

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Amendment)

4 105 KAR 5:200. Retirement procedures.

5 RELATES TO: KRS 16.505-16.652, 61.505-61.705~~[61.505, 61.510-61.705]~~, 78.510-

6 78.852

7 STATUTORY AUTHORITY: KRS 61.505(1)(g), 61.590(1), 78.545

8 CERTIFICATION STATEMENT:

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the
10 Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the
11 Kentucky Retirement Systems and the County Employees Retirement System that are consistent
12 with, and are necessary or proper in order to carry out the provisions of, KRS 16.505 to 16.652,
13 61.505~~[61.505, 61.510]~~ to 61.705, and 78.510 to 78.852. KRS 61.590(1) and 78.545 require that
14 all forms and information required by the board are on file to receive retirement benefits. This
15 administrative regulation establishes the procedures and forms required to apply for and receive
16 retirement benefits.

17 Section 1. Definitions.

18 (1) "Applicant" means a participant who has:

19 (a) Applied or is applying for retirement in accordance with KRS 61.590 and 78.545; or

20 (b) Been approved for retirement but has not yet received a retirement allowance.

(2) "Disability retirement" means a retirement allowance a member is eligible to receive based on an incapacity as established in KRS 16.582, 61.600, 61.621, 61.665, 78.545, 78.5522, and 78.5524.

~~(3) ["Early Retirement date" means a retirement date prior to a member's normal retirement date that is not a disability retirement.]~~

(4) "Effective retirement date" means the date upon which a member's service retirement allowance or disability retirement allowance began or will begin, which might be a different date than the date the payments are initiated.

~~(4)~~(5) "Service retirement" means a retirement allowance a participant is eligible to receive as established in~~[prescribed by]~~ KRS 16.576, 16.577, 16.583(6), 61.559, 61.595(2), 61.597(6), 78.5510(2) through (3), 78.5512(6), 78.5514, and 78.5516(6).

(6) "Termination Date" means the date on which the member has ceased or will cease~~[his or her]~~ employment~~[relationship]~~ with all participating employers.

(7) "Unsubstantiated service" means:

(a) For school board employees, that:

1. The actual days worked averaged or is expected to average less than eighty (80) hours per month in a fiscal year; or

2. Service is incomplete; or

(b) For non-school board employees, that:

1. The actual~~[worked]~~ time worked averaged or is expected to average less than 100 hours per month in a fiscal or calendar year; or

2. Service is incomplete.

Section 2. Retirement Eligibility Requirements.

(1) Service retirement eligibility shall be determined in accordance with:

(a) For applicants with a participation date prior to September 1, 2008, KRS 16.576(1)(a), 16.577, 61.559(1) and (2), 61.592(4), 78.5510(2), and 78.5514(2);

(b) For applicants with a participation date on or after September 1, 2008, but prior to January 1, 2014, KRS 16.576(1)(b), 16.577, 61.559(3), 61.592(4), 78.5510(3), and 78.5514(3); and

(c) For applicants with a participation date on or after January 1, 2014, KRS 16.583(6), 61.592(4), 61.597(6), 78.5512(6), and 78.5516(6).

(2) Disability retirement eligibility shall be determined in accordance with KRS 16.582, 61.600, 61.621, 61.665, 78.545, 78.5522, 78.5524, and 105 KAR 3:210.

Section 3. Application for Retirement.

(1) The applicant shall file a valid Form 6000, Notification of Retirement, incorporated by reference in 105 KAR 5:202, no earlier than six (6) months prior to his or her desired effective retirement date.

(2) (a) The agency shall not process an invalid Form 6000 which~~[-Notification of Retirement. The Form 6000]~~ shall be invalid if it:

1. Is incomplete;

2. Does not include all indicated required documentation;

3. Is not signed by the applicant and a spouse or other witness on the indicated place in the Certification of Bona Fide Separation from Service and Notification of Retirement Section unless submitted through the Self-service website with a PIN; or

4. Is not signed by the applicant and a witness on the indicated place in the Member's Statement of Disability section if the applicant is applying for disability retirement unless

submitted through the Self-service website with a PIN.

(b) If the agency finds the Form 6000 to be invalid, the agency shall provide notification to the applicant of the actions necessary for completion or correction.

