

For members who die in the line of duty or die as a result of a nonhazardous duty-related injury, HB 412 HCS 1 expands the definition of “monthly average pay” to be the higher of a member’s monthly compensation rate of pay or the 12-month average compensation earned by the member prior to the date the disabling event occurred or the single act of violence occurred.

HB 412 HCS 1 provides that if the disabling condition is a total and permanent disability due to a line of duty injury or as a result of a duty-related injury regarding nonhazardous members, the monthly retirement allowance payable shall not be less than 75% of the member’s monthly average pay. Additionally, dependent children payments shall not exceed 100% of the member’s monthly average pay and the total dependent’ children’s benefits shall not exceed 25% of the members monthly average pay while the member is living and 40% of the member’s monthly average pay after the member’s death. All payments shall be divided equally among all dependent children.

Also as a result of a line of duty or duty-related injury, the member will have his premium for hospital and medical benefits paid in full as if he or she had completed 240 months of service. These premiums shall be paid for the spouse if the member is disabled and if the member is deceased, the premiums shall be paid for the surviving spouse (if the spouse is also the beneficiary) and for the dependent children as long as the member, beneficiary, or dependent child remains eligible for a monthly retirement benefit.

The fiscal impact of HB 412 HCS 1 on local governments indeterminable without a review of each entities fiscal situation and their ability to meet the contribution requirement. If they are not, the impact on the local government is dependent on whether or not the agencies are state-funded; whether or not the agencies, primarily health departments, have taxing authority; and whether or not the local government is fiscally able to make up the difference if the agency is unable to pay their contribution.

Part III: Differences to Local Government Mandate Statement from Prior Versions

HB 412 HCS 1 keeps the provisions of HB 412 as introduced. The definition of “act in the line of duty” for members of the State Police Retirement System and for employees in hazardous positions is expanded to include a single act of violence committed against the employee that is found to be related to his or her job duties. Technical changes related to this expanded definition and changes made for clarification that don’t affect the content or the fiscal impact of HB 412 HCS 1 are made throughout the bill.

Data Source(s): LRC Staff. Kentucky Retirement Systems

Preparer: Wendell F. Butler **Reviewer:** KHC **Date:** 2/28/20