

AN ACT relating to supplements paid to police officers, professional firefighters, and qualified volunteer fire departments, declaring an emergency, and making an appropriation therefor.

Be it enacted by the General Assembly of the Commonwealth of Kentucky:

□ Section 1. KRS 15.460 is amended to read as follows:

- (1) Except as provided in subsection (4)(a) of this section, beginning on July 1, 2017~~[July 15, 1998]~~, an eligible local unit of government shall be entitled to receive annually a supplement of four thousand dollars (\$4,000)~~[two thousand seven hundred fifty dollars (\$2,750)]~~ for each qualified police officer it employs, ~~[and beginning on July 1, 1999, an annual supplement of three thousand dollars (\$3,000) for each qualified police officer it employs,]~~ plus an amount equal to the required employer's contribution on the supplement to the defined benefit pension plan to which the officer belongs, but no more than the required employer's contribution to the County Employees Retirement System hazardous duty category. In the case of County Employees Retirement System membership, the pension contribution on the supplement shall be paid whether the officer enters the system under hazardous duty coverage or nonhazardous coverage. The local unit of government shall pay the amount received for retirement coverage to the appropriate retirement system to cover the required employer contribution on the pay supplement. Should the foundation program funds be insufficient to pay employer contributions to the system, then the total amount available for pension payments shall be prorated to each eligible government so that each receives the same percentage of required pension costs attributable to the cash salary supplement.
- (2) Each qualified police officer, whose local government receives a supplement pursuant to subsection (1) of this section, shall be paid by the local government the supplement which his or her qualifications brought to the local government. The supplement paid each police officer shall be in addition to his or her regular salary

and, except as provided in subsection (4)(b) of this section, shall continue to be paid to an officer who is a member of:

- (a) The Kentucky National Guard during any period of activation under Title 10 or 32 of the United States Code or KRS 38.030; or
 - (b) Any reserve component of the United States Armed Forces during any period of activation with the United States Armed Forces.
- (3) (a) Each qualified sheriff who receives the maximum salary allowed by Section 246 of the Kentucky Constitution and KRS 64.527 shall not receive a supplement.
- (b) Each qualified sheriff who does not receive the maximum salary allowed by Section 246 of the Kentucky Constitution and KRS 64.527, excluding the expense allowance provided by KRS 70.170, shall upon annual settlement with the fiscal court under KRS 134.192, receive that portion of the supplement that will not cause his or her compensation to exceed the maximum salary.
- (c) Each qualified sheriff who seeks to participate in the fund shall forward a copy of the annual settlement prepared under KRS 134.192 to the fund. The sheriff shall reimburse the fund if an audit of the annual settlement conducted pursuant to KRS 134.192 reflects that the sheriff received all or a portion of the supplement in violation of this section. A sheriff who fails to provide a copy of the annual settlement to the fund or to reimburse the fund after correction by audit, if required, shall not be qualified to participate in the fund for a period of two (2) years.
- (d) Each qualified deputy sheriff shall receive the supplement from the sheriff if the sheriff administers his or her own budget or from the county treasurer if the sheriff pools his or her fees. The failure of a sheriff to comply with the provisions of this section shall not affect the qualification of his or her

deputies to participate in the fund.

- (4) (a) Eligible local units of government shall receive the salary supplement, excluding funds applicable to the employer's pension fund contribution, provided in subsection (1) of this section for distribution to an officer who is eligible under subsection (2) of this section.
- (b) A qualified police officer receiving a salary supplement during any period of military activation, as provided in subsection (2) of this section, shall not be entitled to receive the employer's pension system contribution, and the salary supplement shall not be subjected to an employee's contribution to a pension system. The salary supplement shall otherwise be taxable for all purposes.

□ Section 2. KRS 95A.250 is amended to read as follows:

- (1) (a) Beginning on July 1, 2017~~[July 1, 1982]~~, an eligible local government shall be entitled to receive annually a supplement of four thousand dollars (\$4,000)~~[two thousand seven hundred fifty dollars (\$2,750) for each qualified professional firefighter it employs, and beginning on July 1, 1999, an annual supplement of three thousand dollars (\$3,000)]~~ for each qualified professional firefighter it employs, plus an amount equal to the required employer's contribution on the supplement to the defined benefit pension plan, or to a plan qualified under Section 401(a) or Section 457 of the Internal Revenue Code of 1954 as amended.
- (b) The employer's contribution to any of these plans on the supplement shall not exceed the required employer's contribution to the County Employees Retirement System pursuant to KRS Chapter 78 for the hazardous duty category. The pension contribution on the supplement shall be paid whether the professional firefighter entered the system under hazardous duty coverage or nonhazardous coverage.
- (c) The local unit of government shall pay the amount received for retirement

coverage to the appropriate retirement system to cover the required employer contribution on the supplement.

