

**KPPA Ad Hoc Regulations Committee
November 12, 2025 at 10:00 a.m. Eastern Time
Live Video Conference/Facebook Live**

AGENDA

- | | |
|---|---|
| 1. Call to Order | Keith Percy |
| 2. Opening Video Teleconference Statement | Legal Services |
| 3. Roll Call | Sherry Rankin |
| 4. Public Comment | Sherry Rankin |
| 5. Approval of Minutes*- September 16, 2025 | Keith Percy |
| 6. Administrative Regulation 105 KAR 1:160
Sick plans* | Carole Catalfo
Nathan Goodrich |
| 7. Administrative Regulation 105 KAR 1:170
Membership form requirements* | Carole Catalfo
Nathan Goodrich |
| 8. Administrative Regulation 105 KAR 1:330
Purchase of service credit and
105 KAR 1:261 Repeal of 105 KAR 1:260
Purchase of out-of-state service credit* | Carole Catalfo
Nathan Goodrich |
| 9. Administrative Regulation 105 KAR 1:380
Minimum distribution* | Carole Catalfo
Nathan Goodrich |
| 10. Administrative Regulation 105 KAR 1:400
Federal taxation limitation year* | Carole Catalfo
Nathan Goodrich |
| 11. Administrative Regulation 105 KAR 1:430
General compliance with federal tax laws* | Carole Catalfo
Nathan Goodrich |
| 12. For Information Only:
Administrative Regulation 105 KAR 1:190
Qualified domestic relations orders
Technical amendment to Form 6437 | Carole Catalfo
Nathan Goodrich |
| 13. Upcoming regulations overview | Nathan Goodrich |
| 14. Adjourn | Keith Percy |

***Action may be taken by the KPPA Ad Hoc Regulation Committee**

**MINUTES OF MEETING
KENTUCKY PUBLIC PENSIONS AUTHORITY
AD HOC REGULATION COMMITTEE
SPECIAL-CALLED MEETING
SEPTEMBER 16, 2025, AT 10:00 AM
VIA LIVE VIDEO TELECONFERENCE**

At the Special-Called Meeting of the Kentucky Public Pensions Authority Ad Hoc Regulation Committee held on September 16, 2025, the following members were present: Keith Percy (Chair), George Cheatham, and Lynn Hampton. Staff members present were CERS CEO Ed Owens III, KRS CEO John Chilton, Erin Surratt, Michael Lamb, Michael Board, Victoria Hale, Nathan Goodrich, Carole Catalfo, Kristen Coffey, Shaun Case, and Sherry Rankin.

1. Mr. Percy called the meeting to order.
2. Mr. Goodrich read the Opening Statement.
3. Ms. Rankin called roll.
4. Ms. Rankin indicated that no ***Public Comment*** was received.
5. Mr. Percy introduced agenda item ***Approval of Minutes – March 6, 2025*** (Video 00:06:40 to 00:07:09). Mr. Cheatham made a motion to approve the minutes as presented. Ms. Hampton seconded the motion. The motion passed unanimously.
6. Mr. Percy introduced agenda item ***Administrative Regulation 105 KAR 1:445 – Trustee Election*** (Video 00:07:09 to 00:09:20). Ms. Coffey noted that following the CERS election, Mr. Barrow requested that she and several staff members review the regulation to determine whether it accurately reflects internal processes and, if not, to recommend revisions. Upon thorough review, the team found that the regulation generally aligns with current practices, though a few minor adjustments were proposed. The most significant changes pertained to the timeline. The original dates included in the regulation were not established by statute but

had been incorporated administratively. While those dates may have been appropriate when first implemented, they have since created tight deadlines that have proven to be challenging for staff to meet. To ease this pressure and provide greater flexibility in the election process, the timeline was adjusted. These date modifications represent the most notable changes to the regulation.

Ms. Hampton made a motion to approve *Administrative Regulation 105 KAR 1:445* as presented, regarding Trustee Elections, and to forward it to the full KPPA Board for approval. Mr. Cheatham seconded the motion. The motion passed unanimously.

7. Mr. Percy introduced agenda item ***Administrative Regulation 105 KAR 1:020 – Reciprocal Program*** (Video 00:09:20 to 00:11:10). Mr. Goodrich noted that regulation 105 KAR 1:020 pertains to reciprocal programs, specifically governing reciprocity with the Teachers' Retirement System as well as the Legislative and Judicial Retirement Programs. He explained that the legislature enacted a requirement in 2017 or 2018 mandating that agencies review each regulation every seven years and either certify that it remains current or notify the legislature of any necessary updates. This particular regulation was last certified in 2019 and is now due for review; without action, it would otherwise expire. The proposed updates reflect statutory changes made since 2019 and revise the material incorporated by reference to ensure continued accuracy and compliance.

Mr. Cheatham made a motion to approve regulation 105 KAR 1:020 as presented, regarding the Reciprocal Program between CERS, KERS, SPRS, TRS, JRP, and LRP, and to forward it to the full KPPA Board for its approval. Ms. Hampton seconded the motion. The motion passed unanimously.

