Kentucky Retirement Systems 2020 DAILY LEGISLATIVE UPDATE

Daily activity is highlighted in **bold** with **RED** font.

SENATE

1. <u>SB 24</u> <u>J. Carroll</u>

Establish KRS Chapter 239 and create new sections to define "amateur athletics," "collegiate sports contest," "commission," "principal," "professional sports contest," "sports wager," and "sports wagering"; create the Kentucky Gaming Commission; establish membership to be appointed by the Governor with the advice and consent of the Senate; establish the commission's responsibilities and authority; require the Governor to appoint an executive director and establish the executive director's responsibilities; require the commission to promulgate administrative regulations relating to sports wagering conducted by the Kentucky Lottery Corporation, racing associations licensed under KRS Chapter 230, and other locations; establish licensing fees; prohibit persons from wagering on an event in which they are a participant; establish the sports wagering distribution trust fund and the uses of the fund; establish penalties for tampering with the outcome of a sporting event and wagering on a sporting event by a participant; create a new section of KRS Chapter 138 to impose an excise tax on sports wagering at 25 percent of net sports wagering receipts; amend KRS 138.1817 to permit the Department of Revenue to work with the commission to restrict licensure in the event that sports wagering taxes are not paid; amend KRS 154A.010 to revise the definition of "amateur sports contest," and to define "collegiate sports contest," "professional sports contest," "sports wager," and "sports wagering"; amend KRS 154A.030 to conform and to prohibit the director or family member from being a part owner of a professional team or a board member of a college or university that engages in collegiate sports upon which sports wagers may be placed; amend KRS 154A.050 to include sports wagering; amend KRS 154A.060 to include sports wagering and to include contracts for the purchase of goods and services necessary for sports wagering; require monthly and annual reports to be submitted to the Kentucky Gaming Commission; amend KRS 154A.063 to permit sports wagering on collegiate and professional sports contests; amend KRS 154A.065

to prohibit accepting sports wagers on the outcomes of contests involving horses; amend KRS 154A.070 to include sports wagering and require contracts to be in accord with administrative regulations of the Lottery Corporation and the Kentucky Gaming Commission; amend KRS 154A.090 to stipulate that sports wagering retailers aggrieved by a decision of the board may appeal to the Kentucky Gaming Commission; amend KRS 154A.110 to include sports wagering; stipulate that unclaimed sports wagering prize money be added to the sports wagering distribution trust fund; to prohibit sports wagers from being accepted from members or coaches of professional or collegiate team; amend 154A.120 to include sports wagering; amend KRS 154A.130 to specify net sports wagering receipts collected by lottery to be used for expenses and moneys in excess of expenses shall be dedicated to the sports wagering distribution trust fund; amend KRS 154A.400 to include sports wagering and stipulate the criteria for selecting sports wagering retailers shall be developed in consultation with the Kentucky Gaming Commission; amend KRS 154A.420 to include sports wagering and permit the Lottery Corporation to require a retailer to establish separate sports wagering electronic funds transfer accounts; amend KRS 154A.430, 154A.440, 154A.600, and 154A.650 to include sports wagering; amend KRS 230.225 to permit the Kentucky Horse Racing Commission to oversee sports wagering at licensed racing associations; amend KRS 230.370 to require administrative regulations relating to sports wagering to be developed in consultation with the Kentucky Gaming Commission; amend KRS 243.500 to exempt the conduct of sports wagering licensed or permitted under KRS Chapter 239; amend KRS 12.020 to administratively attach the Kentucky Gaming Commission to the Public Protection Cabinet.

- 08/20/19 Prefiled by thesponsor(s).
- 01/07/20 introduced in Senate
- 01/08/20 to Licensing, Occupations, & Administrative Regulations (S)

2. <u>SB 26</u> <u>D. Carroll</u>

Create a new section of KRS Chapter 18A to allow state hiring preference for employees of quasigovernmental agencies ceasing participation in the Kentucky Retirement Systems; require an employing state agency offer an interview to all finalist entitled to preference unless five or more of the finalists are entitled to preference; require that if more than five finalists are entitled to preference, the employing state agency shall offer an interview to no fewer than five.

