

18A.270 Local programs.

- (1) Any city, county, or other political subdivision or combination of these entities may establish for its employees a deferred compensation program. Notwithstanding the provisions of KRS 337.060, participation shall be by written agreement or by electronic record, signature, or contract and in accordance with the provisions of KRS 369.101 to 369.120 between such employees and the legislative authority of the city, county, or other political subdivision providing for the deferral of such compensation and the subsequent investment and administration of such funds. Agreements and elections, including but not limited to hardship withdrawal applications, loan applications, beneficiary designations, and withdrawal requests made by participating employees under the plans, shall not be denied legal effect or enforceability if made electronically to the extent permitted by the authority.
- (2) Such subdivision, acting through its legislative authority, may appoint such agency or department as it deems appropriate to establish and administer a deferred compensation plan pursuant to KRS 18A.230 to 18A.275. For purposes of funding such agreements between the city, county, or other such political subdivision and the participating employees, the agency or department as designated by the legislative authority to establish and administer such plans may invest such funds in such investments deemed appropriate by said agency or department, including, but not limited to annuity contracts.
- (3) In no case shall such investment be other than permitted by KRS 18A.230 to 18A.275 and not prohibited by Section 179 of the Kentucky Constitution and must be offered by such persons or companies authorized and duly licensed by the State of Kentucky and applicable federal regulatory agencies to offer such insurance or investment programs in compliance with all relevant provisions of KRS 18A.230 to 18A.275.
- (4) Such a deferred compensation program is in addition to any retirement or pension system or any other benefit program provided by law for employees of the city, county, or other political subdivision. Any income deferred under such a plan shall continue to be included as regular compensation for the purpose of computing the retirement and pension benefits earned by any employee but any sum so deducted shall not be included in the computation of any income taxes withheld for any such employee.
- (5) This section does not limit the power or authority of any municipal corporation or other political subdivision to provide other such plans or programs for deferring compensation of their officials and employees.

Effective: July 15, 2010

History: Amended 2010 Ky. Acts ch. 122, sec. 4, effective July 15, 2010. -- Repealed, reenacted, and amended as KRS 18A.270, 1982 Ky. Acts ch. 448, sec. 54, effective July 15, 1982. -- Created 1974 Ky. Acts ch. 143, sec. 10.

Formerly codified as KRS 18.590.