8. Mr. Percy introduced agenda item ***Administrative Regulation 105 KAR 1:150 – Installment Purchase Procedures*** (Video 00:11:10 to 00:12:35). Mr. Goodrich indicated that regulation 105 KAR 1:150 governs the installment purchase of service. When a member elects to purchase service, they may do so by paying the full amount either through a rollover, in cash, or by opting for an installment plan via payroll deductions. This regulation outlines the

procedures for those options and has been updated accordingly. While the regulation is currently being implemented as written and no substantive changes are being made, it has been revised to ensure compliance with Chapter 13A requirements.

Mr. Cheatham made a motion to approve regulation 105 KAR 1:150 as presented, regarding Installment Purchase Procedures, and to forward it to the full KPPA Board for its approval. Ms. Hampton seconded the motion. The motion passed unanimously.

9. Mr. Percy introduced agenda item ***Administrative Regulation 105 KAR 1:300 – Determination of Service Credit for Classified Employees*** (Video 00:12:35 to 00:14:05). Mr. Goodrich explained that classified employees are school district employees, and this regulation primarily affects members of the County Employees Retirement System (CERS). He noted that the regulation was due to expire unless reviewed and certified in accordance with legislative requirements. The proposed update revises references from Kentucky Retirement Systems to the Kentucky Public Pensions Authority and incorporates changes related to the separation mandated by House Bill 484. Aside from these updates, the regulation is being implemented as written, with no substantive changes to its procedures.

Ms. Hampton made a motion to approve regulation 105 KAR 1:300 as presented, regarding the Determination of Service Credit for Classified Employees, and to forward it to the full KPPA Board for its approval. Mr. Cheatham seconded the motion. The motion passed unanimously.

10. Mr. Percy introduced agenda item ***Administrative Regulation 105 KAR 1:340 – Rollovers and Transfers of Contributions in Other Plans*** (Video 00:14:05 to 00:16:44). Mr. Goodrich noted that the regulation under discussion was due to expire if not certified or amended. He explained that it had not been updated since the separation enacted by House Bill 484. While there have been few changes to IRS requirements, the proposed revisions are primarily technical in nature.

Ms. Hampton inquired whether all the regulations being reviewed were seven years old and asked how long the Kentucky Public Pensions Authority (KPPA) had been in existence. Mr. Goodrich responded that KPPA was established on April 1, 2021. Ms. Hampton expressed curiosity as to why the regulations had not been broadly reapproved at that time to reset the seven-year review period. Ms. Hale explained that during the transition, staff were focused on establishing policies for the Boards and addressing other priorities. Since the substantive content of the regulations had not changed, they were placed on a list to be reviewed as they came due. She noted that in 2022 or 2023, staff supported approximately 82 board and committee meetings, which limited capacity for regulatory updates.

Ms. Hampton then asked for confirmation that, in addition to certifying the regulations for the next seven years, the title was also being updated to reflect KPPA. Ms. Hale confirmed this, stating that the regulation was being filed to prevent expiration and that necessary changes were being incorporated to reflect the transition to KPPA.

Ms. Hampton made a motion to approve regulation 105 KAR 1:340 as presented, regarding Rollovers and Transfers of Contributions in Other Plans, and to forward it to the full KPPA Board for its approval. Mr. Cheatham seconded the motion. The motion passed unanimously.

11. Mr. Percy introduced agenda item ***Administrative Regulation 105 KAR 1:350 – Collection of Account Under \$1,000 by Next of Kin*** (Video 00:16:44 to 00:18:19). Mr. Goodrich explained that KRS 61.703 permits the next of kin of a deceased member to collect an account balance of up to \$1,000 without initiating formal estate proceedings. He noted that this regulation was also set to expire unless reviewed and certified. A substantive change has been made to increase the maximum gross estate balance—defined as the total assets of the estate—to align with current Kentucky law or the law of the state in which the member was domiciled. This adjustment will allow more families of deceased members to benefit from the simplified collection process.

Mr. Cheatham made a motion to approve regulation 105 KAR 1:350 as presented, regarding

the Collection of Account Under \$1,000 by Next of Kin, and to forward it to the full KPPA Board for its approval. Ms. Hampton seconded the motion. The motion passed unanimously.

12. Mr. Peercy introduced agenda item ***Regulations for Seven-Year Certification to LRC - 105 KAR 1:320 Proration of Service Credit and 105 KAR 1:345 Rollovers and Transfers of Contributions to Other Plans*** (Video 00:18:19 to 00:20:14). Mr. Goodrich noted that, unlike previous regulations requiring substantive revisions, these two regulations do not require any changes and may be certified to the Legislative Research Commission (LRC) as permanent. He referenced a letter included in the meeting materials that supports this certification for both regulations.

Ms. Catalfo added that there are two technical amendments to regulation 105 KAR 1:345, which have already been discussed with the LRC. The first amendment corrects an omission in Section 2(1)(b), where “(a)” was inadvertently left out and should read “2(1)(a)2–4.” The second amendment addresses a terminology correction in Section 2(4)(b), where the word “distribute” should be replaced with “Distributee.” She stated that these two technical changes will be formally requested. Mr. Goodrich confirmed that the LRC has indicated both amendments qualify as technical.

Mr. Cheatham made a motion to approve the certifications to the LRC that regulations 105 KAR 1:320 and 105 KAR 1:345 as presented, regarding the Proration of Service Credit and the Rollovers and Transfers of Contributions to Other Plans. Ms. Hampton seconded the motion. The motion passed unanimously.