(3) If the applicant indicates on the Form 6000~~[, Notification of Retirement,]~~ that he or she is simultaneously retiring with reciprocity and~~[reciprocity and]~~ he or she fails to retire from all state administered retirement systems indicated on the Form 6000, either simultaneously or with an effective retirement date within one (1) month of the applicant's effective retirement date with the systems, the applicant shall not be eligible to retire with reciprocity.

(4) (a) If the applicant fails to designate a federal tax withholding preference, the agency shall withhold federal tax based on the default withholding provided by the Internal Revenue Service.

(b) Once the applicant begins receiving a retirement allowance, he or she may establish or change his or her federal tax withholding preference through the Self-service website~~[Self Service Web site]~~ or by filing a valid tax withholding certificate as established in 26 U.S.C. 3405~~[Form 6017, Withholding Certificate for Periodic Pension or Annuity Payments]~~.

(5) (a) The applicant's estate shall be the beneficiary of the \$5,000 death benefit if the applicant fails to:

1. Designate a beneficiary of the \$5,000 death benefit; or

2. Accurately fill out the \$5,000 Death Benefit Section of the Form 6000~~[, Notification of Retirement,]~~ designating a single beneficiary.

(b) Once the applicant begins receiving a retirement allowance, he or she may designate or change the beneficiary of the \$5,000 death benefit through the Self-service website~~[Self Service Web site]~~ or by filing a valid Form 6030, Death Benefit Designation.

1 (6) The applicant shall authorize the direct deposit of his or her retirement allowance on
2 the Form 6000~~[, Notification of Retirement]~~.

3 (7) (a) If the applicant does not have an account with a financial institution or the
4 applicant's financial institution does not participate in the electronic funds transfer program, the
5 applicant shall file a valid Form 6135, Request for Payment by Check, simultaneously with the
6 Form 6000~~[, Notification of Retirement]~~.

7 (b) Once a member begins receiving a retirement allowance, he or she may change the
8 designated financial institution or account through the Self-service website~~[Self-Service Web~~
9 ~~site]~~ or by filing a valid Form 6130, Authorization for Deposit of Retirement Payment.

10 (8) (a) Only applicants applying for disability retirement shall complete the Member's
11 Statement of Disability section of the Form 6000 and~~[, Notification of Retirement. These~~
12 ~~applicants]~~ shall also comply with the requirements of 105 KAR 3:210.

13 (b) Applicants not applying for disability retirement shall not complete the Member's
14 Statement of Disability section of the Form 6000~~[, Notification of Retirement]~~.

15 (9) (a) The applicant's current~~[applicant's current]~~ employer shall complete the Employer
16 Certification of Leave Balances and Final Salary section of the Form 6000~~[, Notification of~~
17 ~~Retirement]~~ as provided in 105 KAR 4:140, Section 15. If the employer does not comply with
18 the requirements of 105 KAR 4:140, Section 15(1), the agency shall utilize the information
19 previously reported to the agency by the applicant's employer and former employers in
20 accordance with KRS 61.675 and 78.625 and shall not include sick leave, compensatory time,
21 projected salary, projected service, or unsubstantiated service in the agency's initial calculations
22 of the applicant's retirement allowance or eligibility to retire, except as provided in paragraph (b)
23 of this subsection.

1 (b) If the application is for disability retirement, the employer shall comply with the
2 requirements of 105 KAR 3:210.

3 (c) The Employer Certification of Leave Balances and Final Salary section of the Form
4 6000[~~, Notification of Retirement,~~] shall be signed by a person designated by the employer on
5 file at the retirement office.

6 Section 4. Verification of Date of Birth.

7 (1) (a) The applicant shall file verification of his or her date of birth and verification of
8 the date of birth of the beneficiary named on the applicant's Form 6000, Notification of
9 Retirement:

10 1. Prior to the agency processing the application; and

11 2. For disability retirement or retirement at an early retirement date, by the end of the day
12 six (6) months following the date the valid Form 6000 was filed, or the Form 6000 shall be
13 invalid.

