



KRS 61.702 also requires a minimum number of years of service before a member may participate in the insurance benefits provided by the statute. HB 349 would establish that payment of premiums and annual increase in premiums are waived for a member who is determined to have a hazardous disability resulting from an act in the line of duty, the member's spouse and dependent children.

KRS 78.5536 establishes the same authority in the board of the County Employees Retirement System (CERS) and requires each employer participating to contribute an actuarially-derived amount to the insurance trust fund for each employee. **From the AA statement:** Hazardous members participating in the system prior to July 1, 2003, who become disabled as a direct result of an act in the line of duty are currently eligible to receive 100% of their monthly insurance premium. HB 349 would extend the coverage to spouses and dependents. Members participating in the system on or after July 1, 2003, who become disabled as a direct result of an act in the line of duty are currently entitled to the insurance dollar benefit payable as though the member had twenty (20) years of service in a hazardous position. These members will also have their premium, their spouse's premium, and their dependent's premium paid in full by the system under the proposed legislation. HB 349 **Section 2** would impose a requirement that the member also receive a satisfactory determination of a hazardous disability directly resulting from an act in the line of duty in order for premiums to be paid by the system for the member, member's spouse and children. KRS 78.5536 also imposes a minimum years of service requirement before insurance benefits are available. HB 349 would waive that requirement and premiums for members determined to have a satisfactory determination of a hazardous disability directly resulting from an act in the line of duty, their spouse and children would be paid in full by the retirement systems.

**HB 349 would have a negative but currently indeterminable fiscal impact on city governments.** The bill would increase benefits paid out by CERS in the event of an incident resulting in total and permanent disability while in the line of duty. An increase in benefits paid would increase future contribution rates paid by cities.

**Data Source(s):** Kentucky Public Pensions Authority; Kentucky League of Cities; LRC staff

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