13. Mr. Peercy introduced agenda item ***Upcoming Regulations Overview*** (Video 00:06:40 to 00:26:19). Mr. Goodrich presented the upcoming regulations scheduled for review over the next year, noting that there are currently 44 active regulations on file with the Legislative Research Commission (LRC), 15 of which are set to expire between now and June 2026. He explained that this will result in full agendas as final reviews are brought forward ahead of the December KPPA Board meeting and again in March and/or April. He suggested that the Committee may wish to schedule a November meeting or have Ms. Rankin coordinate that

later.

Mr. Goodrich also highlighted a statutory change from the recent legislative session that will affect the post-approval process. House Bill 6 now requires that, in addition to Board approval, the Governor must certify that each regulation meets at least one of six specified criteria. This change was part of a broader effort to rein in regulatory practices across state government, and KPPA was identified as one of the agencies subject to the new requirements. As a result, all KPPA regulations must now be submitted to the Governor's office for certification. However, the Governor is currently challenging the constitutionality of the statute, placing KPPA in a position of navigating requirements from both the legislature and the Executive Branch. Mr. Goodrich affirmed that staff would work with both entities to fulfill statutory obligations.

Ms. Hampton asked Mr. Goodrich to clarify what the legislation aimed to eliminate, questioning whether it was the regulatory process itself. Mr. Goodrich responded that the change narrows the authority to issue regulations, requiring agencies to demonstrate that proposed regulations meet specific criteria—one of which is that the regulation does not have a major economic impact. He explained that this approach mirrors national efforts to limit federal regulatory authority, referencing the U.S. Supreme Court's "Major Questions Doctrine," which holds that major policy decisions should be made by the legislature rather than by agencies. For Kentucky, a major economic impact is defined as exceeding \$500,000, and Mr. Goodrich noted that none of KPPA's regulations meet that threshold.

Ms. Surratt added context to Ms. Hampton's earlier question regarding the creation of KPPA and the continuation of regulations. She noted that House Bill 484 included non-codified language stating that regulations in effect prior to April 1, 2021, would remain in effect and could not be reversed. This provision allowed existing regulations to carry forward following the establishment of KPPA. As Ms. Hale previously explained, staff prioritized regulatory updates based on expiration timelines and business needs. Mr. Peercy remarked that the statute requiring seven-year reviews was enacted around 2017, meaning many regulations are now reaching their first review cycle since being continued under KPPA.

14. There being no further business, Mr. Peercy *adjourned* the meeting.

The remainder of this page left blank intentionally.

CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Kentucky Public Pensions Authority Ad Hoc Regulation Committee on the various items considered by it at this meeting. Further, I certify that all requirements of KRS 61.805-61.850 were met in conjunction with this meeting.

Recording Secretary

We, the Chair of the Kentucky Public Pensions Authority Ad Hoc Regulation Committee and Executive Director, do certify that the Minutes of Meeting held on September 16, 2025, were approved on November 12, 2025.

KPPA Ad Hoc Regulation Committee Chair

Executive Director

I have reviewed the Minutes of the September 16, 2025, Kentucky Public Pensions Authority Ad Hoc Regulation Committee Meeting for content, form, and legality.

Executive Director, Office of Legal Services

To: KPPA Ad Hoc Regulations Committee

From: Carole Catalfo, Policy Specialist and Nathan Goodrich, Staff Attorney Supervisor

Date: November 12, 2025

Re: KPPA Regulations to be reviewed for the December 2025 KPPA Board meeting

* If approved all regulations will be filed by January 15

* All amendments align regulatory language with the drafting requirements of KRS Chapter 13A

105 KAR 1:160 – Sick plans – (Exp June 2026) establishes the requirements for participation in the program by individual CERS agencies, calculation of service credit & employer's cost, the formula for prorating sick leave if earned by a member partly under SPRS and KERS (hazardous & nonhazardous), and the formula for using sick leave to calculate months of service for health insurance benefits

Amendment summary:

- Clarifies retirement service credit for unused sick leave for members who began participating before 1/1/2014
- Clarifies the statutory formula for using sick leave to calculate months of service for health insurance
- Updates statutory references and two forms incorporated by reference

105 KAR 1:170 – Membership form requirements – (Exp June 2026) establishes the information required for membership, that members shall not receive a refund unless they have terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency

Amendment summary:

- Implements statutory provision for how an employee in hazardous and nonhazardous positions with different employers may make an irrevocable choice to not participate in the nonhazardous system
- Clarifies how former employees who are ineligible for retirement may request a refund of their account
- Clarifies how members and fiduciaries can update contact information
- Updates statutory references and six forms incorporated by reference

105 KAR 1:330 – Purchase of service credit – (Exp June 2026) and **105 KAR 1:261 – Repeal of 105 KAR 1:260** (Purchase of out-of-state service credit) establishes the requirements and forms for eligibility and purchase of service credit and the filing deadlines on which the cost calculation will be made.

