exception;

4 b. For a law enforcement department of a city of the home rule class,  
 5 the law enforcement department and any other entity working with  
 6 the law enforcement department agree to the exception. If there is  
 7 no other entity working with the law enforcement department or  
 8 the officer in a city of the home rule class, only the requirement in  
 9 subparagraph 1. of this paragraph shall be met;

10 c. For a sheriff's office~~[operating under KRS 70.262, the sheriff's~~  
 11 ~~office and any other entity working with the sheriff's office agree~~  
 12 ~~to the exception. If the sheriff's office does not operate under KRS~~  
 13 ~~70.262]~~, only the requirement in subparagraph 1. of this paragraph  
 14 shall be met; or

15 d. For a county police force~~[operating under KRS 67A.6902, the~~  
 16 ~~county police force and any other entity working with the county~~  
 17 ~~police force agree to the exception. If the county police force does~~  
 18 ~~not operate under KRS 67A.6902]~~, only the requirement in  
 19 subparagraph 1. of this paragraph shall be met.

20 (b) It is the intent of this subsection to allow the employment of a peace officer  
 21 for longer than forty (40) hours in any seven (7) consecutive days within a  
 22 fourteen (14) day work period without incurring the obligation to pay a rate of  
 23 not less than one and one-half (1-1/2) times the officer's hourly wage under  
 24 subsection (1) of this section.

25 ➔Section 21. KRS 336.180 is amended to read as follows:

26 As used in this chapter, unless the context requires otherwise:

27 (1) "Candidate" means any person who has received contributions or made

1 expenditures, has appointed a campaign treasurer, or has given his or her consent  
2 for any other person to receive contributions or make expenditures with a view to  
3 bringing about his or her nomination or election to public office, except federal  
4 office;

5 (2) "Committee" includes the following:

6 (a) "Campaign committee," which means one (1) or more persons who receive  
7 contributions and make expenditures to support or oppose one (1) or more  
8 specific candidates or slates of candidates for nomination or election to any  
9 state, county, city, or district office, but does not include an entity established  
10 solely by a candidate which is managed solely by a candidate and a campaign  
11 treasurer and whose name is generic in nature, such as "Friends of (the  
12 candidate)," and does not reflect that other persons have structured themselves  
13 as a committee, designated officers of the committee, and assigned  
14 responsibilities and duties to each officer with the purpose of managing a  
15 campaign to support or oppose a candidate in an election;

16 (b) "Caucus campaign committee," which means members of any caucus groups  
17 who receive contributions and make expenditures to support or oppose one (1)  
18 or more specific candidates or slates of candidates for nomination or election  
19 to any state, county, city, or district office, or a committee in Kentucky or in  
20 any other state. Caucus campaign committees include but are not limited to:

- 21 1. The House Democratic caucus campaign committee;
- 22 2. The House Republican caucus campaign committee;
- 23 3. The Senate Democratic caucus campaign committee;
- 24 4. The Senate Republican caucus campaign committee; and
- 25 5. Subdivisions of the state executive committee of a minor political party,  
26 which serve the same function as the above-named committees, as  
27 determined by administrative regulations promulgated by the Kentucky

1 Registry of Election Finance;

2 (c) "Political issues committee," which means three (3) or more persons joining  
3 together to advocate or oppose a constitutional amendment or ballot measure  
4 if that committee receives or expends money in excess of one thousand dollars  
5 (\$1,000);

6 (d) "Permanent committee," which means a group of individuals, including an  
7 association, committee, or organization, other than a campaign committee,  
8 political issues committee, inaugural committee, caucus campaign committee,  
9 or a party executive committee, which is established as, or intended to be, a  
10 permanent organization having as a primary purpose expressly advocating the  
11 election or defeat of one (1) or more clearly identified candidates, slates of  
12 candidates, or political parties, which functions on a regular basis throughout  
13 the year;

14 (e) An executive committee of a political party; and

15 (f) "Inaugural committee," which means one (1) or more persons who receive  
16 contributions and make expenditures in support of inauguration activities for  
17 any candidate or slate of candidates elected to any state, county, city, or  
18 district office;

19 (3) "Contributing organization" means a group which merely contributes to candidates,  
20 slates of candidates, campaign committees, caucus campaign committees, or  
21 executive committees from time to time from funds derived solely from within the  
22 group, and which does not solicit or receive funds from sources outside the group  
23 itself;