14 (b) The agency shall accept one (1) or more of the documents established in this
15 paragraph[~~following~~] as verification of date of birth of the applicant or beneficiary:

16 1. Age record from the Social Security Administration;

17 2. Immigration and naturalization service records;

18 3. Birth certificate;

19 4. Military ID or discharge;

20 5. U.S. passport;

21 6. Driver's license or state-issued identification that requires birth verification; or

22 7. Other reliable proof of date of birth that may be used by a court of competent

23 jurisdiction[~~the courts~~] to verify the person's date of birth.

1 (2) If the applicant's or beneficiary's name does not match~~[is no longer the same as]~~ the
2 name listed on the verification of date of birth, the applicant or beneficiary shall file a social
3 security card, driver's license, marriage certificate, court order, passport, or legally binding
4 documentation verifying the name change.

5 Section 5. Additional Requirements.

6 (1) Based on the salary reported to the agency and information provided by the
7 applicant's employer, the agency shall provide an estimate of the applicant's retirement allowance
8 on the Form 6010, Estimated Retirement Allowance, which shall include:

- 9 (a) The payment options and amounts available to the applicant;
10 (b) A place to designate the applicant's choice of payment option;
11 (c) A place for the applicant to sign and date; and
12 (d) A place for the spouse or other witness' signature.

13 (2) (a) 1. The applicant shall complete and file a valid Form 6010~~[, Estimated Retirement~~
14 ~~Allowance]~~:

15 a. For disability retirement, in accordance with 105 KAR 3:210; or

16 b. For retirement at an early retirement date, by the end of the day six (6) months
17 following his or her effective retirement date.

18 2. A Form 6010~~[, Estimated Retirement Allowance,]~~ shall not be valid if not completed
19 in its entirety and signed by the applicant, and:

20 a. Signed by a spouse or other witness; or

21 b. Submitted through the Self-service website with a PIN.

22 (b) 1. If the applicant for retirement at an early retirement date fails to comply with
23 paragraph (2)(a)2. of this subsection, the Form 6000, shall be void.

1 2. The applicant may file a new valid Form 6000 to re-apply for retirement benefits ~~and~~.
2 ~~If the applicant files a new valid Form 6000, he or she]~~ shall select a new effective retirement
3 date that shall not be prior to the date the new Form 6000 is filed.

4 (3) If an applicant is approved for disability retirement, he or she shall comply with the
5 requirements of 105 KAR 3:210 prior to receiving the approved disability retirement allowance.

6 (4) If the applicant selects a monthly retirement allowance or a partial lump-sum payment
7 option and is eligible for hospital and medical insurance in accordance with KRS 16.645, 61.702,
8 and 78.5536, he or she shall be provided with information on how to apply for hospital and
9 medical insurance in accordance with 105 KAR 5:411.

10 (5) (a) If the applicant selects an actuarial equivalent refund, lump-sum refund, or partial
11 lump-sum payment option, he or she shall complete and file a valid Form 6025, Direct
12 Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee
13 Regarding an Eligible Rollover Distribution, selecting the option for payment.

14 (b) If the applicant intends to have the funds rolled over directly into an IRA or other
15 qualified plan, the applicant shall have the trustee or institution relevant to the IRA or other
16 qualified plan complete the applicable section of the Form 6025 certifying that the rollover shall
17 be accepted.

18 Section 6. Voiding the Form 6000.

19 (1) The Form 6000, Notification of Retirement, shall be void if the:

20 (a)[~~The~~] Form 6000 is invalid, and the applicant fails to comply with Section 3(2) and
21 Section 4 of this administrative regulation;

22 (b)[~~The~~] Form 6000 is withdrawn;

23 (c) Applicant: [~~The applicant~~]

1 1. ~~Is~~[is] applying for disability retirement;

2 2. ~~[(d)] Is~~[The applicant is] approved for retirement but fails to complete the requirements
3 of Section 5 of this administrative regulation;

4 3. ~~[(e)] Died~~[The applicant died] while the application is being processed and the
5 beneficiary, representative of the deceased applicant's estate, or trustee fails to complete the
6 requirements of Section 9 of this administrative regulation; or

7 4. ~~[(f)] Did~~[The applicant did] not indicate on the Form 6000 that he or she was applying
8 for disability retirement and the applicant is not eligible for service retirement.

