

1 AN ACT relating to the Kentucky Retirement Systems.

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

3 ➔Section 1. KRS 61.645 is amended to read as follows:

- 4 (1) The County Employees Retirement System, Kentucky Employees Retirement
5 System, and State Police Retirement System shall be administered by the board of
6 trustees of the Kentucky Retirement Systems composed of thirteen (13) members,
7 who shall be selected as follows:
- 8 (a) The secretary of the Personnel Cabinet shall serve as trustee for as long as he
9 occupies the position of secretary under KRS 18A.015, except as provided
10 under subsections (5) and (6) of this section;
- 11 (b) Three (3) trustees, who shall be members or retired from the County
12 Employees Retirement System, elected by the members and retired members
13 of the County Employees Retirement System;
- 14 (c) One (1) trustee, who shall be a member or retired from the State Police
15 Retirement System, elected by the members and retired members of the State
16 Police Retirement System;
- 17 (d) Two (2) trustees, who shall be members or retired from the Kentucky
18 Employees Retirement System, elected by the members and retired members
19 of the Kentucky Employees Retirement System; and
- 20 (e) Six (6) trustees, appointed by the Governor of the Commonwealth. Of the six
21 (6) trustees appointed by the Governor:
- 22 1. One (1) trustee shall be knowledgeable about the impact of pension
23 requirements on local governments;
- 24 2. One (1) trustee shall be appointed from a list of three (3) applicants
25 submitted by the Kentucky League of Cities;
- 26 3. One (1) trustee shall be appointed from a list of three (3) applicants
27 submitted by the Kentucky Association of Counties;

- 1 4. One (1) trustee shall be appointed from a list of three (3) applicants
2 submitted by the Kentucky School Boards Association; and
- 3 5. Two (2) trustees shall have investment experience. For purposes of this
4 subparagraph, a trustee with "investment experience" means an
5 individual who does not have a conflict of interest, as provided by KRS
6 61.655, and who has at least ten (10) years of experience in one (1) of
7 the following areas of expertise:
- 8 a. A portfolio manager acting in a fiduciary capacity;
- 9 b. A professional securities analyst or investment consultant;
- 10 c. A current or retired employee or principal of a trust institution,
11 investment or finance organization, or endowment fund acting in
12 an investment-related capacity;
- 13 d. A chartered financial analyst in good standing as determined by the
14 CFA Institute;
- 15 e. A university professor, teaching economics or investment-related
16 studies; or
- 17 f. Any other professional with exceptional experience in the field of
18 public or private finances.
- 19 (2) The board is hereby granted the powers and privileges of a corporation, including
20 but not limited to the following powers:
- 21 (a) To sue and be sued in its corporate name;
- 22 (b) To make bylaws not inconsistent with the law;
- 23 (c) To conduct the business and promote the purposes for which it was formed;
- 24 (d) To contract for investment counseling, actuarial, auditing, medical, and other
25 professional or technical services as required to carry out the obligations of
26 the board without limitation, notwithstanding the provisions of KRS Chapters
27 45, 45A, 56, and 57;

- 1 (e) To purchase fiduciary liability insurance;
- 2 (f) To acquire, hold, sell, dispose of, pledge, lease, or mortgage, the goods or
3 property necessary to exercise the board's powers and perform the board's
4 duties without limitation, notwithstanding the limitations of KRS Chapters 45,
5 45A, and 56; and
- 6 (g) The board shall reimburse any trustee, officer, or employee for any legal
7 expense resulting from a civil action arising out of the performance of his
8 official duties.
- 9 (3) (a) Notwithstanding the provisions of subsection (1) of this section, each trustee
10 shall serve a term of four (4) years or until his successor is duly qualified
11 except as otherwise provided in this section. An elected trustee or a trustee
12 appointed by the Governor under subsection (1)(e) of this section, shall not
13 serve more than three (3) consecutive four (4) year terms. An elected trustee
14 or a trustee appointed by the Governor under subsection (1)(e) of this section,
15 who has served three (3) consecutive terms may be elected or appointed again
16 after an absence of four (4) years from the board.
- 17 (b) The term limits established by paragraph (a) of this subsection shall apply to
18 trustees serving on or after July 1, 2012, and all terms of office served prior to
19 July 1, 2012, shall be used to determine if the trustee has exceeded the term
20 limits provided by paragraph (a) of this subsection.
- 21 (4) (a) The trustees selected by the membership of each of the various retirement
22 systems shall be elected by ballot. For each trustee to be elected, the board
23 may nominate, not less than six (6) months before a term of office of a trustee
24 is due to expire, three (3) constitutionally eligible individuals.
- 25 (b) Individuals may be nominated by the retirement system members which are to
26 elect the trustee by presenting to the executive director, not less than four (4)
27 months before a term of office of a trustee is due to expire, a petition, bearing