Amendment summary:

- Consolidates 105 KAR 1:260 (Purchase of out of-state service credit) into 1:330
- Removes definitions that are already contained in statutes and the definitions regulation 1:001
- Updates statutory references and three of eight forms incorporated by reference

105 KAR 1:380 – Minimum distribution - (Exp March 2026) establishes minimum distribution requirements as applied to a governmental plan pursuant to 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

Amendment summary:

- Adds new federal rules regarding distributions to a spouse who is ten or more years younger than the member and increasing the age at which the member must begin taking minimum distributions pursuant to the federal SECURE 2.0 Act of 2022
- Revises definitions
- Updates references to and requirements of the Code of Federal Regulations

105 KAR 1:400 – Federal taxation limitation year – (Exp June 2026) this administrative regulation concerns testing contribution and benefit limits in accordance with 26 USC Section 415

Amendment summary:

- Adds definitions for “annual benefit” and “annual addition”
- Clarifies that plans include those from KRS and CERS
- Updates statutory references

105 KAR 1:430 – General compliance with federal tax laws – (Exp June 2026) establishes CERS and KRS compliance with 26 U.S.C. 134, 401(a), 414, and 503(b) in order for KERS, SPRS, and CERS to maintain their tax qualified status as public defined benefits plans.

Amendment summary:

- Corrects and updates federal and statutory references

For information only:

105 KAR 1:190 – Qualified Domestic Relations Orders – technical amendment to incorporated Form 6437, “Qualified Domestic Relations Order by an Administrative Agency”, changing the “Division of Child Support” in the Cabinet for Health and Family Services, to the “Department of Child Support Services” in the Office of the Attorney General which was reorganized pursuant to SB 48 (2023) and SB 244 (2025). The technical amendment was approved by the KPPA Executive Director, filed with LRC and effective on October 3, 2025.



Brief for Administrative Regulations

Date: November 2025

1. Regulation Number, Title & Expiration Date: 105 KAR 1:160 – Sick leave plans
(Expires June 2026)

☐ Emergency Regulation ☐ New Administrative Regulation ☒ Amendment
☐ Repealer ☐ Amended After Comments (w/SOC) ☐ Not Amended After Comments

2. Proposed schedule for regulation process:

File – by January 15, 2026

Public Comment period – through March 31, 2026

Public Hearing – March 23, 2026

ARRS – April 2026 (if no comments are received), May 2026 (if comments are received)

3. Statutory Authority: KRS 61.505(1)(g)

4. Major Economic Impact Exemption under KRS 13A.105(2)(a): This regulation will not have a combined implementation and compliance cost of five hundred thousand dollars (\$500,000) or more over any two-year period. The regulation is already being administered as written.

5. Summary of the Regulation: This administrative regulation establishes the requirements for participation in the program by individual county agencies, calculation of service credit, and payment of the employer's cost of the credit; establishes the formula for prorating sick leave if it is earned by a member partly under SPRS, partly under KERS hazardous duty coverage, and partly under the KERS nonhazardous coverage; and establishes the formula for using sick leave to calculate months of service for health insurance benefits.

6. Justification for Amendment(s) or New Regulation(s): The amendment updates statutory references and materials incorporated by reference, aligns language with KRS Chapter 13A drafting requirements, clarifies retirement service credit for unused sick leave for members who started participating prior to January 1, 2014, and establishes the formula for using sick leave to calculate months of service for health insurance benefits.

7. Affected Entities: Approximately 421,609 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System.

8. Is there a cost to or savings for the affected entities or the agency? If so, please explain and include funding source: There are no costs or savings for the amendment because the administrative regulation is already being implemented as written. Administrative expenses of the KPPA are paid from the Retirement Allowance Account (trust and agency funds).

9. Is Tiering Applied? (Explain why or why not): Yes, tiering is applied to the extent that this administrative regulation applies to members who began participating in a state-administered retirement system prior to January 1, 2014.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Amendment)

4 105 KAR 1:160. Sick leave plans.

5 RELATES TO: KRS 61.546, 61.5525, 78.616, 161.155

6 STATUTORY AUTHORITY: KRS 61.505(1)(g)~~[61.645(9)(e)]~~

7 CERTIFICATION STATEMENT: This is to certify that this administrative regulation
8 complies with KRS 13A.150(2) because it does not have a major economic impact.

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g)~~[61.645(9)(e)]~~
10 authorizes the~~[Board of Trustees of]~~ Kentucky Public Pensions Authority, on behalf of County
11 Employees Retirement System and Kentucky Retirement Systems,~~[Retirement Systems]~~ to
12 promulgate all administrative regulations necessary or proper in order to carry out the provisions
13 of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 61.546 provides for
14 retirement service credit for unused sick leave for members of the Kentucky Employees
15 Retirement System and the State Police Retirement System who began participating before
16 January 1, 2014. KRS 78.616 provides for retirement service credit for unused sick leave for
17 members of the County Employees Retirement System who began participating before January
18 1, 2014. This administrative regulation establishes the requirements for participation in the
19 program by individual county agencies, calculation of the service credit, and payment of the
20 employer's cost of the credit. This administrative regulation also establishes the formula for

prorating sick leave if it is earned by a member partly under SPRS, partly under KRS hazardous duty coverage, and partly under the Kentucky Employees Retirement System nonhazardous coverage. This administrative regulation also establishes when service credit due to sick leave may be used to calculate health insurance payments under KRS 61.702 or 78.5536.

Section 1. Definitions.