08/20/19	Prefiled by the sponsor(s).
01/07/20	introduced in Senate
01/08/20	to State & Local Government (S)

3. <u>SB 88</u> <u>W. Schroder</u>

Amend KRS 61.522 to permit a state-supported university or community college ceasing participation in the Kentucky Employees Retirement System (KERS) nonhazardous plan by June 30, 2020, under the provisions of subsection (8) of KRS 61.522 (2019 SS HB 1), to make an election to retain participation in the retirement plan for only its existing employees who began participating in the systems administered by the Kentucky Retirement Systems prior to September 1, 2008, (Tier I) and, upon its effective cessation date, cease the participation of its existing employees who began participating on or after September 1, 2008, but prior to January 1, 2014 (Tier II); vary assumed rate of return/discount rate used to determine cessation costs from 3% to 4.5% based upon university/college employees' decisions regarding payment type (lump-sum vs. installments) and based on employee type (Tier I and II) and whether those employees will continue to participate in KERS after June 30, 2020; EMERGENCY.

01/14/20	introduced in Senate
01/16/20	to State & Local Government (S)

<u>HOUSE</u>

1. <u>HB7</u> <u>A. Gentry, T. Bojanowski, K. Flood, J. Jenkins, D. Schamore, M. Sorolis, C. Stevenson</u>

Create a new section of KRS Chapter 154A to state the findings of the General Assembly; amend KRS 154A.010 to define, "authorizing location," "casino," "county," "county legislative body," "department," "full casino gaming," "gaming licensee," "gross gaming revenue," "handle," "licensee," "limited casino gaming," and "principal"; amend KRS 154A.030 to expand the Lottery Corporation board membership and duties; amend KRS 154A.040 to include casino licensees; amend 154A.063 to remove prohibition against casino gaming; create new sections of KRS Chapter 154A to require a local option election in any precinct wanting to host a casino; describe the duties of the county clerk and sheriff in a casino gaming local option election; state requirements for local option elections held on a day other than a regular election day; require the corporation to advertise an invitation to bid for casinos; require the corporation to evaluate all proposals for full casinos; establish initial licensing fees for full casinos at \$50 million with an initial licensing period of ten years and annual renewal thereafter at \$6 million per year; permit limited casino gaming at horse racing tracks licensed under KRS Chapter 230; establish requirements for limited casinos; establish requirements for any track holding a limited casino license; establish requirements for principals of any corporation granted a casino license; create license application requirements for casino, manufacturer's, or supplier's licenses; prohibit anyone not licensed from selling, leasing, or otherwise furnishing gaming supplies; prohibit anyone under the age of 21 from participating in casino gaming; require the Lottery Corporation to determine occupations related to casino gaming that require licensure and establish criteria for occupational licensing; permit the corporation to initiate disciplinary action against applicants and license holders; establish an appeal process; create new sections of KRS Chapter 138 to establish wagering and admissions taxes to be remitted by gaming licensees and full and limited casinos; create new sections of KRS Chapter 154A to establish the casino gaming revenue distribution trust fund and limit that money to the benefit of the state retirement systems for the first ten years; establish the regional tourism and infrastructure development fund and provide criteria for projects seeking money from the fund; waive 15 U.S.C. secs. 1172, 1173, and 1174 for devices authorized by this Act; require the corporation to promulgate administrative regulations to define and limit games and devices permitted for gaming in casinos; provide guidelines for exclusion or ejection of certain persons; define "cheat" and provide penalties for those who cheat at casino games; amend KRS 243.500 to exempt limited or full casino gaming; amend KRS 525.090 to exempt persons engaged in casino gaming; amend KRS 528.010 to exempt gambling activity and devices licensed under KRS Chapter 154A; amend KRS 528.020 to conform; amend KRS 528.070 to exempt activity licensed under KRS Chapter 154A; amend KRS 528.080 to exempt those with the appropriate license required under KRS Chapter 154A; amend KRS 528.100 to exempt limited or full casino gaming licensed under KRS Chapter 154A; APPROPRIATION; EFFECTIVE DATE DELAYED.

