GENERAL ASSEMBLY
COMMONWEALTH OF KENTUCKY

2016 REGULAR SESSION

SENATE BILL NO. 203

AS ENACTED

TUESDAY, MARCH 29, 2016

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ALISON LUNDERGAN GRIMES
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY
BY K. Adler

1 AN ACT relating to death in the line of duty benefits and declaring an emergency.

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

3 ➔Section 1. KRS 16.601 is amended to read as follows:

4 (1) If the death of a member in service occurs on or after August 1, 1992, as a direct
5 result of an "act in line of duty" and the member has on file in the retirement office
6 at the time of his ***or her*** death a written designation of only one (1) beneficiary, who
7 is his ***or her*** spouse, the beneficiary may elect to receive a lump-sum payment of ten
8 thousand dollars ($10,000) and a monthly payment equal to twenty-five percent
9 (25%) of the member's monthly final rate of pay beginning in the month following
10 the member's death and continuing each month until death.

11 (2) If the death of a member in service occurs on or after July 1, 1968, as a direct result
12 of an "act in line of duty" and the member has on file in the retirement office at the
13 time of his ***or her*** death a written designation of only one (1) beneficiary other than
14 his ***or her*** spouse, who is a dependent receiving at least one-half (1/2) of his ***or her***
15 support from the deceased member, the beneficiary may elect to receive a lump-sum
16 payment of ten thousand dollars ($10,000).

17 (3) In the period of time following a member's death during which dependent children
18 survive, monthly payments shall be made for each dependent child who is alive,
19 equal to ten percent (10%) of the deceased member's monthly final rate of pay;
20 however, total maximum dependent children's benefits shall not be greater than
21 forty percent (40%) of the deceased member's monthly final rate of pay at the time
22 any particular payment is due. The payments shall commence in the month
23 following the date of death of the member and shall be payable to the beneficiaries,
24 or to a legally appointed guardian or as directed by the system. Benefits shall be
25 payable under this subsection notwithstanding an election by a beneficiary to
26 withdraw the deceased member's accumulated account balance as provided in KRS
27 61.625 or benefits under any other provisions of KRS 16.510 to 16.652.

1 (4) A beneficiary eligible for benefits under subsection (1) or (2) of this section who is
2 also eligible for benefits under any other provisions of KRS 16.510 to 16.652 may
3 elect benefits under this section or any other section of KRS 16.510 to 16.652 but
4 cannot elect to receive both.
5 ***(5) (a) A beneficiary applying for benefits under subsection (1) or (2) of this***
6 ***section who is also eligible for benefits under KRS 16.578 may elect to***
7 ***receive benefits under KRS 16.578(2)(a) or (b) while the application for***
8 ***benefits under subsection (1) or (2) of this section is pending.***
9 ***(b) If a final determination results in a finding of eligibility for benefits under***
10 ***subsection (1) or (2) of this section, the system shall recalculate the benefits***
11 ***due the beneficiary in accordance with this subsection.***
12 ***(c) If the beneficiary has been paid less than the amount of benefits to which***
13 ***the beneficiary was entitled to receive under this section, the system shall***
14 ***pay the additional funds due to the beneficiary.***
15 ***(d) If the beneficiary has been paid more than the amount of benefits to which***
16 ***the beneficiary was entitled to receive under this section, the system shall***
17 ***deduct the amount overpaid to the beneficiary from the ten thousand dollars***
18 ***($10,000) lump-sum payment and from the monthly retirement allowance***
19 ***payments until the amount owed to the systems has been recovered.***
20 ➔Section 2. KRS 61.621 is amended to read as follows:
21 (1) Notwithstanding any provision of any statutes to the contrary, effective June 1,
22 2000, any employee participating in one (1) of the state-administered retirement
23 systems who is not in a hazardous duty position, as defined in KRS 61.592, shall be
24 eligible for minimum benefits equal to the benefits payable under this section or
25 KRS 61.702 if the employee dies or becomes totally and permanently disabled to
26 engage in any occupation for remuneration or profit as a result of a duty-related
27 injury.