(1) "Alternate plan" means the sick leave program established~~[described]~~ in KRS 78.616(5).

(2) "Standard plan" means the sick leave program established~~[described]~~ in KRS 61.546 or 78.616(1), (3) and (4).

Section 2. An employer~~[agency]~~ participating in the County Employees Retirement System;

(1) May~~[may]~~ provide a sick leave program under KRS 78.616 by adopting an order appropriate to the employer~~[agency]~~;

(a) Shall offer only~~[(1) Only]~~ one (1) sick leave program under KRS 78.616 to its employees~~[shall be offered to the employees of an agency]~~;

(b) Shall~~[(2) The agency shall]~~ certify to the agency~~[retirement system]~~ that the program shall be universally administered~~[-]~~;

(c) Shall~~[(3) The agency shall]~~ pay all costs of the program; and~~[-]~~

(d) Shall~~[(4) The agency shall]~~ certify to the agency~~[retirement system]~~ the number of hours that constitutes a regular working day for its employees~~[of the agency]~~.

(2)~~[(5)]~~ (a) If an employer~~[agency]~~ participating in the County Employees Retirement System has no retirement sick leave program, it may choose the standard plan or it may choose the alternate plan.

- 1 1. An employer~~[agency]~~ adopting the standard plan may elect to purchase credit:
 - 2 a. Only~~[To purchase credit only]~~ for the first six (6) months of accrued sick leave;
 - 3 b. For~~[To purchase credit for]~~ the first six (6) months and to pay fifty (50) percent of the
4 cost for service above six (6) months; or
 - 5 c. For~~[To purchase credit for]~~ all accumulated sick leave.
- 6 2. An employer~~[agency]~~ which elects to pay only for the first six (6) months of
7 accumulated sick leave may at a later date elect to pay fifty (50) percent or all of the cost of
8 service above six (6) months. An employer~~[agency]~~ which elects to pay for the first six (6)
9 months and fifty (50) percent of the cost for service above six (6) months, may at a later date
10 elect to pay for all accrued sick leave.
- 11 3. If an employer~~[the agency]~~ adopted the standard plan prior to July 1988, it may choose
12 to adopt the alternate plan.
- 13 4. Within thirty (30) days of adoption of a sick leave plan, the employer~~[agency]~~ shall file
14 at the agency~~[retirement office]~~ a description of the employer's~~[agency's]~~ sick leave policy
15 which shall specify:
 - 16 a. The maximum sick leave that may be accrued;
 - 17 b. Whether the policy applies to sick leave accrued prior to the adoption of the sick leave
18 plan; and
 - 19 c. Whether the policy applies to current and former employees or only to employees who
20 retire from the employer~~[agency]~~.
- 21 (b) Employers~~[Agencies]~~ participating in the Kentucky Employees Retirement System or
22 the State Police Retirement System shall provide sick leave credit for all accrued sick leave.
- 23 (c) Once a sick leave program is adopted, the employer~~[agency]~~ shall continue to offer a

1 sick leave program to its employees.

2 Section 3. If an employer~~[the agency]~~ adopts the standard plan, upon a member's
3 retirement:

4 (1) Each employer~~[agency]~~ participating in the Kentucky Employees Retirement System,
5 County Employees Retirement System, or State Police Retirement System with which the
6 member has accrued sick leave credit or to which their~~[his]~~ accrued sick leave transferred, shall
7 certify the unused sick leave credit which the member has accrued on Sick Leave Authorization,
8 Form 6500.

9 (2)(a) The agency~~[retirement system]~~ shall determine the number of days of credit and
10 divide the number of days by twenty-one (21), the average number of working days in a month,
11 unless the employer~~[agency]~~ verifies an alternate number of average working days per month. If
12 the remainder is equal to or greater than eleven (11), the member shall receive credit for an
13 additional month. If an employee has an alternate work schedule, the employer~~[agency]~~ shall
14 verify an alternate number of average working days per month.

15 (b) For each employer~~[agency]~~ participating in the Kentucky Employees Retirement
16 System or County Employees Retirement System with which the member accrued sick leave
17 credit, the cost of the credit, determined by utilizing the member's final compensation with the
18 formula established~~[described]~~ in KRS 61.552(10)(a)~~[61.5525]~~, shall be paid by the
19 employer~~[agency]~~ within thirty (30) days of notification by the agency~~[retirement system]~~.

20 (c) If the member accrued sick leave credit in the Kentucky Employees Retirement
21 System, the last employer~~[agency]~~ with which the member was employed shall pay the cost of
22 sick leave credit~~[in excess of six (6) months, if any]~~. If the member has multiple last employers,
23 the cost due from the last employers under this subsection shall be equally apportioned between

1 them.

2 (3)(a) If the total sick leave accrued at a County Employees Retirement System
3 employer[agency] is greater than six (6) months and the employer[agency] does not pay for
4 service greater than six (6) months, the employee may purchase some or all of the additional
5 months by paying the cost, determined by utilizing the member's final compensation with the
6 formula established[described] in KRS 61.552(10)(a)[61.5525], to the agency[retirement system]
7 before their[his] termination, but no earlier than three (3) months from their[his] effective
8 retirement date.

