

Section by Section Summary – HB 185

Section	Amends/New Section	Description
1	16.505	<ul style="list-style-type: none"> • Expands the definition of a dependent child, solely in the case of a member who dies as a direct result of an act in the line of duty or as a result of a duty-related injury, to include a naturally or legally adopted disabled child of the member if the child is eligible for Social Security disability benefits or is being claimed as a qualifying child for tax purposes due to the child’s total and permanent disability. • Creates a definition for monthly average pay which means the higher of the member’s monthly final rate of pay (FROP) or the average monthly creditable compensation earned by the deceased member during his or her last 12 months of employment.
2	16.601	<ul style="list-style-type: none"> • Provides that a surviving spouse shall be eligible for benefits when there is no designation of beneficiary on file at KRS and that the spouse supersedes any previous beneficiary designation. • Increases minimum act in line of duty or duty-related death benefits payable to the surviving spouse of the member in SPRS from 25% of monthly final rate of pay to 75% of the deceased member’s monthly average pay. • Provides that if the surviving spouse remarries, the monthly payment shall be recalculated to 25% of the deceased member’s monthly average pay. • If the member is survived by dependent children, monthly payments will be made for each dependent child equal to 10% of the member’s monthly average pay, except that the combined maximum payment made to the surviving spouse and dependent children does not exceed 100% of the deceased member’s monthly average pay and dependent children, while the spouse is living, shall not exceed 25% of the deceased member’s monthly average pay. • Provides that if there is no surviving spouse but there is a dependent child or children, the percentage of the deceased member’s monthly average pay shall be 50% for one dependent, 65% for two dependent children, and 75% for three or more dependent children.
3	61.510	<ul style="list-style-type: none"> • Creates a definition for monthly average pay which means the higher of the member’s monthly final rate of pay (FROP) or the average monthly creditable compensation earned by the deceased member during his or her last 12 months of employment.
4	61.542	<ul style="list-style-type: none"> • Provides that the surviving spouse shall supersede all previously designated beneficiaries in the case of line-of-duty or duty related death benefits payable from the systems administered by KRS unless the member files a valid beneficiary form after marriage to his or her spouse.
5	61.621	<ul style="list-style-type: none"> • Increases minimum act in line of duty or duty-related death benefits payable to the surviving spouse of the member in KERS from 25% of monthly final rate of pay to 75% of the deceased member’s monthly average pay.

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		<ul style="list-style-type: none"> Provides that if the surviving spouse remarries, the monthly payment shall be recalculated to 25% of the deceased member's monthly average pay. If the member is survived by dependent children, monthly payments will be made for each dependent child equal to 10% of the member's monthly average pay, except that the combined maximum payment made to the surviving spouse and dependent children does not exceed 100% of the deceased member's monthly average pay and dependent children, while the spouse is living, shall not exceed 25% of the deceased member's monthly average pay. Provides that if there is no surviving spouse but there is a dependent child or children, the percentage of the deceased member's monthly average pay shall be 50% for one dependent, 65% for two dependent children, and 75% for three or more dependent children.
6	61.702	<ul style="list-style-type: none"> Provides that the insurance premium for the member's spouse and each dependent child will be paid in full by the Systems so long as they individually remain eligible for a monthly retirement benefit.
7	78.510	<ul style="list-style-type: none"> Creates a definition for monthly average pay which means the higher of the member's monthly final rate of pay (FROP) or the average monthly creditable compensation earned by the deceased member during his or her last 12 months of employment.
8	Notwithstanding 16.505 16.652 61.510 to 61.705 78.510 to 78.852 or Sections 1-7 of the Act	<ul style="list-style-type: none"> Provides benefit adjustments to increase in line of duty or duty-related death benefits to qualified surviving spouses and dependent children the month following the effective date of the Act. Provides that a surviving spouse of a hazardous duty member who died as a result of an act in line of duty on or after January 1, 2017, who was ineligible for the minimum monthly death benefits because he or she was not named beneficiary shall be eligible for the benefits provided by this Act.
9	New	<ul style="list-style-type: none"> Stipulates that Sections 1-8 shall not reduce any benefits payable to any surviving spouse or dependent children of a member who died prior to the effective date of this Act if the death was determined by the Kentucky Retirement Systems to be the direct result of an act in line of duty or from a duty-related injury.
10	New	<ul style="list-style-type: none"> Establishes emergency clause.