05/08/19 Prefiled by the sponsor(s). 01/07/20 introduced in House to Licensing, Occupations, & Admin Regs (H)

2. <u>HB 89</u> J. Tipton, <u>D. Graham</u>, <u>J. Graviss</u>

Amend KRS 61.545 to provide that if a member is working in a regular full-time hazardous duty position that participates in the Kentucky Employees Retirement System or the County Employees Retirement System and is simultaneously employed in a nonhazardous position that

is not considered regular full-time, the member shall participate solely as a hazardous duty member and shall not participate under the nonhazardous position unless he or she makes an election within 30 days of taking employment in the nonhazardous position; amend KRS 61.680 to conform; specify that provisions shall only apply to prospective nonhazardous employment occurring on or after the effective date of the Act.

<u>House Committee Substitute 1</u> Retain original provisions, except to specify that the parttime nonhazardous employment must be with a different participating employer and that the provisions shall only apply to initial employment in a part-time nonhazardous position.

11/12/19Prefiled by the sponsor(s).01/07/20introduced in House
To State Government (H)01/13/20posted in committee01/16/20reported favorably, 1st reading, to Calendar with Committee Substitute (1)01/17/202nd reading, to Rules01/22/20posted for passage in the Regular Orders of the Day for Thursday, Jan 23, 2020

3. <u>HB 104</u> <u>B. Wheatley</u>, <u>K. Banta</u>, <u>T. Bojanowski</u>, <u>G. Brown Jr</u>, <u>J. Graviss</u>, <u>J. Jenkins</u>, <u>C. Massey</u>, <u>S. Westrom</u>

Amend KRS 61.542 to allow a retiree who experiences a qualifying event, including marriage, remarriage, the birth or adoption of a child, or the death of a designated beneficiary, to elect to change his or her beneficiary and optional payment plan provided the election is made within 120 days of the qualifying event on a form prescribed by the Kentucky Retirement Systems and provide that in the case of a divorce, annulment, or dissolution of marriage, the retiree's estate shall become the beneficiary; amend KRS 61.590, 61.615, and 61.630 to conform; amend KRS 161.630 to expand the qualifying events for which a retiree may elect to change his or her beneficiary and optional payment plan to include a birth or adoption of a child in addition to marriage, remarriage, and the death of a beneficiary, require that the election be made within 120 days of the qualifying event on a form prescribed by the Teachers' Retirement System, and make technical corrections; amend KRS 161.480 to conform.

11/18/19Prefiled by the sponsor(s).01/07/20introduced in House
to State Government (H)01/13/20posted in committee

HB 137 A. Koenig, A. Gentry, K. Banta, T. Bojanowski, C. Booker, G. Brown Jr, T.
 Burch, J. Donohue, K. Flood, J. Glenn, D. Graham, J. Graviss, C. Harris, A. Hatton, K. Hinkle, C.
 Howard, J. Jenkins, M. Koch, N. Kulkarni, C. Massey, C. McCoy, C. Miller, J. Miller, P.
 Minter, K. Moser, J. Nemes, R. Palumbo, J. Raymond, S. Santoro, J. Sims Jr, M. Sorolis, C.
 Stevenson, S. Westrom, B. Wheatley, R. Wiederstein, L. Willner