9 (2) (a) If an applicant's Form 6000~~[- Notification of Retirement,]~~ is void, the beneficiary
10 or beneficiaries and contingent beneficiary or beneficiaries designated on the most recently filed
11 valid Form 2035, Beneficiary Designation, incorporated by reference in 105 KAR 1:170 , shall
12 remain in full force and effect, except as provided in paragraph (b) of this subsection.

13 (b) This subsection shall not apply to a retirement account from which the applicant was
14 already receiving a retirement allowance.

15 Section 7. Administration of the Retirement Allowance.

16 (1) (a) The agency shall not process a monthly retirement allowance until the applicant
17 has completed and filed all requirements of this administrative regulation.

18 (b) If an applicant is retiring from any other state-administered retirement system with
19 reciprocity, the agency shall hold the retirement allowance payment until the other state-
20 administered retirement system finalizes the applicant's retirement from its retirement system in
21 accordance with KRS 61.680(8) and 78.5542.

22 (2) The agency shall not process an actuarial equivalent refund or lump sum refund until
23 the applicant has complied with all requirements of this administrative regulation, the applicant's

1 employer has submitted proof of the applicant's employment termination, and the applicant's
2 employer has reported all creditable compensation and accumulated sick leave.

3 (3) (a) The agency shall not process the first retirement allowance payment earlier than
4 the month of the applicant's effective retirement date as indicated on the Form 6010, Estimated
5 Retirement Allowance.

6 (b) The agency shall process the first service retirement allowance payment the month
7 following the month:

8 1. Of the applicant's last termination date; and

9 2. That all applicable forms and documents as established by this administrative
10 regulation are on file.

11 (c) The agency shall process the disability retirement allowance payment in accordance
12 with 105 KAR 3:210.

13 Section 8. Subsequent Application for Retirement While a Prior Application is Pending.
14 If a valid subsequent application for retirement that complies with Section 3 of this
15 administrative regulation is filed while a prior application is pending and is filed:

16 (1) ~~By~~~~[If the subsequent application is filed by]~~ 11:59 p.m. Eastern Time on the last day
17 of the month prior to the month of the applicant's initial retirement allowance payment, the
18 subsequent application shall supersede the prior application on file; or

19 (2) After~~[If the subsequent application is filed after]~~ 11:59 p.m. Eastern Time on the last
20 day of the month prior to the month of the applicant's initial retirement allowance payment, the
21 subsequent application shall not be valid.

22 Section 9. Death During the Retirement Application Process.

23 (1) Except as provided in subsection (2) of this section, if the applicant dies prior to the

1 first day of the month in which the applicant would have received his or her first retirement
2 payment, any benefits payable to a beneficiary or estate shall be determined pursuant to KRS
3 16.578, 61.621, 61.640, 78.5532, and 105 KAR 3:180.

4 (2) If an applicant for disability retirement dies prior to receiving his or her first
5 retirement payment, eligibility for a disability retirement allowance that might be payable to a
6 beneficiary, surviving spouse, dependent child, or estate shall be determined pursuant to KRS
7 16.582, 61.600, 61.621, 61.665, 78.545, 78.5522, 78.5524, and 105 KAR 3:210.

8 Section 10. Exceptions to Changing the Beneficiary After Retirement.

9 (1) Except as provided in this section, the beneficiary indicated on the Form 6000 shall
10 not be changed on or after the first day of the month in which a recipient receives his or her first
11 retirement allowance payment.

12 (2) (a) In accordance with KRS 61.542(5)(a) and 78.545, a beneficiary may be changed at
13 any time by a recipient receiving a monthly retirement allowance under:

- 14 1. The basic payment option;
15 2. A period certain option as provided by KRS 61.635(5) through (7) and 78.545; or
16 3. The Social Security adjustment option without survivor rights as provided by KRS
17 61.635(8)(a) and 78.545.

18 (b) To change the beneficiary as provided in this subsection, the recipient shall file a
19 valid Form 6036, Beneficiary Designation Change, which shall become ~~[- The newly designated~~
20 ~~beneficiary shall be]~~ effective the date the valid form ~~[Form 6036]~~ is on file.

21 (c) The recipient shall not change the payment option selected at retirement.

22 (3) (a) In accordance with KRS 61.542(5)(b) and 78.545, a beneficiary may be changed
23 only once by the end of the 120th calendar day ~~[120 calendar days]~~ following the date of a

1 recipient's marriage or remarriage.

