

61.5525 Method for determining purchase of service credit -- Exceptions.

- (1) Effective July 1, 2001, purchase of service under the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852, except as provided in subsection (2) of this section, shall be determined by multiplying the higher of the employee's current rate of pay, final rate of pay, or final compensation as of the end of the month in which the purchase is made times the actuarial factor times the number of years of service being purchased. Effective September 1, 2008, the actuarial factor used to determine the cost of purchasing service credit shall assume the earliest date the member may retire without a reduction in benefits and the cost-of-living adjustments provided to members upon retirement under KRS 61.691.
- (2) This provision shall not apply to KRS 61.552(1) and (23) or 61.592(3)(c).
- (3) Service purchased on or after August 1, 2004, under the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852, except for service purchased under KRS 61.552(1) and (23), shall not be used to determine eligibility for or the amount of the monthly insurance contribution under KRS 61.702.
- (4) For a member whose participation begins on or after August 1, 2004, service purchased under the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852, except for service purchased under KRS 61.552(1) and (23), shall not be used to determine eligibility for a retirement allowance under disability retirement, early retirement, normal retirement, or death under any of the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852. Purchased service shall only be used to determine the amount of the retirement allowance of a member who is eligible for a retirement allowance under disability, early retirement, normal retirement, or death under any of the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852, based on service earned as a participating employee.

Effective: June 27, 2008

History: Amended 2008 (1st Extra. Sess.) Ky. Acts ch. 1, sec. 13, effective June 27, 2008. -- Amended 2004 Ky. Acts ch. 33, sec. 2, effective July 13, 2004. -- Amended 2002 Ky. Acts ch. 52, sec. 24, effective July 15, 2002. -- Created 2001 Ky. Acts ch. 7, sec. 6, effective June 21, 2001.