Establish KRS Chapter 239 and create new sections to define "adjusted gross revenue," "beginner," "cabinet, "confidential information," "entry fee," "fantasy contest," "fantasy contest operator," "fantasy contest participant", "highly experienced player," "immediate family," "location percentage," "person," "principal stockholder," "registered fantasy contest operator," "script," "secretary," and "wager"; establish requirements for registration as a fantasy contest operator; require the cabinet to promulgate administrative regulations for the operation of fantasy contests; establish the wagering administration fund and direct the uses of that fund; establish the Kentucky problem gambling assistance account and direct the uses of that account; require an annual audit of fantasy contest registrants; establish requirements for fantasy contest procedures; amend KRS 230.210 to define "professional sports venue" and "sports wagering"; create new sections of KRS Chapter 230 to require the racing commission to institute a system of sports wagering at tracks and other specified locations; limit the types of events upon which wagers may be placed; amend KRS 230.215 to declare the intent to allow citizens to enjoy sports wagering and allow the racing commission to promulgate administrative regulations prescribing conditions under which sports wagering is to be conducted; amend KRS 230.225, 230.240, and 230.260 to include sports wagering; create a new section of KRS Chapter 230 to establish sports wagering licensure requirements; amend KRS 230.320 to conform; amend KRS 230.361 to include sports wagering; amend KRS 230.3615 to conform; create a new section of KRS Chapter 138 to define "adjusted gross income" and impose a tax on sports wagering; amend KRS 230.362, 230.363, 230.364, 230.365, 230.366, 230.369, 230.371, 230.372, 230.373, 230.374, and 230.750 to conform; create a new section of KRS Chapter 230 to prohibit participants from wagering on events in which they participate and to prohibit tampering with the outcome of a sporting event; amend KRS 230.990 to provide penalties for participants who wager on sporting events or tamper with the outcome of a sporting event; amend KRS Chapter 154A.010 to define "net poker revenue," "online poker," and "rake"; amend KRS 154A.050 and

154A.060 to include conducting online poker games; amend KRS 154A.063 to delete restriction

on playing cards and where winners are based on the outcome of a sports contest; amend KRS 154A.070 to include online poker; amend 154A.110 to prohibit anyone under 18 from placing a wager through an online poker game; amend KRS 154A.120 to include online poker; amend KRS 154A.130 to exempt online poker; create new sections of KRS Chapter 154A to require licensure for online poker games; require the Lottery Corporation to promulgate requirements in conformance with federal law for providers through administrative regulations; establish licensing fees; impose a gaming fee on providers; establish the Kentucky Lottery Corporation online poker account and provide for the uses of the funds deposited therein; amend KRS 154A.600 to include online poker; amend KRS 243.500 to exempt sports wagering and online poker; amend KRS 525.090 to exempt sports wagering; amend KRS 528.010 to exempt fantasy contests, sports wagering, and online poker and the devices used in the conduct of those forms of wagering; amend KRS 528.020, 528.070, and KRS 528.080 to exempt fantasy contests, sports wagering, and online poker; create a noncodified section to assert that the provisions of the Act are severable.

<u>House Committee Substitute 1</u> Add definitions of "net poker revenue," "online poker," and "rake" to KRS Chapter 239; remove oversight of online poker from the Lottery Corporation and place online poker under the Public Protection Cabinet in newly created sections of KRS Chapter 239; segregate sports wagering from advanced deposit wagering; establish a January 1, 2022 end point for the requirement to download the sports wagering phone application at a licensed venue; remove the prohibition on wagering on Kentucky collegiate teams; delete the provision for the professional sports leagues to submit names for consideration for membership on the Kentucky Horse Racing Commission.

<u>House Committee Substitute 1</u> Add definitions of "net poker revenue," "online poker," and "rake" to KRS Chapter 239; remove oversight of online poker from the Lottery Corporation and place online poker under the Public Protection Cabinet in newly created sections of KRS Chapter 239; segregate sports wagering from advanced deposit wagering; establish a January 1, 2022 end point for the requirement to download the sports wagering phone application at a licensed venue; remove the prohibition on wagering on Kentucky collegiate teams; delete the provision for the professional sports leagues to submit names for consideration for membership on the Kentucky Horse Racing Commission.