9 (b) If the total sick leave accrued at a County Employees Retirement System
10 employer[agency] is greater than six (6) months and the employer[agency] pays fifty (50)
11 percent of the cost of additional months, the employee shall receive credit for all or some of the
12 additional months if the employee pays fifty (50) percent of the cost determined by utilizing the
13 member's final compensation with the formula established[described] in KRS
14 61.552(10)(a)[61.5525], to the agency[retirement system] before their[his] termination, but no
15 earlier than three (3) months from their[his] effective retirement date, and the employer pays the
16 remaining fifty (50) percent.

17 Section 4. Alternate Sick Leave Plans. An employer[agency] adopting the alternate plan
18 shall also certify the maximum number of sick leave days that an employee may accumulate
19 prior to termination.

20 (1) The employer[agency] shall compensate the member for all accrued sick leave up to
21 the maximum allowed, upon termination. If the employee is a classified employee of a school
22 board, the employer[agency] shall compensate the employee for accrued sick leave, upon the
23 employee's retirement or death, pursuant to KRS 161.155. The rate of compensation for each day

1 shall be based on the employee's current rate of pay.

2 (2) Each month, the employer~~[agency]~~ shall withhold employer and employee
3 contributions from the sick leave compensation of employees who terminate, and shall remit the
4 contributions along with the Form 6501 for each employee. The forms and contributions
5 deducted during the month shall be sent to the agency~~[retirement office]~~ within ten (10) days
6 following the end of the month. The contributions and compensation shall not be reported with
7 the regular payroll.

8 (3) If the member has one (1) or more months of service credit as determined in Section 3
9 of this administrative regulation, the service shall be added to the member's total service credit.

10 (4) Compensation and service shall be included in the member's final compensation as
11 established in this subsection.~~[follows:]~~

12 (a) The member's sick leave credit expressed in months and the compensation for those
13 months shall be included in the fiscal year with the highest average monthly salary used in
14 their~~[his]~~ final compensation until the service credit in the fiscal year has reached twelve (12)
15 months.

16 (b) When service credit in the fiscal year with the highest average monthly salary has
17 reached twelve (12) months, the remaining months of service and compensation shall be
18 included in the fiscal year with the lowest average monthly salary used in their~~[his]~~ final
19 compensation until service credit in the fiscal year has reached twelve (12) months.

20 (c) When service credit in the two (2) fiscal years with the highest and lowest average
21 monthly salary used in their~~[his]~~ final compensation has~~[have]~~ reached twelve (12) months, the
22 remaining months and compensation shall be used in lieu of the member's service and salary in
23 the fiscal year with the lowest average monthly salary of the member's~~[members]~~ final

1 compensation. The salary replaced shall be the monthly average of the member's actual salary in
2 the fiscal year.

3 Section 5. An employee who has service credit in the Kentucky Employees Retirement
4 System as hazardous and nonhazardous, or who has service credit in both the Kentucky
5 Employees Retirement System and the State Police Retirement System, shall have accrued sick
6 leave prorated between the systems and between the hazardous and nonhazardous accounts based
7 on the ratio of service in each account, including purchased service, and to the total service
8 credit.

9 Section 6. Use of Sick Leave in Calculating Months of Service for Health Insurance
10 Benefits.

11 (1) Unless otherwise prohibited by statute or this section, service credit attributable to
12 sick leave shall be used to calculate health insurance benefits pursuant to KRS 61.702 or 71.5536
13 in the same manner as the credit is used to calculate eligibility for retirement benefits.

14 (2) Service credit attributable to sick leave shall not be used to determine whether a
15 member with service in a:

16 (a) Nonhazardous position meets the minimum service requirements of "career threshold"
17 as defined by KRS 61.702(4)(e)9. or KRS 78.5536(4)(e)9.; and

18 (b) Hazardous position meets the minimum service requirements of "career threshold" as
19 defined by KRS 61.702(4)(e)9. or 78.5536(4)(e)9. if the member began membership on or after
20 September 1, 2008.

21 (3) A member who otherwise qualifies for career threshold status shall have the service
22 credit attributable to sick leave used to calculate any insurance contribution due pursuant to KRS
23 61.702(4)(e)6.b. or 78.5536(4)(e)6.b. for service as a participating employee beyond the career

1 threshold.

2 Section 7. Incorporation by Reference.

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

4 (a) Form 6500, "Sick Leave Authorization", KPPA, 1/2026~~[11/00]~~; and

5 (b) Form 6501, "Alternate Sick Leave Authorization", KPPA, 1/2026~~[11/00]~~.

6 (2) This material may be inspected, copied, or obtained, subject to applicable copyright
7 law, at Kentucky Public Pensions Authority~~[Retirement Systems, Perimeter Park West]~~, 1260
8 Louisville Road, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. or on
9 the agency's website at kyret.ky.gov.