- 1 the name, last four digits of the Social Security number, and signature of no
2 less than one-tenth (1/10) of the number voting in the last election by the
3 retirement system members.
- 4 (c) Within four (4) months of the nominations made in accordance with
5 paragraphs (a) and (b) of this subsection, the executive director shall cause to
6 be prepared an official ballot. The ballot shall ***include***~~carry~~ the name,
7 address, and position title of each individual nominated by the board and by
8 petition. Provisions shall also be made for write-in votes.
- 9 (d) ***Except as provided by paragraph (j) of this subsection,*** the ballots shall be
10 distributed to the eligible voters by mail to their last known residence address.
- 11 (e) The ballots shall be addressed to the Kentucky Retirement Systems in care of
12 a predetermined box number at a United States Post Office located within
13 Kentucky ***or submitted electronically as provided by paragraph (j) of this***
14 ***subsection.*** Access to this post office box shall be limited to the board's
15 contracted auditing firm. The individual receiving a plurality of votes shall be
16 declared elected.
- 17 (f) The eligible voter shall cast his ballot by checking a square opposite the name
18 of the candidate of his choice. He shall sign and mail the ballot ***or submit the***
19 ***electronic ballot*** at least thirty (30) days prior to the date the term to be filled
20 is due to expire. The latest mailing date, ***or date of submission in the case of***
21 ***electronic ballots,*** shall be ***provided***~~printed~~ on the ballot.
- 22 (g) The board's contracted auditing firm shall report in writing the outcome to the
23 chair of the board of trustees. Cost of an election shall be payable from the
24 funds of the system for which the trustee is elected.
- 25 (h) For purposes of this subsection, an eligible voter shall be a person who was a
26 member of the retirement system on December 31 of the year preceding the
27 election year.

1 (i) Each individual who submits a request to be nominated by the board under
2 paragraph (a) of this subsection and each individual who is nominated by the
3 membership under paragraph (b) of this subsection shall:

4 1. Complete an application developed by the retirement systems which
5 shall include but not be limited to a disclosure of any prior felonies and
6 any conflicts of interest that would hinder the individual's ability to
7 serve on the board;

8 2. Submit a resume detailing the individual's education and employment
9 history and a cover letter detailing the member's qualifications for
10 serving as trustee to the board; and

11 3. Authorize the systems to have a criminal background check performed.
12 The criminal background check shall be performed by the Department of
13 Kentucky State Police.

14 **(j) In lieu of the ballots mailed to members and retired members as provided by**
15 **this subsection, the systems may by promulgation of administrative**
16 **regulation pursuant to KRS Chapter 13A conduct trustee elections using**
17 **electronic ballots.**

18 (5) Any vacancy which may occur in an appointed position shall be filled in the same
19 manner which provides for the selection of the particular trustee, and any vacancy
20 which may occur in an elected position shall be filled by appointment by a majority
21 vote of the remaining trustees, and if the secretary of the Personnel Cabinet resigns
22 his position as trustee, it shall be filled by appointment made by the Governor;
23 however, any vacancy shall be filled only for the duration of the unexpired term.

24 (6) (a) Membership on the board of trustees shall not be incompatible with any other
25 office unless a constitutional incompatibility exists. No trustee shall serve in
26 more than one (1) position as trustee on the board; and if a trustee holds more
27 than one (1) position as trustee on the board, he shall resign a position.