- (d) Should the foundation program funds be insufficient to pay employer contributions to the system, then the total amount available for pension payments shall be prorated to each eligible government so that each receives the same percentage of required pension costs attributable to the supplement.
- (2) (a) Each qualified professional firefighter, whose local government receives a supplement pursuant to subsection (1)(a) of this section, shall receive distribution of the supplement from that local government in twelve (12) equal monthly installments with his or her pay for the last pay period of each month. The monthly distribution shall be calculated by dividing the supplement amount set forth in subsection (1)(a) of this section by twelve (12).
- (b) The supplement disbursed to a qualified professional firefighter pursuant to this section shall not be considered "wages" as defined by KRS 337.010(1)(c)1. and shall not be included in the hourly wage rate for calculation of overtime pursuant to KRS 337.285 for scheduled overtime. The supplement shall be included in the hourly wage rates for calculation of overtime for unscheduled overtime pursuant to KRS 337.285.
 - (c) To determine the addition to the hourly wage rate for calculation of overtime on unscheduled overtime, the annual supplement shall be divided by two thousand eighty (2,080). The overtime rate for unscheduled overtime shall be calculated by adding the quotient, which is the amount of the annual supplement divided by two thousand eighty (2,080), to the hourly wage rate and multiplying the total by one and one-half (1.5). The enhanced overtime rate shall be paid only for unscheduled overtime. Scheduled overtime shall be paid at one and one-half (1.5) times the regular hourly wage rate, excluding the supplement.

- (3) Beginning July 1, 2006:
- (a) The Kentucky Community and Technical College System shall be entitled to receive annually a supplement equal to the amount determined in subsection (1) of this section for each Kentucky fire and rescue training coordinator employed by the Kentucky Community and Technical College System who meets the qualifications for individual firefighters required in KRS 95A.230, plus an amount equal to the required employer's contribution on the supplement to the defined benefit pension plan; and
 - (b) The Department of Military Affairs shall be entitled to receive annually a supplement equal to the amount determined in subsection (1) of this section for each civilian firefighter employed by the Department of Military Affairs who meets the qualifications for individual firefighters required in KRS 95A.230, plus an amount equal to the required employer's contribution on the supplement to the defined benefit pension plan.

Each fire and rescue training coordinator employed by the Kentucky Community and Technical College System and each civilian firefighter employed by the Department of Military Affairs, whose employer receives a supplement pursuant to this subsection, shall receive distribution from that employer of the supplement which his or her qualifications brought to the employer. The supplement distributed shall be in addition to his or her regular salary.

□Section 3. KRS 95A.262 is amended to read as follows:

- (1) The Commission on Fire Protection Personnel Standards and Education shall, in cooperation with the Cabinet for Health and Family Services, develop and implement a continuing program to inoculate every paid and volunteer firefighter in Kentucky against hepatitis B. The program shall be funded from revenues allocated to the Firefighters Foundation Program fund pursuant to KRS 136.392 and 42.190. Any fire department which has inoculated its personnel during the period of July 1,

1991 to July 14, 1992, shall be reimbursed from these revenues for its costs incurred up to the amount allowed by the Cabinet for Human Resources for hepatitis B inoculations.

