

161.615 Limited defined contribution plan -- Purpose -- Administration -- Eligibility -- Payments -- Closing of plan to future employees on January 1, 2019.

- (1) The board of trustees is authorized to implement a limited defined contribution plan for the sole purpose of providing retirement allowance payments for retired members who have been approved by the retirement system for full-time reemployment as provided in KRS 161.605.
- (2) The defined contribution plan shall be administered separately from the regular benefits provided for members of the retirement system, except that the contributions to the plan shall be invested in the same manner as other contributions to the retirement system.
- (3) The provisions of this section apply only to those retired members who were permitted to return to work under the critical shortage provisions of KRS 161.605(7) as they existed on June 30, 2002. The provisions of this section shall not apply to any retired member returning to work on or after July 1, 2002.
- (4) Separate member accounts shall be maintained for participants in this plan which shall reflect the annual contributions made to the participant's account based on the rates and interest levels specified in KRS 161.605.
- (5) When the retiree's reemployment terminates, the total contributions and accrued interest in the participant's account will be paid in a lump-sum payment or on an actuarial straight life monthly basis to the retiree. If the member dies prior to making application for a retirement allowance under this plan, the beneficiary designated by the participant for this plan shall receive a refund of the funds in the account. If there is a remaining balance in the account at the death of the participant after retirement from this plan, it shall be paid to the beneficiary designated by the participant for this benefit.
- (6) Retired members shall be eligible to receive their retirement annuity when approved for reemployment and participation in this plan. Service as a reemployed retiree may not be used in any manner for credit under the regular retirement benefit plans provided by the retirement system.
- (7) Notwithstanding the provisions of subsections (1) to (6) of this section, any plan established pursuant to this section shall, effective January 1, 2019, be closed to any future employee or employer contributions.

Effective: July 14, 2018

History: Amended 2018 Ky. Acts ch. 107, sec. 72, effective July 14, 2018. -- Amended 2002 Ky. Acts ch. 275, sec. 27, effective July 1, 2002. -- Created 2000 Ky. Acts ch. 498, sec. 2, effective July 1, 2000.