105 KAR 1:160 Sick leave plans 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 Monday, March 23, 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 March 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
1260 Louisville Road
Frankfort, Kentucky 40601
Phone (502) 696-8679
Fax (502) 696-8615
Email: Legal.Non-Advocacy@kyret.ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 1:160

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

Subject Headings: Boards and Commissions, Health Benefit Plans, Retirements and Pensions, State Employee Health Plans, State Employees, State Police

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the requirements for participation in the program by individual county agencies, calculation of service credit, and payment of the employer's cost of the credit; it also establishes the formula for prorating sick leave if it is earned by a member partly under SPRS, partly under KERS hazardous duty coverage, and partly under the KERS nonhazardous coverage; and it establishes the formula for use of sick leave in calculating months of service for health insurance benefits.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the requirements for participation in the program by individual county agencies, calculation of service credit, and payment of the employer's cost of the credit; to establish the formula for prorating sick leave if it is earned by a member partly under SPRS, partly under KERS hazardous duty coverage, and partly under the KERS nonhazardous coverage; and the formula for use of sick leave in calculating months of service for health insurance benefits.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Board of Trustees of Kentucky Public Pensions Authority to promulgate all administrative regulations necessary or proper in order to carry out the provisions of KRS 61.515 to 61.705, and 16.510 to 16.652. KRS 61.546 provides for retirement service credit for unused sick leave for members of the Kentucky Employees Retirement System and the State Police Retirement System who began participating before January 1, 2014. KRS 78.616 provides for retirement service credit for unused sick leave for members of the County Employees Retirement System who began participating before January 1, 2014. This administrative regulation establishes the requirements for participation in the program by individual county agencies, calculation of the service credit, and payment of the employer's cost of the credit. This administrative regulation also establishes the formula for prorating sick leave if it is earned by a member partly under SPRS, partly under KERS hazardous duty coverage, and partly under the Kentucky Employees Retirement System nonhazardous coverage, and the formula for use of sick leave in calculating months of service for health insurance 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 requirements for participation in the program by individual county agencies, calculation of service credit, and payment of the employer's cost of the credit; establishing the formula for prorating sick leave if it is earned by a member partly under SPRS, partly under KERS hazardous duty coverage, and partly under the KERS nonhazardous coverage; and the formula for using sick leave to calculate months of service for health insurance 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: The amendment to this administrative regulation updates statutory references and materials incorporated by reference, aligns language with KRS Chapter 13A drafting requirements, clarifies retirement service credit for unused sick leave for members who started participating prior to January 1, 2014, and establishes the formula for the use of sick leave to calculate months of service for health insurance benefits.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to update statutory references and materials incorporated by reference, align language with KRS Chapter 13A drafting requirements, clarify retirement service credit for unused sick leave for members who started participating prior to January 1, 2014, and establish the formula for the use of sick leave to calculate months of service for health insurance benefits.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Board of Trustees of Kentucky Public Pensions Authority to promulgate all administrative regulations necessary or proper in order to carry out the provisions of KRS 61.515 to 61.705, and 16.510 to 16.652. KRS 61.546 provides for retirement service credit for unused sick leave for members of the Kentucky Employees Retirement System and the State Police Retirement System who began participating before January 1, 2014. KRS 78.616 provides for retirement service credit for unused sick leave for members of the County Employees Retirement System who began participating before January 1, 2014. This administrative regulation establishes the requirements for participation in the program by individual county agencies, calculation of the service credit, and payment of the employer's cost of the credit. This administrative regulation also establishes the formula for prorating sick leave if it is earned by a member partly under SPRS, partly under KERS hazardous duty coverage, and partly under the Kentucky Employees Retirement System nonhazardous coverage, and the formula for use of sick leave in calculating months of service for health insurance benefits.

(d) How the amendment will assist in the effective administration of the statutes: The amendment to this administrative regulation will assist in the effective administration of the statutes by updating statutory references and materials incorporated by reference, aligning language with KRS Chapter 13A drafting requirements, clarifying retirement service credit for unused sick leave for members who started participating prior to January 1, 2014, and

establishing the formula for the use of sick leave to calculate months of service for health insurance benefits.

(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.)

KRS 61.505 - Amended 2024 Ky. Acts ch. 55, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 28, sec. 1, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 2, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 76, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 2, effective April 1, 2021.

KRS 61.546 - Repealed, reenacted, and amended 2024 Ky. Acts ch. 55, sec. 7, effective July 15, 2024.

KRS 61.702 - Repealed and reenacted with all new language in 2021 Ky. Acts ch. 102, sec. 73 and amended in 2021 Ky. Acts ch. 106, sec. 4.

KRS 78.5536 - Amended 2025 Ky. Acts ch. 37, sec. 1, effective June 27, 2025. -- Amended 2024 Ky. Acts ch. 55, sec. 22, effective July 15, 2024. -- Amended 2022 Ky. Acts ch. 152, sec. 3, effective July 14, 2022; and ch. 216, sec. 23, effective April 14, 2022. -- Created 2021 Ky. Acts ch. 102, sec. 14, effective April 1, 2021.

KRS 78.616 - Amended 2021 Ky. Acts ch. 102, sec. 23, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: There are approximately 433,461 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 not need to take any additional actions and will be minimally impacted because the administrative regulation is already being implemented as written.

(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 updated statutory references and materials incorporated by reference, language that aligns with KRS Chapter 13A drafting requirements, clarified retirement service credit for unused sick leave for members who started participating prior to January 1, 2014, and a formula for the use of sick leave to calculate months of service for health insurance benefits.

(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 regulation is already being implemented as written.

(b) On a continuing basis: There will be no additional costs because 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 to the extent that this administrative regulation applies to members who began participating in a state-administered retirement system before January 1, 2014.