24 (4) "Contribution" means any:

25 (a) Payment, distribution, loan, deposit, or gift of money or other thing of value,  
26 to a candidate, his or her agent, a slate of candidates, its authorized agent, a  
27 committee, or contributing organization but shall not include a loan of money

1 by any financial institution doing business in Kentucky made in accordance  
2 with applicable banking laws and regulations and in the ordinary course of  
3 business. As used in this subsection, "loan" shall include a guarantee,  
4 endorsement, or other form of security where the risk of nonpayment rests  
5 with the surety, guarantor, or endorser, as well as with a committee,  
6 contributing organization, candidate, slate of candidates, or other primary  
7 obligor. No person shall become liable as surety, endorser, or guarantor for  
8 any sum in any one (1) election which, when combined with all other  
9 contributions the individual makes to a candidate, his or her agent, a slate of  
10 candidates, its agent, a committee, or a contributing organization, exceeds the  
11 contribution limits provided in KRS 121.150;

12 (b) Payment by any person other than the candidate, his or her authorized  
13 treasurer, a slate of candidates, its authorized treasurer, a committee, or a  
14 contributing organization, of compensation for the personal services of  
15 another person which are rendered to a candidate, slate of candidates,  
16 committee, or contributing organization, or for inauguration activities;

17 (c) Goods, advertising, or services with a value of more than one hundred dollars  
18 (\$100) in the aggregate in any one (1) election which are furnished to a  
19 candidate, slate of candidates, committee, or contributing organization or for  
20 inauguration activities without charge, or at a rate which is less than the rate  
21 normally charged for the goods or services; or

22 (d) Payment by any person other than a candidate, his or her authorized treasurer,  
23 a slate of candidates, its authorized treasurer, a committee, or contributing  
24 organization for any goods or services with a value of more than one hundred  
25 dollars (\$100) in the aggregate in any one (1) election which are utilized by a  
26 candidate, slate of candidates, committee, or contributing organization, or for  
27 inauguration activities;

1 (5) "Election" means any primary, regular, or special election. Each primary, regular,  
2 or special election shall be considered a separate election;

3 (6) "Electioneering communications" means:

4 (a) Any communication broadcast by television or radio, printed in a newspaper  
5 or on a billboard, directly mailed or delivered by hand to personal residences,  
6 or in telephone calls made to personal residences, or otherwise distributed  
7 that:

8 1. Unambiguously refers to any candidate for any state, county, city, or  
9 district office, or to any ballot measure;

10 2. Is broadcast, printed, mailed, delivered, made, or distributed within  
11 thirty (30) days before a primary election or sixty (60) days before a  
12 general election; and

13 3. Is broadcast to, printed in a newspaper, distributed to, mailed to or  
14 delivered by hand to, in telephone calls made to, or otherwise distributed  
15 to an audience that includes members of the electorate for such public  
16 office or the electorate associated with the ballot containing the ballot  
17 measure.

18 (b) "Electioneering communications" does not include:

19 1. Any news articles, editorial endorsements, opinions or commentary,  
20 writings, or letters to the editor printed in a newspaper, magazine, or  
21 other periodical not owned by or controlled by a candidate, committee,  
22 or political party;

23 2. Any editorial endorsements or opinions aired by a broadcast facility not  
24 owned or controlled by a candidate, committee, or political party;

25 3. Any communication by persons made in the regular course and scope of  
26 their business or any communication made by a membership  
27 organization solely to members of such an organization and their

- 1 families;
- 2 4. Any communication that refers to any candidate only as part of the
- 3 popular name of a bill or statute; or
- 4 5. A communication that constitutes a contribution or independent
- 5 expenditure as defined in this section;
- 6 (7) "Employer" means all persons, firms, associations, corporations, public employers,
- 7 public school employers, and public colleges, universities, institutions, and
- 8 education agencies;
- 9 (8) "Fundraiser" means an individual who directly solicits and secures contributions on
- 10 behalf of a candidate or slate of candidates for a statewide-elected state office, or an
- 11 office in a jurisdiction with a population in excess of two hundred thousand
- 12 (200,000) residents;
- 13 (9) "Independent expenditure" means the expenditure of money or other things of value
- 14 for a communication which expressly advocates the election or defeat of a clearly
- 15 identified candidate or slate of candidates, and which is made without any
- 16 coordination, consultation, or cooperation with any candidate, slate of candidates,
- 17 campaign committee, or any authorized person acting on behalf of any of them, and
- 18 which is not made in concert with, or at the request or suggestion of any candidate,
- 19 slate of candidates, campaign committee, or any authorized person acting on behalf
- 20 of any of them;
- 21 (10) "Labor organization" means any organization of any kind, or any agency or
- 22 employee representation committee, association or union which exists for the
- 23 purpose, in whole or in part, of dealing with employers concerning wages, rates of
- 24 pay, hours of employment or conditions of work, or other forms of compensation.
- 25 Except, for the purposes of this section or KRS 161.158, 164.365, 336.133,
- 26 336.134, ~~336.1341,~~ 336.135, or 336.990, "labor organization" shall not include
- 27 organizations which primarily represent public employees working in the protective