House Floor Amendment 1 Amend KRS 230.225 to require members of the Kentucky Horse

Racing Commission to comply with the Executive Branch Code of Ethics.

<u>House Floor Amendment 2</u> Amend Section 13 to remove the statement of policy and intent on sports wagering and the Kentucky Horse Racing Commission.

House Floor Amendment 3 Amend Section 4 to clarify that five percent of all funds deposited into the wagering administration fund shall be allocated to the Kentucky problem gambling assistance account prior to any other allocation of moneys from the wagering administration fund, the remaining funds shall be dedicated to the Kentucky permanent pension fund after necessary administrative expenses.

12/05/19 Pref	iled by the sponsor(s).
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01/07/20 introduced in House

to Licensing, Occupations, & Admin Regs (H)

- 01/08/20 posted in committee
- 01/15/20 reported favorably, 1st reading, to Calendar with Committee Substitute (1)
- 01/16/20 2nd reading, to Rules
- posted for passage in the Regular Orders of the Day for Friday, Jan 17, 2020
- 01/21/20 floor amendments (1) and (2) filed to Committee Substitute
- 01/22/20 floor amendment (3) filed to Committee Substitute

5. <u>HB 143</u> J. Tipton, R. Bridges, G. Brown Jr, J. DuPlessis, J. Graviss, D. Hale, C. Harris, D. Lewis, S. Lewis, M. Prunty, D. Schamore

Amend KRS 18A.355 to provide for an annual cost of living adjustment for state employees with the cost of living adjustment being the average of the consumer price index for the two calendar years prior to the biennium and not less than zero; and amend KRS 18A.110 to conform.

- 12/09/19 Prefiled by the sponsor(s).
- 01/07/20 introduced in House
- to State Government (H)
- 01/13/20 posted in committee

6. <u>HB 148</u> <u>C. Howard, C. Booker, M. Marzian</u>

Establish KRS Chapter 245 and create a section to define terms such as "cannabis accessory", "cannabis product", "immature cannabis plant", "indoor cultivator", "mature cannabis plant", and "outdoor cultivator"; create new sections of KRS Chapter 245 to require cannabis to be tracked from seed to consumer; establish license types, application fees, and license fees, and to direct license fees to the permanent pension fund; define sizes for cultivator license types; specify allowed transactions for each license type; set parameters for the home grower permit; require the board to promulgate an administrative regulation for license applications; set license length at one year and allow the board to establish renewal system; limit cannabis retail locations to one for every two thousand three hundred persons per county; require cannabis retail stores to be separate from other store and only carry cannabis, cannabis products, and cannabis accessories; create requirements for child-proof packaging and labeling; establish procedures for license denial and a hearing in accordance with KRS Chapter 13B; establish payments in lieu of suspension for licensees and direct the funds to the permanent pension fund and the agency's revolving trust and agency account; establish minimum age of twenty-one to use or buy cannabis and create status offense for minors under eighteen; ban smoking cannabis in public; and require signs in retail locations regarding minors and the US Surgeon General's statement on cannabis; create new sections of KRS Chapter 138 to define "cannabis", "cannabis administrator", and "cannabis product"; set wholesale tax rates and payment schedules for cannabis cultivator and processor licensees, allow local governments to impose up to a 5% regulatory license fee on cannabis licensees in their territory; establish conditions for tax liability; impose civil penalties for tax violations; create a new section of KRS Chapter 245 to set conditions for the cannabis tax rates effective July 1, 2026 and beyond; amend KRS 2.015 to exempt cannabis from age of majority; amend KRS 42.205 to include licensing and permit fees, payments in lieu of suspension, and moneys from wholesale taxes to go to the permanent pension fund and to be distributed quarterly to KERS nonhazardous and TRS funds; amend KRS 241.020 to include a Division of Cannabis in the Department of Alcoholic Beverage Control; amend KRS 241.030 to add administrator of the Division of Cannabis; amend KRS 241.060 to add supervision of the cultivation, processing, testing, and trafficking of cannabis to the board's duties; amend KRS