2 (b) To change the beneficiary as provided in this subsection, the recipient shall file a
3 valid Form 6035, Beneficiary and Payment Option Change, by the end of the 120th calendar
4 day~~[100 calendar days]~~ following the date of a recipient's marriage or remarriage that includes:

5 1. Verification of the date of birth of the new beneficiary as provided in Section 4 of this
6 administrative regulation;

7 2. The recipient and new beneficiary's marriage certificate; and

8 3. If a prior spouse was the beneficiary, a divorce decree or death certificate.

9 (c) Once a valid Form 6035~~[, Beneficiary and Payment Option Change,]~~ is on file, the
10 agency shall provide the recipient with a Form 6050 Payment Option Change Designation. The
11 recipient shall complete and file a valid Form 6050 selecting his or her new payment option as
12 established in KRS 61.542(5)(b)2. and 78.545 by the end of the 120th calendar day~~[120 calendar~~
13 ~~days]~~ following the date of his or her marriage or remarriage.

14 (d) A change in payment option pursuant to this subsection shall not affect payments to
15 an alternate payee under a Qualified Domestic Relations Order.

16 (e) 1. If the recipient fails to timely complete all requirements of this subsection, the
17 beneficiary previously on file will remain the beneficiary.

18 2. If no beneficiary was previously on file, the beneficiary shall be the estate.

19 Section 11. Incorporation by Reference.

20 (1) The following material is incorporated by reference:

21 (a) ~~[Form 2035, "Beneficiary Designation", December 2024;~~

22 ~~(b)]~~ Form 6010, "Estimated Retirement Allowance", April 2024;

23 ~~(b)[(e) Form 6017, "[Tax] Withholding Certificate for Periodic Pension or Annuity~~

1 ~~Payments~~", January 2024;

2 ~~(d)~~] Form 6025, "Direct Rollover/Direct Payment Election Form for a Member,
3 Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution ", June 2023;

4 ~~(c)~~~~(e)~~] Form 6030, "Death Benefit Designation", September 2026~~[November 2024]~~;

5 ~~(d)~~~~(f)~~] Form 6035, "Beneficiary and Payment Option Change", September 2026~~[April~~
6 ~~2024]~~;

7 ~~(e)~~~~(g)~~] Form 6036, "Beneficiary Designation Change", April 2024;

8 ~~(f)~~~~(h)~~] Form 6050 "Payment Option Change Designation", April 2022;

9 ~~(g)~~~~(i)~~] Form 6130, "Authorization for Deposit of Retirement Payment", November 2024;

10 and

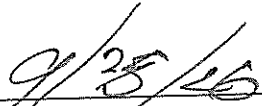
11 ~~(h)~~~~(j)~~] Form 6135, "Request for Payment by Check", April 2024.

12 (2) This material may be inspected, copied, or obtained, subject to applicable copyright
13 law, at the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky
14 40601, Monday through Friday, 8 a.m. to 4:30 p.m. This material is also available on the
15 agency's website~~[Web-site]~~ at <https://kyret.ky.gov>.

105 KAR 5:200 Retirement procedures is approved for filing.



Ryan Barrow,
Executive Director
Kentucky Public Pensions Authority



Date

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on December 21, 2026 at 10:00 a.m. Eastern Time at the Kentucky Public Pensions Authority (KPPA), 1270 Louisville Road, Frankfort, Kentucky 40601. Individuals interested in presenting a public comment at this hearing shall notify this agency in writing no later than five (5) workdays prior to the hearing of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through December 31, 2026 and shall receive the same consideration as verbal comments. Send written notification of intent to be heard at the public hearing, or written comments on the proposed administrative regulation, to the contact person.

KPPA shall file a response with the Regulations Compiler to any public comments received, whether at the public comment hearing or in writing, via a Statement of Consideration no later than the 15th day of the month following the end of the public comment period, or upon filing a written request for extension, no later than the 15th day of the second month following the end of the public comment period.