1 vocations of active law enforcement officer, jail and corrections officer, or active  
2 fire suppression or prevention personnel;

3 (11) "Political activities" means any contribution or independent expenditure made:

4 (a) To any committee;

5 (b) To any contributing organization;

6 (c) To any candidate;

7 (d) To any slate of candidates;

8 (e) To any fundraiser;

9 (f) For any electioneering communications;

10 (g) For any testimonial affair;

11 (h) In any manner intended to influence the outcome of any election;

12 (i) In any manner intended to otherwise promote or support the defeat of any:

13 1. Candidate;

14 2. Slate of candidates; or

15 3. Ballot measure; or

16 (j) In any manner intended to advance any position held by any person or entity  
17 other than the public employee regarding any:

18 1. Election;

19 2. Candidate;

20 3. Slate of candidates; or

21 4. Ballot measure;

22 (12) "Public employee" means an employee of a "public agency" as that term is defined  
23 in KRS 61.870;

24 (13) "Slate of candidates" means:

25 (a) Between the time a certificate or petition of nomination has been filed for a  
26 candidate for the office of Governor under KRS 118.365 and the time the  
27 candidate designates a running mate for the office of Lieutenant Governor

1 under KRS 118.126, a slate of candidates consists of the candidate for the  
2 office of Governor; and

3 (b) After that candidate has designated a running mate under KRS 118.126, that  
4 same slate of candidates consists of that same candidate for the office of  
5 Governor and the candidate's running mate for the office of Lieutenant  
6 Governor. Unless the context requires otherwise, any provision of law that  
7 applies to a candidate shall also apply to a slate of candidates; and

8 (14) "Testimonial affair" means an affair held in honor of a person who holds or who is  
9 or was a candidate for nomination or election to a state, city, county, or district  
10 political office designed to raise funds for the purpose of influencing the outcome  
11 of an election, otherwise promoting support for, or the defeat of, any candidate,  
12 slate of candidates, or ballot measure.

13 ➔Section 22. KRS 336.990 is amended to read as follows:

14 (1) Upon proof that any person employed by the Education and Labor Cabinet as a  
15 labor inspector has taken any part in any strike, lockout or similar labor dispute, the  
16 person shall forfeit his or her office.

17 (2) The following civil penalties shall be imposed, in accordance with the provisions in  
18 KRS 336.985, for violations of the provisions of this chapter:

19 (a) Any person who violates KRS 336.110 or 336.130 shall for each offense be  
20 assessed a civil penalty of not less than one hundred dollars (\$100) nor more  
21 than one thousand dollars (\$1,000);

22 (b) Any corporation, association, organization, or person that violates KRS  
23 336.190 and 336.200 shall be assessed a civil penalty of not less than one  
24 hundred dollars (\$100) nor more than one thousand dollars (\$1,000) for each  
25 offense. Each act of violation, and each day during which such an agreement  
26 remains in effect, shall constitute a separate offense;

27 (c) Any employer who violates the provisions of KRS 336.220 shall be assessed a

1 civil penalty of not less than one hundred dollars (\$100) nor more than one  
 2 thousand dollars (\$1,000) for each violation; and

3 (d) Any labor organization who violates KRS 336.135 shall be assessed a civil  
 4 penalty of not less than one hundred dollars (\$100) nor more than one  
 5 thousand dollars (\$1,000) for each offense.

6 (e) Any public employer or labor organization that violates KRS 161.158,  
 7 164.365, 336.133, 336.134, ~~336.1341,~~ 336.135, or 336.180 shall be assessed  
 8 a civil penalty of not less than one hundred dollars (\$100) nor more than one  
 9 thousand dollars (\$1,000) for each offense.