241.090 to add cannabis to search provisions; amend KRS 243.025 to direct application fees for cannabis licenses into the agency revolving trust account; amend KRS 218A.1421 to exempt cannabis licenses from trafficking statute; amend KRS 218A.1422 to exempt one ounce of marijuana from possession statute; amend KRS 218A.1423 to permit cannabis cultivator licensees and home grower permits to cultivate under their license or permit; amend KRS 218A.500 to exclude cannabis accessories from drug paraphernalia; create a new section of KRS Chapter 431 to create process for expungement of marijuana misdemeanor charges and to waive fees; amend KRS 431.079 to exclude need for certification of eligibility for expungement; amend KRS 131.1815 to include cannabis licensees in delinquent taxpayer statute; amend KRS 12.020 to create Division of Cannabis within the Department of Alcoholic Beverage Control.

12/09/19Prefiled by the sponsor(s).01/07/20introduced in House
to Judiciary (H)

7. <u>HB 171</u> J. DuPlessis, J. Graviss, S. Sheldon

Repeal, reenact, and amend KRS 61.565 to change the Kentucky Employees Retirement System's nonhazardous employer contribution payable on or after July 1, 2020, from a percentage of pay for both the normal cost contribution and the actuarially accrued liability contribution to a normal cost that is a percent of pay and an actuarially accrued liability contribution that is a set dollar amount; provide that the set dollar amount for the actuarially accrued liability contribution for KERS nonhazardous funds shall be allocated to each individual employer based upon the employer's percent share of the liability as of the June 30, 2019 actuarial valuation and shall be paid by employers in equal installments monthly; provide criteria for when adjustments to the dollar value and percent share may occur; make technical, clerical, and conforming amendments and to conform to a recent court decision; create a new section of KRS Chapter 42 to establish the Kentucky retirement contribution assistance fund; provide that the purpose of the fund shall be to assist health departments, community mental health centers, and certain other quasi-governmental employers in the Kentucky Employees Retirement System with financial assistance in paying employer contribution rates to the system; specify that funds shall be disbursed by the state budget director and provide criteria for disbursement; amend KRS 61.510 to confirm to a recent court decision as it relates to a definition used for purposes of KRS 61.565; provide that Kentucky Retirement Systems shall amend the 2019 actuarial valuation in accordance with the amendments to KRS 61.565 in this Act and provide updated employer contributions to the Governor and General Assembly; APPROPRIATION; EMERGENCY.

12/12/19	Prefiled by the sponsor(s).
01/07/20	introduced in House
	to State Government (H)
01/13/20	posted in committee

8. <u>HB 181</u> A. Gentry, <u>T. Bojanowski</u>, <u>G. Brown Jr</u>, <u>C. Stevenson</u>

Propose to amend Section 226 of the Constitution of Kentucky to authorize the General Assembly to define, permit, and regulate casino gaming; require that proceeds be used to pay for oversight of casino gaming; mandate that 100 percent of proceeds in excess of oversight costs go to specified retirement systems prior to July 1, 2040; allow the General Assembly to allocate all proceeds in excess of oversight costs after July 1, 2040; submit to voters.

12/13/19 Prefiled by the sponsor(s).
01/07/20 introduced in House to Elections, Const. Amendments & Intergovernmental Affairs (H)

9. <u>HB 194</u> J. Miller, J. DuPlessis, T. Bojanowski, T. Branham Clark, G. Brown Jr, T. Burch, K. Flood, D. Graham, J. Graviss, N. Kulkarni, D. Lewis, R. Rand, J. Sims Jr, M. Sorolis, J. Tipton, B. Wheatley

Amend KRS 6.350 to establish additional requirements for the completion of the actuarial analysis required for bills pertaining to state-administered retirement systems; specify additional requirements to be projecting costs/savings over a 30 year period rather than 20

years, completing the analysis in a format established by the Legislative Research Commission, and requiring the front page of the analysis to include summary information.