- 1 (b) A trustee shall be removed from office upon conviction of a felony or for a
2 finding of a violation of any provision of KRS 11A.020 or 11A.040 by a court
3 of competent jurisdiction.
- 4 (c) A current or former employee of Kentucky Retirement Systems shall not be
5 eligible to serve as a member of the board.
- 6 (7) Trustees who do not otherwise receive a salary from the State Treasury shall receive
7 a per diem of eighty dollars (\$80) for each day they are in session or on official
8 duty, and they shall be reimbursed for their actual and necessary expenses in
9 accordance with state administrative regulations and standards.
- 10 (8) (a) The board shall meet at least once in each quarter of the year and may meet in
11 special session upon the call of the chair or the executive director.
- 12 (b) The board shall elect a chair and a vice chair. The chair shall not serve more
13 than four (4) consecutive years as chair or vice-chair of the board. The vice-
14 chair shall not serve more than four (4) consecutive years as chair or vice-
15 chair of the board. A trustee who has served four (4) consecutive years as
16 chair or vice-chair of the board may be elected chair or vice-chair of the board
17 after an absence of two (2) years from the positions.
- 18 (c) A majority of the trustees shall constitute a quorum and all actions taken by
19 the board shall be by affirmative vote of a majority of the trustees present.
- 20 (9) (a) The board of trustees shall appoint or contract for the services of an executive
21 director and fix the compensation and other terms of employment for this
22 position without limitation of the provisions of KRS Chapters 18A and 45A
23 and KRS 64.640. The executive director shall be the chief administrative
24 officer of the board.
- 25 (b) The board of trustees shall authorize the executive director to appoint the
26 employees deemed necessary to transact the business of the system. For an
27 appointee deemed to be in a policy-making position, the board shall determine

1 the compensation and other terms of employment for the policy-making
2 position without limitation of the provisions of KRS Chapter 18A. Anything
3 in the Kentucky Revised Statutes to the contrary notwithstanding, the power
4 over and control of determining and maintaining an adequate complement of
5 employees shall be under the exclusive jurisdiction of the board of trustees.

6 (c) Effective December 1, 2002, all employees of the Kentucky Retirement
7 Systems shall be transferred to a personnel system adopted by the board.
8 Employees of Kentucky Retirement Systems covered by the personnel system
9 adopted by the board shall be:

- 10 1. Provided the same health insurance coverage as all other state
11 government employees as provided in KRS 18A.225;
- 12 2. Eligible to participate in the deferred compensation system provided for
13 all state government employees as provided in KRS 18A.250 to
14 18A.265;
- 15 3. Provided the same life insurance coverage provided all state employees
16 as provided in KRS 18A.205 to 18A.215;
- 17 4. Reimbursed for all reasonable and necessary travel expenses and
18 disbursements incurred or made in the performance of official duties in
19 accordance with KRS Chapter 45;
- 20 5. Ensured equal employment opportunity regardless of race, color, gender,
21 religion, national origin, disability, sexual orientation, or age;
- 22 6. Given those holidays and rights granted to state employees as provided
23 in KRS 18A.190;
- 24 7. Paid a salary not less than the salary paid as of the date of transfer to the
25 personnel system, unless voluntarily demoted or involuntarily demoted
26 for cause;
- 27 8. Credited with all accumulated sick leave, compensatory time, and

1 annual leave accumulated in accordance with KRS Chapter 18A, and for
2 an employee leaving service, the system shall attest to the employee's
3 accumulated sick leave, compensatory time, and annual leave which
4 shall be credited with other state and county employers to the extent
5 provided for by statute or policy. The Kentucky Retirement Systems
6 may, at the discretion of the board, accept from other state and county
7 employers all accumulated sick leave, compensatory time, and annual
8 leave for an employee leaving a state or county employer and accepting
9 employment with the Kentucky Retirement Systems. The executive
10 branch shall accept from the Kentucky Retirement Systems all
11 accumulated sick leave, compensatory time, and annual leave for an
12 employee leaving the Kentucky Retirement Systems and accepting
13 employment with the executive branch. The Kentucky Retirement
14 Systems shall accept from the executive branch all accumulated sick
15 leave, compensatory time, and annual leave for an employee leaving the
16 executive branch and accepting employment with the Kentucky
17 Retirement Systems;