10 (3) Any labor organization, employer, or other person who directly or indirectly  
 11 violates KRS 336.130(3) shall be guilty of a Class A misdemeanor.

12 (4) Any person aggrieved as a result of any violation or threatened violation of KRS  
 13 336.130(3) may seek abatement of the violation or threatened violation by  
 14 petitioning a court of competent jurisdiction for injunctive relief and shall be  
 15 entitled to costs and reasonable attorney fees if he or she prevails in the action.

16 (5) Any person injured as a result of any violation or threatened violation of KRS  
 17 336.130(3) may recover all damages resulting from the violation or threatened  
 18 violation and shall be entitled to costs and reasonable attorney fees if he or she  
 19 prevails in the action.

20 ➔Section 23. The following KRS sections are repealed:

21 67A.6901 Definitions for KRS 67A.6901 to 67A.6911.

22 67A.6902 Employees' right to organize for the purpose of collective bargaining.

23 67A.6903 Duty to bargain collectively.

24 67A.6904 Activities prohibited and duty to bargain in good faith.

25 67A.6905 Election of exclusive representative.

26 67A.6906 Unfair labor practices and remedies therefor -- Hearing -- Findings --  
 27 Expenses.

- 1 67A.6907 Petition for fact-finding panel upon deadlock -- Hearings -- Findings --  
2 Expenses.
- 3 67A.6908 Requirements for an agreement -- Enforcement in Circuit Court.
- 4 67A.6909 Urban-county government to withhold dues and deliver to bargaining unit.
- 5 67A.6910 Police officers, firefighter personnel, firefighters, corrections personnel, and  
6 labor organizations not to participate in strike.
- 7 67A.6911 Volunteer firefighters exempted from provisions of KRS 67A.6901 to  
8 67A.6911.
- 9 67C.400 Definitions for KRS 67C.400 to 67C.418.
- 10 67C.402 Employees' right to organize for the purpose of collective bargaining -- Mayor  
11 to represent consolidated local government.
- 12 67C.404 Duty to bargain collectively.
- 13 67C.406 Activities prohibited and duty to bargain in good faith.
- 14 67C.408 Election of exclusive representative.
- 15 67C.410 Unfair labor practices and remedies therefor -- Hearing -- Final order -- Appeal  
16 to Circuit Court.
- 17 67C.412 Petition for fact-finding panel upon deadlock -- Hearings -- Findings --  
18 Expenses.
- 19 67C.414 Requirements for an agreement -- Enforcement in Circuit Court.
- 20 67C.416 Consolidated local government to withhold dues and deliver to bargaining unit.
- 21 67C.418 Police officer or labor organization not to participate in strike.
- 22 70.262 Collective bargaining for deputy sheriffs in merit system in county containing a  
23 consolidated local government or a city of first class -- Prohibition against strikes --  
24 Employment contract with sheriff.
- 25 78.470 Collective bargaining authorized -- Strikes prohibited.
- 26 336.1341 Exemption for joint wage agreement or collective bargaining contract entered  
27 into prior to March 29, 2023.

- 1 345.010 Definitions for chapter.
- 2 345.020 Policy and purpose.
- 3 345.030 Employees' right to organize for the purpose of collective bargaining.
- 4 345.040 Duty to bargain collectively.
- 5 345.050 Activities prohibited and duty to bargain in good faith.
- 6 345.060 Election of exclusive representative.
- 7 345.070 Unfair labor practices and remedies therefor -- Hearing -- Final order --Appeal  
8 to Circuit Court.
- 9 345.080 Petition for fact-finding panel upon deadlock -- Hearings -- Findings --  
10 Expenses -- Rules.
- 11 345.090 Representative of the public employer.
- 12 345.100 Requirements for an agreement -- Enforcement in Circuit Court.
- 13 345.110 Public employer to withhold dues and deliver to bargaining unit.
- 14 345.120 State Labor Relations Board.
- 15 345.130 Firefighter or labor organization not to participate in strike.
- 16 ➔Section 24. This Act may be cited as the Taxpayer Protection Act.
- 17 ➔Section 25. Whereas the protection of public funds is of paramount importance  
18 to the citizens of this Commonwealth, an emergency is declared to exist, and this Act  
19 takes effect upon its passage and approval by the Governor or upon its otherwise  
20 becoming a law.