01/07/20	introduced in House
01/09/20	to State Government (H)
01/13/20	posted in committee
01/16/20	reported favorably, 1st reading, to Calendar
01/17/20	2nd reading, to Rules

KENTUCKY RETIREMENT SYSTEMS HOUSEKEEPING BILL

10. <u>HB 207</u> <u>J. Miller</u>

Housekeeping legislation for the Kentucky Retirement Systems; amend KRS 16.578 and 61.640 to apply the alternate death calculation to and reinstate the life annuity, 60 months certain, actuarial refund, and Social Security adjustment retirement options as written prior to 2009 legislation; amend KRS 61.598 to establish a minimum salary increase of 10% plus \$1,000 over the prior year's salary in order for employee anti-pension spiking measures to apply; amend KRS 61.645 to remove requirement that Kentucky Retirement Systems' board election ballots be returned to a Kentucky post office box, rather than out-of-state vendor, remove requirement that ballot counting vendor be an actuarial firm, and make other conforming changes; amend KRS 61.510, 61.637, and 78.510 to change period under which reemployment of retiree would void status as a volunteer from 24 months to 12 months consistent with other retired reemployed categories; amend KRS 61.540 to remove requirement that failure to file statement of facts by member and employer will result in no benefits paid in order to conform language to other provisions in chapter; amend KRS 61.565 to use as maximum the rate for employers participating in the County Employees Retirement System, a factor of 1.12 over the prior fiscal year's contribution rate instead of language referencing projected dollars.

01/08/20introduced in House01/10/20to State Government (H)01/21/20posted in committee

11. <u>HB 235</u> <u>J. Graviss</u>

Repeal the provisions of SB 151 enacted in 2018 that were declared unconstitutional and void by the Kentucky Supreme Court; reenact and amend those provisions to return them to their original pre-SB 151 language; make technical and conforming changes.

01/09/20 introduced in House 01/13/20 to State Government (H)

12. <u>HB 262</u> <u>M. Hart, S. Maddox, K. Banta</u>

Amend KRS 61.522 to permit a state-supported university or community college ceasing participation in the Kentucky Employees Retirement System (KERS) nonhazardous plan by June 30, 2020, under the provisions of subsection (8) of KRS 61.522 (2019 SS HB 1), to make an election to retain participation in the retirement plan for only its existing employees who began participating in the systems administered by the Kentucky Retirement Systems prior to September 1, 2008, (Tier I) and, upon its effective cessation date, cease the participation of its existing employees who began participating on or after September 1, 2008, but prior to January 1, 2014 (Tier II); vary assumed rate of return/discount rate used to determine cessation costs from 3% to 4.5% based upon university/college employees' decisions regarding payment type (lump-sum vs. installments) and based on employee type (Tier I and II) and whether those employees will continue to participate in KERS after June 30, 2020; EMERGENCY.

01/15/20 introduced in House 01/17/20 to State Government (H)