Contact person: Carole J. Catalfo
Policy Specialist
Kentucky Public Pensions Authority
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REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 5:200

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

Email: Legal.Non-Advocacy@kyret.ky.gov

Subject Headings:

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the procedures and forms required to apply for and receive retirement benefits.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the procedures and forms required to apply for and receive retirement benefits.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with, and are necessary or proper in order to carry out the provisions of, KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. KRS 61.590(1) and 78.545 require that all forms and information required by the board are on file to receive retirement benefits.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by establishing the procedures and forms required to apply for and receive retirement benefits.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: To comply with SB 85 of the 2026 legislative session, this amendment adds "special needs trust" as an optional beneficiary for members to choose on the Form 6030, "Death Benefit Designation", September 2026, which is incorporated by reference. This amendment also removes a redundant definition, removes Form 2035 which is incorporated into a separate regulation, removes Form 6017 which is actually IRS Form W-4P form developed, controlled, and regulated by the IRS, in favor of a citation to the U.S. Code that requires it, revises Form 6035 and the regulation to clarify the 120-day deadline related to beneficiary changes, adds Military IDs as a valid form of birthdate verification, and revises regulatory language to comply with drafting requirements.

(b) The necessity of the amendment to this administrative regulation: The amendment to

this administrative regulation is necessary to comply with SB 85 of the 2026 legislative session, by adding "special needs trust" as an optional beneficiary for members to choose on the Form 6030, "Death Benefit Designation", September 2026, which is incorporated by reference. This amendment is also necessary to remove a redundant definition, remove Form 2035 which is incorporated into a separate regulation, revise Form 6035 and the regulation to clarify the 120-day deadline related to beneficiary changes, add Military IDs as a valid form of birthdate verification and revise regulatory language to comply with drafting requirements.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with, and are necessary or proper in order to carry out the provisions of, KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. KRS 61.590(1) and 78.545 require that all forms and information required by the board are on file to receive retirement benefits. This administrative regulation establishes the procedures and forms required to apply for and receive retirement benefits.

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statutes, and comply with SB 85 of the 2026 legislative session, by adding "special needs trust" as an optional beneficiary for members to choose on the Form 6030, "Death Benefit Designation", September 2026, which is incorporated by reference. This amendment will also assist in administration of the statutes by removing a redundant definition, removing Form 2035 which is incorporated into another regulation, and removing Form 6017 which is actually IRS Form W-4P, in favor of a citation to the applicable U.S. Code that requires it, which will enable the agency to send or link to the most recent federal form whenever it is published, and by revising Form 6035 and the regulation to clarify the 120-day deadline related to beneficiary changes, and adding Military IDs as a valid form of birthdate verification.

(3) Does this administrative regulation or amendment implement legislation from the previous five years? (If yes, provide the year of the legislation and either the bill number or KY Acts chapter number being implemented). Yes, this amendment implements SB 85 of the 2026 regular legislative session.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Approximately 444,293 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System.

(5) Provide an analysis of how the entities identified in question (4) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (4) will have to take to comply with this administrative regulation or amendment: The regulated community

will be minimally impacted because only those members who wish to choose a special needs trust for their beneficiary will need to check the appropriate box on the amended form and provide certain information to implement their choice.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (4): There will be no additional costs to comply with the amendment.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community will benefit from the ability to choose a special needs trust as a beneficiary, or present a military ID for birthdate verification.

(6) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: There will be no additional costs because the amendment primarily revises a form allowing the selection of a special needs trust as a beneficiary and the remainder of the regulation is already being implemented as written.

(b) On a continuing basis: There will be no additional costs because the amendment primarily revises a form allowing the selection of a special needs trust as a beneficiary and the remainder of the regulation is already being implemented as written.

(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation or this amendment: Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

(8) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: No, an increase in fees or funding will not be necessary.

(9) State whether or not this administrative regulation established any fees or directly or indirectly increased any fees: No, this administrative regulation does not establish any fees or directly or indirectly increase any fees.

(10) TIERING: Is tiering applied? (Explain why or why not) Yes, tiering is applied only to the extent that the processes and procedures to implement a member's choice of beneficiary may require different information.

FISCAL IMPACT STATEMENT

105 KAR 5:200

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

Email: Legal.Non-Advocacy@kyret.ky.gov

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 61.505(1)(g), 61.590(1), and 78.545, and Senate Bill 85 of the 2026 regular legislative session.