18 9. Classified with status upon transfer to the personnel system on
19 December 1, 2002, if the employee was classified with status as a merit
20 employee under KRS Chapter 18A. Any employee of the Kentucky
21 Retirement Systems transferred on December 1, 2002, during the
22 probationary period before earning classified status as a merit system
23 employee under KRS Chapter 18A shall transfer all accrued
24 probationary time and the time shall be credited to the probationary time
25 required to attain classified status in the personnel system;

26 10. Ensured a grievance appeal procedure and the employee's right to have a
27 representative present at each step of the grievance procedure; and

- 1 11. Ensured of the right of appeal in a manner consistent with the provisions
2 of KRS 18A.095 to the Kentucky Personnel Board and employees
3 classified with status in the personnel system shall not be dismissed,
4 demoted, suspended, or otherwise penalized except for cause.
- 5 (d) The board shall adopt by administrative regulation a fair, equitable, and
6 comprehensive personnel policy with a minimum of the following provisions
7 for the personnel system:
- 8 1. A code of conduct including provisions describing performance of
9 duties, abuse of position, conflicts of interest, and outside employment;
- 10 2. An appointments plan including provisions describing the appointing
11 authority, appointments, equal employment policy, sexual harassment
12 policy, and drug-free workplace policy;
- 13 3. A classification plan including provisions describing class
14 specifications, position actions, and employee actions;
- 15 4. A compensation plan based on qualifications, experience, and
16 responsibilities and including provisions which describe a salary
17 schedule, salary adjustments, salary advancements, and an employee
18 suggestion program;
- 19 5. Separations, disciplinary actions, and appeal policies including
20 provisions describing classified with status, exemptions from classified
21 with status, lay-offs, abolishment of position, dismissals and notification
22 of dismissal, dismissals during probationary period, disciplinary actions,
23 right of appeal, grievance and appeal procedures, and an employee
24 grievance and appeal committee;
- 25 6. Service and benefits regulations including provisions describing hours of
26 work, fringe benefits, workers' compensation, payroll deductions,
27 holidays, inclement weather days, compensatory time, retirement,

1 resignations, employee evaluations, and political activities; and

2 7. Leave policies including provisions describing special leave, annual
3 leave, court leave and jury duty, military leave, voting leave, educational
4 leave, sick leave, family medical leave, leave without pay, absence
5 without leave, and blood donation leave.

6 (e) The board shall require the executive director and the employees as it thinks
7 proper to execute bonds for the faithful performance of their duties
8 notwithstanding the limitations of KRS Chapter 62.

9 (f) The board shall establish a system of accounting.

10 (g) The board shall do all things, take all actions, and promulgate all
11 administrative regulations, not inconsistent with the provisions of KRS 16.505
12 to 16.652, 61.510 to 61.705, and 78.510 to 78.852, necessary or proper in
13 order to carry out the provisions of KRS 16.505 to 16.652, 61.510 to 61.705,
14 and 78.510 to 78.852. Notwithstanding any other evidence of legislative
15 intent, it is hereby declared to be the controlling legislative intent that the
16 provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852
17 conform with federal statute or regulation and meet the qualification
18 requirements under 26 U.S.C. sec. 401(a), applicable federal regulations, and
19 other published guidance. Provisions of KRS 16.505 to 16.652, 61.510 to
20 61.705, and 78.510 to 78.852 which conflict with federal statute or regulation
21 or qualification under 26 U.S.C. sec. 401(a), applicable federal regulations,
22 and other published guidance shall not be available. The board shall have the
23 authority to promulgate administrative regulations to conform with federal
24 statute and regulation and to meet the qualification requirements under 26
25 U.S.C. sec. 401(a), including an administrative regulation to comply with 26
26 U.S.C. sec. 401(a)(9).~~The board shall have the authority to promulgate an~~
27 ~~administrative regulation to comply with any consent decrees entered into by~~

1 ~~the board in Civil Action No. 3:99CV500(C) in order to bring the systems into~~
2 ~~compliance with the Age Discrimination in Employment Act, 29 U.S.C.~~
3 ~~Section 621, et seq., as amended.]~~

4 (10) All employees of the board shall serve during its will and pleasure. Notwithstanding
5 any statute to the contrary, employees shall not be considered legislative agents
6 under KRS 6.611.