- (2) Except as provided in subsection (3) of this section, the Commission on Fire Protection Personnel Standards and Education shall allot on an annual basis a share of the funds accruing to and appropriated for volunteer fire department aid to volunteer fire departments in cities of all classes, fire protection districts organized pursuant to KRS Chapter 75, county districts established under authority of KRS 67.083, and volunteer fire departments created as nonprofit corporations pursuant to KRS Chapter 273. **Beginning on July 1, 2017**, the commission shall allot **eleven thousand dollars (\$11,000)**~~eight thousand dollars (\$8,000)~~ annually to each qualifying department~~], and beginning on July 1, 2001, the commission shall allot eight thousand two hundred fifty dollars (\$8,250) annually to each qualifying department].~~ Any qualifying department which fails to participate satisfactorily in the Kentucky fire incident reporting system as described in KRS 304.13-380 shall forfeit annually five hundred dollars (\$500) of its allotment. If two (2) or more qualified volunteer fire departments, as defined in KRS 95A.500 to 95A.560, merge after January 1, 2000, then the allotment shall be in accordance with the provisions of KRS 95A.500 to 95A.560. Administrative regulations for determining qualifications shall be based on the number of both paid firefighters and volunteer firemen within a volunteer fire department, the amount of equipment, housing facilities available, and such other matters or standards as will best effect the purposes of the volunteer fire department aid law. A qualifying department shall include at least twelve (12) firefighters, a chief, and at least one (1) operational fire apparatus or one (1) on order. Fifty percent (50%) of the firefighters shall have completed at least one-half (1/2) of one hundred fifty (150) training hours, or as otherwise established by the commission under KRS 95A.240(6), toward

certification within the first six (6) months of the first year of the department's application for certification, and there shall be a plan to complete the one hundred fifty (150) training hours, or as otherwise established by the commission by KRS 95A.240(6), within the second year. These personnel, equipment, and training requirements shall not be made more stringent by the promulgation of administrative regulations. No allotment shall exceed the total value of the funds, equipment, lands, and buildings made available to the local fire units from any source whatever for the year in which the allotment is made. A portion of the funds provided for above may be used to purchase group or blanket health insurance and shall be used to purchase workers' compensation insurance, and the remaining funds shall be distributed as set forth in this section.

- (3) There shall be allotted two hundred thousand dollars (\$200,000) of the insurance premium surcharge proceeds accruing to the Firefighters Foundation Program fund that shall be allocated each fiscal year of the biennium to the firefighters training center fund, which is hereby created and established, for the purposes of constructing new or upgrading existing training centers for firefighters. If any moneys in the training center fund remain uncommitted, unobligated, or unexpended at the close of the first fiscal year of the biennium, then such moneys shall be carried forward to the second fiscal year of the biennium, and shall be reallocated to and for the use of the training center fund, in addition to the second fiscal year's allocation of two hundred thousand dollars (\$200,000). Prior to funding any project pursuant to this subsection, a proposed project shall be approved by the Commission on Fire Protection Personnel Standards and Education as provided in subsection (4) of this section and shall comply with state laws applicable to capital construction projects.
- (4) Applications for funding low-interest loans and firefighters' training centers shall be submitted to the Commission on Fire Protection Personnel Standards and Education

for their recommendation, approval, disapproval, or modification. The commission shall review applications periodically, and shall, subject to funds available, recommend which applications shall be funded and at what levels, together with any terms and conditions the commission deems necessary.

- (5) Any department or entity eligible for and receiving funding pursuant to this section shall have a minimum of fifty percent (50%) of its personnel certified as recognized by the Commission on Fire Protection Personnel Standards and Education.
- (6) Upon the written request of any department, the Commission on Fire Protection Personnel Standards and Education shall make available a certified training program in a county of which such department is located.
- (7) The amount of reimbursement for any given year for costs incurred by the Kentucky Community and Technical College System for administering these funds, including but not limited to the expenses and costs of commission operations, shall be determined by the commission and shall not exceed five percent (5%) of the total amount of moneys accruing to the Firefighters Foundation Program fund which are allotted for the purposes specified in this section during any fiscal year.
- (8) The commission shall withhold from the general distribution of funds under subsection (2) of this section an amount which it deems sufficient to reimburse volunteer fire departments for equipment lost or damaged beyond repair due to hazardous material incidents.
- (9) Moneys withheld pursuant to subsection (8) of this section shall be distributed only under the following terms and conditions:
 - (a) A volunteer fire department has lost or damaged beyond repair items of personal protective clothing or equipment due to that equipment having been lost or damaged as a result of an incident in which a hazardous material (as defined in any state or federal statute or regulation) was the causative agent of the loss;