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act: KRS 61.505(1)(g), 61.590(1), and 78.545, and Senate Bill 85 of the 2026 regular legislative session.

(3)(a) Identify the promulgating agency and any other affected state units, parts, or divisions: The promulgating agency is the Kentucky Public Pensions Authority. There are no other affected state units, parts, or divisions.

(b) Estimate the following for each affected state unit, part, or division identified in (3)(a):

1. Expenditures:

For the first year: None.

For subsequent years: None.

2. Revenues:

For the first year: None.

For subsequent years: None.

3. Cost Savings:

For the first year: None.

For subsequent years: None.

(4)(a) Identify affected local entities (for example: cities, counties, fire departments, school districts): There are no affected local entities.

(b) Estimate the following for each affected local entity identified in (4)(a):

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(5)(a) Identify any affected regulated entities not listed in (3)(a) or (4)(a): There are no additional regulated entities.

(b) Estimate the following for each regulated entity identified in (5)(a):

1. Expenditures:

For the first year: N/A

For subsequent years: N/A

2. Revenues:

For the first year: N/A

For subsequent years: N/A

3. Cost Savings:

For the first year: N/A

For subsequent years: N/A

(6) Provide a narrative to explain the following for each entity identified in (3)(a), (4)(a), and (5)(a):

(a) Fiscal impact of this administrative regulation: This administrative regulation has minimal fiscal impact because the amendment primarily revises a form to allow members to choose a special needs trust as a beneficiary to comply with SB 85 of the 2026 regular legislative session.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for beneficiary selection and implementation.

(7) Explain, as it relates to the entities identified in (3)(a), (4)(a), and (5)(a):

(a) Whether this administrative regulation will have a "major economic impact", as defined by KRS 13A.010(14): No, this administrative regulation will not have a major economic impact as defined by KRS 13A.010(14).

(b) The methodology and resources used to reach this conclusion: The agency analyzed costs and procedures for beneficiary selection and implementation.

SUMMARY OF MATERIALS INCORPORATED BY REFERENCE

Form 6010, "Estimated Retirement Allowance", April 2024, is the six (6) page form that members complete to elect a payment option for their retirement benefits.

Form 6025, "Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution ", June 2023, is a six (6) page form members use to direct their eligible rollover distribution payments to various recipients.

Form 6036, "Beneficiary Designation Change", April 2024, is a one (1) page form members can complete to change their beneficiary designation after retirement if they meet certain criteria.

Form 6050 "Payment Option Change Designation", April 2022, is a form generated by the agency and populated with a member's payment options and estimated payment amounts, for the member to sign and return to the agency acknowledging receipt of the information.

Form 6130, "Authorization for Deposit of Retirement Payment", November 2024, is a two (2) page form that members can complete to authorize direct deposit of their payments to their financial institution.

Form 6135, "Request for Payment by Check", April 2024, is a one (1) page form members can complete to request their retirement benefits by check when they do not have a financial institution, or their financial institution does not participate in the Electronic Funds Transfer Program.

SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 6030, "Death Benefit Designation, \$5000 Death Benefit from Kentucky Public Pensions Authority", September 2026, is the one (1) page form members use to designate a beneficiary for the one-time KPPA \$5000 Death Benefit.

Changes to the previous form include:

Revision date change to 9/2026

"Living trust" field amended to include Living Trust, Special Needs Trust, and Testamentary Trust as beneficiary options.

"Trust Tax ID" field replaced with "Trust Tax EIN or special needs trust beneficiary Social Security Number"

"Date of Trust" eliminated.

"Trustee Contact Information" includes the statement: "Our office will contact the trustee listed below following your death".

"Testamentary Trust" field eliminated and replaced with "If the trust is a special needs trust:" with fields for the Trust's beneficiary and the beneficiary's birthdate.

Form 6035, "Beneficiary and Payment Option Change", September 2026, is a one (1)

page form members can complete to change their beneficiary designation or payment option after retirement if they meet certain criteria.

Changes to the previous form include:

Clarifying language in the Notice and Marital Status fields that the form must be submitted with attached birthdate documentation within 120 days of marriage or remarriage.

Clarifying language in the Certification and Authorization field that the form must be valid and received within the statutory 120-day period to proceed with payment option changes, or the previous retirement payment option will remain in effect.