

161.655 Life insurance benefit -- Assignment of benefit.

- (1) Effective July 1, 2000, the Teachers' Retirement System shall:
 - (a) Provide a life insurance benefit in a minimum amount of five thousand dollars (\$5,000) for its members who are retired for service or disability. This life insurance benefit shall be payable upon the death of a member retired for service or disability to the member's estate or to a party designated by the member on a form prescribed by the retirement system; and
 - (b) Provide a life insurance benefit in a minimum amount of two thousand dollars (\$2,000) for its active contributing members. This life insurance benefit shall be payable upon the death of an active contributing member to the member's estate or to a party designated by the member on a form prescribed by the retirement system.
- (2) The member may name one (1) primary and one (1) contingent beneficiary for receipt of the life insurance benefit. To the extent permitted by the Internal Revenue Code, a trust may be designated as beneficiary for receipt of the life insurance benefit. Members may designate as beneficiaries only presently identifiable and existing individuals, or trusts where otherwise permitted, without contingency instructions, on forms prescribed by the retirement system. In the event that a member fails to designate a beneficiary, or all designated beneficiaries predecease the member, the member's estate shall be deemed to be the beneficiary. Any beneficiary designation made by the member, including the estate should the estate become the beneficiary by default, shall remain in effect until changed by the member on forms prescribed by the retirement system, except in the event of subsequent marriage or divorce. A valid marriage license shall terminate any previously designated beneficiary, even that of a trust, and establish the spouse as beneficiary unless, subsequent proof of the marriage, the member or retired member redesignates someone other than the new spouse as the beneficiary. A final divorce decree shall terminate the beneficiary status of an ex-spouse unless, subsequent to divorce, the member redesignates the former spouse as a beneficiary. A final divorce decree shall not terminate the designation of a trust as beneficiary regardless of who is designated as beneficiary of the trust.
- (3) Application for payment of life insurance proceeds shall be made to the Teachers' Retirement System together with acceptable evidence of death and eligibility. The reciprocal provisions of KRS 61.680(2)(a) shall not apply to the coverage and payment of proceeds by the life insurance benefit under this section.
- (4) Suit or civil action shall not be required for the collection of the proceeds of the life insurance benefit provided for by this section, but nothing in this section shall prevent the maintenance of suit or civil action against the beneficiary or legal representative receiving the proceeds of the life insurance benefit.
- (5) Upon the death of a member of the Teachers' Retirement System, the life insurance provided pursuant to subsection (1) of this section may be assigned by the designated beneficiary to a bank or licensed funeral home.

Effective: June 8, 2011

History: Amended 2011 Ky. Acts ch. 68, sec. 2, effective June 8, 2011. -- Amended 2010 Ky. Acts ch. 164, sec. 12, effective July 1, 2010. -- Amended 2008 Ky. Acts ch. 78, sec. 22, effective July 1, 2008. -- Amended 2004 Ky. Acts ch. 121, sec. 23, effective July 1, 2004. -- Amended 2002 Ky. Acts ch. 275, sec. 30, effective July 1, 2002. -- Amended 2000 Ky. Acts ch. 498, sec. 20, effective July 1, 2000. -- Amended 1998 Ky. Acts ch. 515, sec. 14, effective July 1, 1998. -- Amended 1996 Ky. Acts ch. 359, sec. 16, effective July 1, 1996. -- Amended 1992 Ky. Acts ch. 192, sec. 14, effective July 1, 1992. -- Repealed and reenacted 1990 Ky. Acts ch. 476, Pt. V, sec. 535, effective July 13, 1990. -- Amended 1988 Ky. Acts ch. 363, sec. 17, effective July 1, 1988. -- Amended 1980 Ky. Acts ch. 206, sec. 11, effective July 1, 1980. -- Amended 1978 Ky. Acts ch. 152, sec. 16, effective March 28, 1978. -- Amended 1970 Ky. Acts ch. 54, sec. 3. -- Amended 1968 Ky. Acts ch. 136, sec. 12. - Amended 1964 Ky. Acts ch. 43, sec. 16. -- Amended 1962 Ky. Acts ch. 64, sec. 17. -- Created 1958 Ky. Acts ch. 7, sec. 4.