

**Local Government Mandate Statement  
Kentucky Legislative Research Commission  
2026 Regular Session**

**Part I: Measure Information**

<b>Bill Request #:</b>	107	<b>Bill #:</b>	HB 252
<b>Document ID #:</b>	177	<b>Sponsor:</b>	Representative Emily Callaway
<b>Bill Title:</b>	AN ACT relating to in line of duty disability benefits and declaring an emergency.		

Unit of Government:     City                       County                       Urban-County  
                                   Charter County         Consolidated Local       Unified Local

Office(s) Impacted:              All offices with employees          

Requirement:             Mandatory             Optional

Effect on Powers & Duties:     Modifies Existing     Adds New     Eliminates Existing

Other Fiscal Statement(s) that may exist:     Actuarial Analysis         Corrections Impact  
     Health Benefit Mandate     State Employee Health Plan

**Part II: Bill Provisions and the Estimated Fiscal Impact Relating to Local Government**

KRS 61.702 authorizes the Kentucky Employees Retirement System (KERS) and the State Police Retirement System (SPRS) (hereinafter, “system”) to provide group hospital and medical insurance coverage for KERS and SPRS members, spouses and qualified dependents. Each participating employer and each member contribute an actuarially-derived sum, or a percentage of compensation, as premium to the appropriate health insurance fund.

KRS 61.702(4)(c) currently provides that, for a member in a hazardous position who began participating in the system before July 1, 2003 and who dies or is totally and permanently disabled from an injury on the job, the premium for the member, spouse and dependent children is paid so long as each remains eligible. HB 252 **Section 1** would amend the statute to add a requirement for a satisfactory determination that the member’s injury or death is a result of an act in the line of duty.

KRS 61.702(e) currently provides that, for members who began participating in the system on or after July 1, 2003 the minimum service requirement of 20 years is waived for a member in a hazardous position who receives a satisfactory determination of a hazardous disability resulting from an act in the line of duty. HB 252 would amend KRS 61.720(e) to direct that the premium for the member, the member’s spouse and dependent children be paid in full by the system so long as each remains eligible for a monthly retirement benefit.

KRS 78.5536 establishes the same authority in the board of trustees of the County Employees Retirement System (CERS) and requires each employer participating to contribute an actuarially-derived amount to the health insurance trust fund for each employee. **HB 252 Section 2** largely mirrors the amendments in Section 1, based on members beginning participation before or on/after July 1, 2003, and would require that an employee member claiming benefits based on a hazardous disability must receive a satisfactory determination of a hazardous disability that is a direct result of an act in the line of duty as defined in KRS 78.510. HB 252 would establish that payment of premiums is 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 so long as the member, spouse, or dependent children individually remain eligible for a monthly retirement benefit.

**HB 252 Section 3** would declare an emergency and that the Act would take effect upon its passage and its approval by the Governor or its otherwise becoming law.

**HB 252 would have a negative but currently indeterminable fiscal impact on local governments.** Most local governments participate in the KERS or CERS retirement and health plans. HB 252 would increase benefits paid out by KERS and CERS to dependents in the event of an incident resulting in disability while in the line of duty. An increase in benefits paid would increase future contribution rates paid by local governments that participate in KERS or CERS. An actuarial analysis of a similar bill introduced in the 2024 Legislative Session determined that the subject bill would increase contribution rates by 0.52 for the CERS hazardous fund. That analysis concluded that employer contribution requirements would need to increase accordingly in order to ensure the actuarial soundness of the retirement funds.

If an actuarial analysis of HB 252 is produced this local mandate analysis may be updated.

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

**Preparer:** MS **Reviewer:** AS (MDA) **Date:** 1/5/26