13. <u>HB 270</u> J. Tipton, K. King

Create a new section of KRS Chapter 6.500 to 6.577 to close the Legislators' Retirement Plan (LRP) to new members effective July 1, 2020, and to provide that new legislators shall participate in the Kentucky Employees Retirement System (KERS) for the duration of their legislative service; clarify that legislators who are also teachers contributing to the Teachers' Retirement System (TRS) may continue to participate in TRS while serving as a member of the General Assembly; provide that Legislators' Retirement Plan (LRP) members who entered the plan on or after 1/1/2014 and who are participating in the LRP cash balance plan shall have their account balance transferred to the KERS hybrid cash balance plan and shall prospectively participate in KERS for the duration of their legislative service; amend KRS 6.505 to provide that legislative changes that are enacted on or after July 1, 2020, for the Legislators' Retirement Plan shall not be part of the "inviolable contract" and to make conforming amendments; amend KRS 6.520 to provide that the LRP benefit factor for the traditional defined benefit plan shall be lowered from 2.75% to 1.97% for service accrued on or after July 1, 2020; amend KRS 6.525 to provide that non-legislative compensation earned in another state-administered retirement system on or after July 1, 2020, shall not be used to calculate benefits in the Legislators' Retirement Plan; amend KRS 21.525 to provide that the Judicial Form Retirement System shall not request nor receive any funding for the Legislators' Retirement Plan (LRP), except for administrative expenses, until such time the LRP plan has an actuarial funding level equal to or less than the KERS nonhazardous pension fund; amend KRS 61.510 to provide that for any service to the General Assembly that is credited to the Kentucky Employees Retirement System, no compensation earned for other covered public employment shall be used to determine the portion of their benefit related to their service to the General Assembly; amend KRS 6.500, 21.402, and 61.680 to conform and to restore/remove language due to a recent court ruling; EMERGENCY.

01/16/20 introduced in House 01/21/20 to State Government (H)

14. <u>**HB 271**</u> J. Blanton, S. Santoro

Amend KRS 16.601 and 61.621 to remove provisions which reduce line of duty or dutyrelated death benefits upon remarriage; establish non-codified sections to: provide that an eligible surviving spouse who has subsequently remarried shall have their benefit increased; provide that an eligible surviving spouse of a member whose death was determined by the systems to be a direct result of an act in line of duty or a duty-related injury, but chose to receive monthly death benefits in lieu of line of duty benefits, shall receive line of duty or duty-related death monthly benefits; provide that Kentucky Retirement System shall establish process by which a surviving spouse of a member who died prior to retirement and prior to April 13, 2018, may apply for the line of duty death benefits; EMERGENCY

01/16/20 introduced in House 01/21/20 to State Government (H)

15. <u>HB 305</u> <u>C. Massey</u>, <u>S. Santoro</u>, <u>R. Rothenburger</u>, <u>B. Wheatley</u>

Create various sections of KRS Chapter 65 to define terms; establish procedures for the creation of a consolidated emergency services district; authorize that certain local government officials shall appoint the board of trustees of the district; provide a formula for determining the number of elected members, qualifications of elected members, terms, nonpartisan elections, nomination procedures, removal, and district apportionment requirements; establish officers of the district and compensation of officers; provide \$100 per day to appointees, elected members compensated pursuant to KRS 64.527; establish the quorum of the board; establish an advisory committee, number, qualifications of appointees, duties of committee and compensation of members; exceed \$0.30 per \$100 valuation, allow for ballot question for expanded taxation for additional services to be provided, and provide that the additional tax may be either an ad valorem or occupational license tax; allow the board to levy an insurance premium tax or an occupation and license tax; declare that upon creation of a district, the board assumes all duties, responsibilities, and liabilities of former departments or districts, former jurisdictions to be special taxing districts until indebtedness is relieved and that all previously entered into interlocal agreements shall remain in force for their duration; set requirements relating to CERS; amend KRS 65.180 to define consolidated emergency services district as a "taxing districts"; amend KRS 68.180 to grant districts in counties over 300,000 the power to levy a license and occupation tax; amend KRS 68.197 to grant districts in counties over 30,000 the power to levy a license and occupation tax; amend KRS 75.020 to include creation of a district within the definition of merger; amend KRS 78.530 to allow for any districts, not all to be excluded from the provisions; amend KRS 91A.080 to

include consolidated emergency services districts; amend KRS 95A.500 to allow the district to receive qualified shares of merged fire districts; amend KRS 118.305 to place elected trustees on ballot; amend KRS 118.315 to include nominating petitions for elected trustees; amend KRS 134.119 to provide that the sheriff shall be compensated for collecting taxes for consolidated emergency service districts; APPROPRIATION.

01/21/20 introduced in House