7 (11) The Attorney General, or an assistant designated by him, may attend each meeting
8 of the board and may receive the agenda, board minutes, and other information
9 distributed to trustees of the board upon request. The Attorney General may act as
10 legal adviser and attorney for the board, and the board may contract for legal
11 services, notwithstanding the limitations of KRS Chapter 12 or 13B.

12 (12) (a) The system shall publish an annual financial report showing all receipts,
13 disbursements, assets, and liabilities. The annual report shall include a copy of
14 an audit conducted in accordance with generally accepted auditing standards.
15 Except as provided by paragraph (b) of this subsection, the board may select
16 an independent certified public accountant or the Auditor of Public Accounts
17 to perform the audit. If the audit is performed by an independent certified
18 public accountant, the Auditor of Public Accounts shall not be required to
19 perform an audit pursuant to KRS 43.050(2)(a), but may perform an audit at
20 his discretion. All proceedings and records of the board shall be open for
21 inspection by the public. The system shall make copies of the audit required
22 by this subsection available for examination by any member, retiree, or
23 beneficiary in the office of the executive director of the Kentucky Retirement
24 Systems and in other places as necessary to make the audit available to all
25 members, retirees, and beneficiaries. A copy of the annual audit shall be sent
26 to the Legislative Research Commission no later than ten (10) days after
27 receipt by the board.

- 1 (b) At least once every five (5) years, the Auditor of Public Accounts shall
2 perform the audit described by this subsection, and the system shall reimburse
3 the Auditor of Public Accounts for all costs of the audit. The Auditor of
4 Public Accounts shall determine which fiscal year during the five (5) year
5 period the audit prescribed by this paragraph will be completed.
- 6 (13) All expenses incurred by or on behalf of the system and the board in the
7 administration of the system during a fiscal year shall be paid from the retirement
8 allowance account. Any other statute to the contrary notwithstanding, authorization
9 for all expenditures relating to the administrative operations of the system shall be
10 contained in the biennial budget unit request, branch budget recommendation, and
11 the financial plan adopted by the General Assembly pursuant to KRS Chapter 48.
- 12 (14) Any person adversely affected by a decision of the board, except as provided under
13 subsection (16) of this section or KRS 61.665, involving KRS 16.505 to 16.652,
14 61.510 to 61.705, and 78.510 to 78.852, may appeal the decision of the board to the
15 Franklin Circuit Court within sixty (60) days of the board action.
- 16 (15) (a) A trustee shall discharge his duties as a trustee, including his duties as a
17 member of a committee:
- 18 1. In good faith;
 - 19 2. On an informed basis; and
 - 20 3. In a manner he honestly believes to be in the best interest of the
21 Kentucky Retirement Systems.
- 22 (b) A trustee discharges his duties on an informed basis if, when he makes an
23 inquiry into the business and affairs of the Kentucky Retirement Systems or
24 into a particular action to be taken or decision to be made, he exercises the
25 care an ordinary prudent person in a like position would exercise under similar
26 circumstances.
- 27 (c) In discharging his duties, a trustee may rely on information, opinions, reports,

