

**61.557 Service credit -- United States employment service.**

- (1) Inasmuch as the takeover of the Kentucky State Employment Service by the federal government, through its United States Employment Service and War Manpower Commission, was recognized by both federal and state governments as a temporary measure during the war emergency, and the employment service was, in fact, returned to the state government at the close of the emergency period, the employees of the service are recognized as employees of the Commonwealth for the purposes of KRS 61.510 to 61.692 during the period of control by the federal government, in the same manner as if they had been employed in another department of the government of the Commonwealth during that period.
- (2) If a parted employer rejoins a department as a result of the cancellation of a contract or lease arrangement, thereby causing each employee thereof to again become an employee as defined in KRS 61.510(5), the system may negotiate with the publicly held corporation or other similar organizations for payment for the years of service credit under the system for all employees working on the date the contract or other lease arrangement is canceled in order to avoid an impairment in the retirement benefits of the employees, if any payment accepted by the system for the service is based on a formula consistent with the provisions of KRS 61.552(7). No payment made pursuant to this section shall be picked up by the employer, as described in KRS 61.560(4).

**Effective:** July 14, 1992

**History:** Amended 1992 Ky. Acts ch. 240, sec. 23, effective July 14, 1992. -- Amended 1982 Ky. Acts ch. 166, sec. 20, effective July 15, 1982. -- Amended 1976 Ky. Acts ch. 321, secs. 18 and 40. -- Amended 1960 Ky. Acts ch. 165, Part II, sec. 5. -- Created 1958 Ky. Acts ch. 39, sec. 1.