1 (2) (a) For purposes of this section, "duty-related injury" means:
2 1. a. A single traumatic event that occurs while the employee is
3 performing the duties of his position; or
4 b. A single act of violence committed against the employee that is
5 found to be related to his job duties, whether or not it occurs at his
6 job site; and
7 2. The event or act of violence produces a harmful change in the human
8 organism evidenced by objective medical findings.
9 (b) Duty-related injury does not include the effects of the natural aging process, a
10 communicable disease unless the risk of contracting the disease is increased
11 by nature of the employment, or a psychological, psychiatric, or stress-related
12 change in the human organism unless it is the direct result of a physical injury.
13 (3) (a) If the employee dies as a result of a duty-related injury and is survived by a
14 spouse, the surviving spouse shall be the beneficiary, and this shall supersede
15 the designation of all previous beneficiaries of the deceased employee's
16 retirement account.
17 (b) The surviving spouse may elect to receive the benefits payable under KRS
18 61.640 or other applicable death benefit statutes, or may elect to receive a
19 lump-sum payment of ten thousand dollars ($10,000) and a monthly payment
20 equal to twenty-five percent (25%) of the member's monthly final rate of pay
21 beginning in the month following the member's death and continuing each
22 month until death.
23 (4) If the employee is determined to be disabled as provided in KRS 61.600, or other
24 applicable disability statutes in any other state-administered retirement system, as
25 the result of a duty-related injury, the employee may elect to receive benefits
26 determined under the provisions of KRS 61.605, or other applicable disability
27 statutes in any other state-administered retirement system, except that the monthly

1 retirement allowance shall not be less than twenty-five percent (25%) of the
2 employee's monthly final rate of pay. For purposes of determining disability, the
3 service requirement in KRS 61.600(1)(a), or other applicable statutes in any other
4 state-administered retirement system, shall be waived.
5 (5) In the period of time following a member's death or disability during which
6 dependent children survive, a monthly payment shall be made for each dependent
7 child who is alive which shall be equal to ten percent (10%) of the deceased or
8 disabled member's monthly final rate of pay; however, total maximum dependent
9 children's benefits shall not exceed forty percent (40%) of the deceased or disabled
10 member's monthly final rate of pay at the time any particular payment is due. The
11 payment shall commence in the month following the date of death or disability of
12 the member and shall be payable to the beneficiaries, or to a legally appointed
13 guardian, or as directed by the system. Benefits for death as a result of a duty-
14 related injury shall be payable under this subsection notwithstanding an election by
15 a beneficiary to withdraw the deceased member's accumulated account balance as
16 provided in KRS 61.625 or benefits under any other provisions of KRS 61.515 to
17 61.705 or other applicable death benefit statutes in any other state-administered
18 retirement system.
19 ***(6) (a) A spouse applying for benefits under this section who is also eligible for***
20 ***benefits under KRS 61.640 may elect to receive benefits under KRS***
21 ***61.640(2)(a) or (b) while the application for benefits under this section is***
22 ***pending.***
23 ***(b) If a final determination results in a finding of eligibility for benefits under***
24 ***this section, the system shall recalculate the benefits due the spouse in***
25 ***accordance with this subsection.***
26 ***(c) If the spouse has been paid less than the amount of benefits to which the***
27 ***spouse was entitled to receive under this section, the system shall pay the***

1 ***additional funds due to the spouse.***

2 ***(d) If the spouse has been paid more than the benefit the spouse was eligible to***

3 ***receive under this section, then the system shall deduct the amount owed by***

4 ***the spouse from the ten thousand dollars ($10,000) lump sum payment and***

5 ***from the monthly retirement allowance payments until the amount owed to***

6 ***the systems has been recovered.***

7 *(7)*[~~(6)~~] This section shall be known as "The Fred Capps Memorial Act."

8 ➔Section 3. This Act shall have retroactive effect to any matters pending before

9 the Kentucky Retirement Systems or appeals of any of those matters pending on the

10 effective date of this Act.

11 ➔Section 4. Whereas ensuring that benefits for public employees suffering death

12 in the line of duty are promptly distributed is important to the public employees serving in

13 the line of duty, to their families, and to the Commonwealth of Kentucky, an emergency

14 is declared to exist, and this Act takes effect upon its passage and approval by the

15 Governor or upon its otherwise becoming law.

President of Senate

Speaker-House of Representatives

Attest: Chief Clerk of Senate

Approved Governor

Date 13 APRIL 2016