- 1 or statements, including financial statements and other financial data, if
2 prepared or presented by:
- 3 1. One (1) or more officers or employees of the Kentucky Retirement
4 Systems whom the trustee honestly believes to be reliable and competent
5 in the matters presented;
 - 6 2. Legal counsel, public accountants, actuaries, or other persons as to
7 matters the trustee honestly believes are within the person's professional
8 or expert competence; or
 - 9 3. A committee of the board of trustees of which he is not a member if the
10 trustee honestly believes the committee merits confidence.
- 11 (d) A trustee shall not be considered as acting in good faith if he has knowledge
12 concerning the matter in question that makes reliance otherwise permitted by
13 paragraph (c) of this subsection unwarranted.
- 14 (e) Any action taken as a trustee, or any failure to take any action as a trustee,
15 shall not be the basis for monetary damages or injunctive relief unless:
- 16 1. The trustee has breached or failed to perform the duties of the trustee's
17 office in compliance with this section; and
 - 18 2. In the case of an action for monetary damages, the breach or failure to
19 perform constitutes willful misconduct or wanton or reckless disregard
20 for human rights, safety, or property.
- 21 (f) A person bringing an action for monetary damages under this section shall
22 have the burden of proving by clear and convincing evidence the provisions of
23 paragraph (e)1. and 2. of this subsection, and the burden of proving that the
24 breach or failure to perform was the legal cause of damages suffered by the
25 Kentucky Retirement Systems.
- 26 (g) Nothing in this section shall eliminate or limit the liability of any trustee for
27 any act or omission occurring prior to July 15, 1988.

1 (h) In discharging his or her administrative duties under this section, a trustee
2 shall strive to administer the retirement system in an efficient and cost-
3 effective manner for the taxpayers of the Commonwealth of Kentucky.

4 (16) When an order by the system substantially impairs the benefits or rights of a
5 member, retired member, or recipient, except action which relates to entitlement to
6 disability benefits, or when an employer disagrees with an order of the system as
7 provided by KRS 61.598, the affected member, retired member, recipient, or
8 employer may request a hearing to be held in accordance with KRS Chapter 13B.
9 The board may establish an appeals committee whose members shall be appointed
10 by the chair and who shall have authority to act upon the recommendations and
11 reports of the hearing officer on behalf of the board. The member, retired member,
12 recipient, or employer aggrieved by a final order of the board following the hearing
13 may appeal the decision to the Franklin Circuit Court, in accordance with KRS
14 Chapter 13B.

15 (17) The board shall give the Kentucky Education Support Personnel Association
16 twenty-four (24) hours notice of the board meetings, to the extent possible.

17 (18) The board shall establish a formal trustee education program for all trustees of the
18 board. The program shall include but not be limited to the following:

19 (a) A required orientation program for all new trustees elected or appointed to the
20 board. The orientation program shall include training on:

- 21 1. Benefits and benefits administration;
- 22 2. Investment concepts, policies, and current composition and
23 administration of retirement systems investments;
- 24 3. Laws, bylaws, and administrative regulations pertaining to the
25 retirement systems and to fiduciaries; and
- 26 4. Actuarial and financial concepts pertaining to the retirement systems.

27 If a trustee fails to complete the orientation program within one (1) year from

1 the beginning of his or her first term on the board, the retirement systems shall
2 withhold payment of the per diem and travel expenses due to the board
3 member under this section and KRS 16.640 and 78.780 until the trustee has
4 completed the orientation program;

5 (b) Annual required training for board members on the administration, benefits,
6 financing, and investing of the retirement systems. If a trustee fails to
7 complete the annual required training during the calendar or fiscal year, the
8 retirement systems shall withhold payment of the per diem and travel
9 expenses due to the board member under this section and KRS 16.640 and
10 78.780 until the board member has met the annual training requirements; and

11 (c) The retirement systems shall incorporate by reference in an administrative
12 regulation, pursuant to KRS 13A.2251, the trustee education program.