- (b) The volunteer fire department has made application in writing to the commission for reimbursement in a manner approved by the commission and the loss and the circumstances thereof have been verified by the commission;
 - (c) The loss of or damage to the equipment has not been reimbursed by the person responsible for the hazardous materials incident or by any other person;
 - (d) The commission has determined that the volunteer fire department does not have the fiscal resources to replace the equipment;
 - (e) The commission has determined that the equipment sought to be replaced is immediately necessary to protect the lives of the volunteer firefighters of the fire department;
 - (f) The fire department has agreed in writing to subrogate all claims for and rights to reimbursement for the lost or damaged equipment to the Commonwealth to the extent that the Commonwealth provides reimbursement to the department; and
 - (g) The department has shown to the satisfaction of the commission that it has made reasonable attempts to secure reimbursement for its losses from the person responsible for the hazardous materials incident and has been unsuccessful in the effort.
- (10) If a volunteer fire department has met all of the requirements of subsection (9) of this section, the commission may authorize a reimbursement of equipment losses not exceeding ten thousand dollars (\$10,000) or the actual amount of the loss, whichever is less.
- (11) Moneys which have been withheld during any fiscal year which remain unexpended at the end of the fiscal year shall be distributed in the normal manner required by subsection (2) of this section during the following fiscal year.
- (12) No volunteer fire department may receive funding for equipment losses more than once during any fiscal year.

- (13) The commission shall make reasonable efforts to secure reimbursement from the responsible party for any moneys awarded to a fire department pursuant to this section.
- (14) There shall be allotted each year of the 1992-93 biennium one million dollars (\$1,000,000), and each year of the 1994-95, 1996-97, 1998-99, and 2000-01 bienniums one million dollars (\$1,000,000) of the insurance premium surcharge proceeds accruing to the Firefighters Foundation Program fund for the purpose of creating a revolving low-interest loan fund, which shall thereafter be self-sufficient and derive its operating revenues from principal and interest payments. The commission, in accordance with the procedures in subsection (4) of this section, may make low-interest loans, and the interest thereon shall not exceed three percent (3%) annually or the amount needed to sustain operating expenses of the loan fund, whichever is less, to volunteer fire departments for the purposes of major equipment purchases and facility construction. Loans shall be made to departments which achieve the training standards necessary to qualify for volunteer fire department aid allotted pursuant to subsection (2) of this section, and which do not have other sources of funds at rates which are favorable given their financial resources. The proceeds of loan payments shall be returned to the loan fund for the purpose of providing future loans. If a department does not make scheduled loan payments, the commission may withhold any grants payable to the department pursuant to subsection (2) of this section until the department is current on its payments. Money in the low-interest loan fund shall be used only for the purposes specified in this subsection. Any funds remaining in the fund at the end of a fiscal year shall be carried forward to the next fiscal year for the purposes of the fund.
- (15) For fiscal year 2004-2005 and each fiscal year thereafter, there is allotted one million dollars (\$1,000,000) from the fund established in KRS 95A.220 to be used by the commission to conduct training-related activities.

- (16) If funding is available from the fund established in KRS 95A.220, the Commission on Fire Protection Personnel Standards and Education may implement the following:
- (a) A program to prepare emergency service personnel for handling potential man-made and non-man-made threats. The commission shall work in conjunction with the state fire marshal and other appropriate agencies and associations to identify and make maps of gas transmission and hazardous liquids pipelines in the state;
 - (b) A program to provide and maintain a mobile test facility in each training region established by the Commission on Fire Protection Personnel Standards and Education with equipment to administer Comprehensive Physical Aptitude Tests (CPAT) to ascertain a firefighter's ability to perform the physical requirements necessary to be an effective and safe firefighter;
 - (c) A program to provide defensive driving training tactics to firefighters. The commission shall purchase, instruct in the use of, and maintain mobile equipment in each of the training regions, and fund expenses related to equipment replacement;
 - (d) A program to annually evaluate equipment adequacy and to provide for annual physical examinations for instructors, adequate protective clothing and personal equipment to meet NFPA guidelines, and to establish procedures for replacing this equipment as needed;
 - (e) A program to establish a rotational expansion and replacement program for mobile fleet equipment currently used for training and recertification of fire departments;
 - (f) A program to expand and update current EMS, first responder, EMT, and paramedic training and certification instruction; and
 - (g) A program to purchase thermal vision devices to comply with the provisions

of KRS 95A.400 to 95A.440.

Section 4. Whereas the authorization of supplements should be coordinated with the beginning of the fiscal year, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming a law.