13 (19) In order to improve public transparency regarding the administration of the systems,
14 the board of trustees shall adopt a best practices model by posting the following
15 information to the retirement systems' Web site and shall make available to the
16 public:

17 (a) Meeting notices and agendas for all meetings of the board. Notices and
18 agendas shall be posted to the retirement systems' Web site at least seventy-
19 two (72) hours in advance of the board or committee meetings, except in the
20 case of special or emergency meetings as provided by KRS 61.823;

21 (b) The Comprehensive Annual Financial Report with the information as follows:
22 1. A general overview and update on the retirement systems by the
23 executive director;
24 2. A listing of the board of trustees;
25 3. A listing of key staff;
26 4. An organizational chart;
27 5. Financial information, including a statement of plan net assets, a

- 1 statement of changes in plan net assets, an actuarial value of assets, a
2 schedule of investments, a statement of funded status and funding
3 progress, and other supporting data;
- 4 6. Investment information, including a general overview, a list of the
5 retirement system's professional consultants, a total return on retirement
6 systems investments over a historical period, an investment summary,
7 contracted investment management expenses, transaction commissions,
8 and a schedule of investments;
- 9 7. The annual actuarial valuation report on the pension benefit and the
10 medical insurance benefit; and
- 11 8. A general statistical section, including information on contributions,
12 benefit payouts, and retirement systems' demographic data;
- 13 (c) All external audits;
- 14 (d) All board minutes or other materials that require adoption or ratification by
15 the board of trustees. The items listed in this paragraph shall be posted within
16 seventy-two (72) hours of adoption or ratification of the board;
- 17 (e) All bylaws, policies, or procedures adopted or ratified by the board of trustees;
- 18 (f) The retirement systems' summary plan description;
- 19 (g) A document containing an unofficial copy of the statutes governing the
20 systems administered by Kentucky Retirement Systems;
- 21 (h) A listing of the members of the board of trustees and membership on each
22 committee established by the board, including any investment committees;
- 23 (i) All investment holdings and commissions for each fund administered by the
24 board. The board shall update the list of holdings and commissions on a
25 quarterly basis for fiscal years beginning on or after July 1, 2008;
- 26 (j) An update of investment returns, asset allocations, and the performance of the
27 funds against benchmarks adopted by the board for each fund and for each

1 asset class administered by the board. The update shall be posted on a
2 quarterly basis for fiscal years beginning on or after July 1, 2008;

3 (k) A searchable database of the systems' expenditures and a listing of each
4 individual employed by the systems along with the employee's salary or
5 wages. In lieu of posting the information required by this paragraph to the
6 systems' Web site, the systems may provide the information through a Web
7 site established by the executive branch to inform the public about executive
8 branch agency expenditures and public employee salaries and wages. No
9 provision of this paragraph shall require the systems to disclose confidential
10 member information protected under KRS 61.661; and

11 (l) Information regarding the systems' financial and actuarial condition that is
12 easily understood by the members, retired members, and the public.

13 (20) Notwithstanding the requirements of subsection (19) of this section, the retirement
14 systems shall not be required to furnish information that is protected under KRS
15 61.661, exempt under KRS 61.878, or that, if disclosed, would compromise the
16 retirement systems' ability to competitively invest in real estate or other asset
17 classes, or to competitively negotiate vendor fees.

18 (21) Notwithstanding any other provision of KRS 16.505 to 16.652, 61.510 to 61.705,
19 and 78.510 to 78.852 to the contrary, no funds of the systems administered by Kentucky
20 Retirement Systems, including fees and commissions paid to an investment manager,
21 private fund, or company issuing securities, who manages systems assets, shall be used to
22 pay fees and commissions to unregulated placement agents. For purposes of this
23 subsection, "unregulated placement agent" means an individual or firm who solicits
24 investments on behalf of an investment manager, private fund, or company issuing
25 securities, who is prohibited by federal securities laws and regulations promulgated
26 thereunder from receiving compensation for soliciting a government agency.

27 ➔Section 2. Notwithstanding the provisions of Section 1 of this Act or 2013 Ky.

1 Acts ch. 120 to the contrary, the successor of the County Employees Retirement System
2 trustee whose election as trustee was completed in accordance with 2013 Ky. Acts ch.
3 120, sec. 82, shall be elected during the period of January 1, 2021, through March 31,
4 2021, in accordance with procedures set forth in Section 1 of this Act and the election
5 policy adopted by the board of trustees, but shall not take office until November 1, 2021,
6 and shall serve a term of office ending March 31, 2025.