FISCAL IMPACT STATEMENT

105 KAR 1:160

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), 61.546, 78.616

(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), 61.546, 78.616

(3)(a) Identify the promulgating agency and, 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: 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.

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

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

(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. It is already being implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed its costs and procedures for calculating and administering retirement service credit and health benefits for unused sick leave, and prorating sick leave when earned under different systems and classifications.

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

(b) The methodology and resources used to reach this conclusion: The agency analyzed its costs and procedures for calculating and administering retirement service credit and health benefits for unused sick leave, and prorating sick leave when earned under different systems and classifications.

SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 6500, “Sick Leave Authorization”, KPPA, Revised 1/2026, is the one-page form used by employers to certify a retiring employee’s unused sick leave balance.

Changes to the previous form include:

Name and address change from Kentucky Retirement Systems to Kentucky Public Pensions Authority.

Block for KY Retirement System use replaced with bar code in upper right hand corner.

Informational paragraph edited.

Retiring Employee field reformatted, SSN replaced with Member ID, Employer Code added, Current Rate of Pay deleted.

Certification statement and signature line for employer added.

Form 6501, “Alternate Plan Sick Leave Authorization”, KPPA, 1/2026, is the one page form used by employers to certify a retiring employee’s unused sick leave balance.

Changes to the previous form include:

Name and address change from Kentucky Retirement Systems to Kentucky Public Pensions Authority.

Block for KY Retirement System use replaced with bar code in upper right hand corner.

Informational paragraph edited.

Retiring Employee field reformatted, SSN replaced with Member ID, Employer Code added, Accumulated Sick Leave revised to days only (hours deleted), Current Rate of Pay and Number of hours worked per day deleted, field for Reported Health Insurance Contributions added.

Payment Details field added to indicate during which report month contributions were reported.

Certification statement and signature line for employer added.


KENTUCKY PUBLIC PENSIONS AUTHORITY

 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov


Print Form

 Form 6500
 1/2026

Standard Plan Sick Leave Authorization

Upon retirement, a member receives credit for unused sick leave accrued while working for an agency that participates with Kentucky Public Pensions Authority. To receive credit, the employer must certify the retiring employee's unused accumulated sick leave balance.

Please complete and return this form to our office after the termination date indicated below. **Submitting this form prior to the termination date below will cause the form to be invalid since a final leave balance at the time of termination is required.**

Retiring Employee

Retiring Employee: _____ Member ID: _____

Date of Birth: _____

Termination Date: _____

Effective Retirement Date: _____

Employer: _____

Employer Code: _____

Accumulated Sick Leave:(in hours) _____

Hours in a Sick Leave Day: _____

Certification

I certify that the sick leave balance provided above is accurate based upon the

_____ records.

Employer Name

Name: _____ Phone: _____

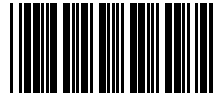
Title: _____ Date: _____

Signature: _____

FORM 6500

[(RE;V. 11 / 00)]

Kentucky Public Pensions Authority[~~KENTUCKY-~~
~~RETIREMENT SYSTEMS~~ Perimeter Park West]
 1260 Louisville Road * Frankfort, KY 40601
 Phone (502) 696-8800 * Fax: 502) 696-8822
 kyret.ky.gov

1/2026

Ky Retirement Systems use only sick leave months
--

SICK LEAVE AUTHORIZATION

Upon[A member, on] retirement, a member receives credit for unused sick leave accrued while working for an agency that participates with Kentucky Public Pensions Authority[in state service]. To receive credit, The employer must[shall] certify the retiring employee's unused accumulated sick leave balance[to the Retirement System]. Please complete and return this form to our office[the Retirement System] after the termination date shown below[within 10 days].
Submitting this form prior to the termination date below will cause the form to be invalid since a final leave balance at the time of termination is required.

Retiring Employee:

Member ID[SSN]:

Termination date:

Eff. Ret. Date:

Employer:

Employer Code:

Date of birth:

Accumulated Sick Leave (in hours): _____

[Current Rate of Pay: _____]

(-) Hourly (-) Daily (-) Monthly]

Hours in a Sick Leave Day:[One sick day is equal to hours]

Certification

I certify that the sick leave balance provided above is accurate based upon the _____ records.

Employer NameName[Individual Completing Form]Phone[Title]Title[Date]: _____Date[Phone number]: _____Signature: _____


KENTUCKY PUBLIC PENSIONS AUTHORITY

 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov


Print Form

 Form 6501
 1/2026

Alternate Plan Sick Leave Authorization

Upon retirement, a member receives credit for unused sick leave accrued while working for an agency that participates with Kentucky Public Pensions Authority. To receive credit, the employer must certify the retiring employee's unused accumulated sick leave balance.

Please complete and return this form to our office after the termination date indicated below.

Submitting this form prior to the termination date below will cause the form to be invalid since a final leave balance at the time of termination is required.

Retiring Employee

Retiring Employee: _____ Member ID: _____

Date of Birth: _____

Termination Date: _____

Effective Retirement Date: _____

Employer: _____

Employer Code: _____

Accumulated Sick Leave:(in days) _____

Total Compensation Paid for Sick Leave: _____

Reported Employer Contributions: _____

Reported Employee Contributions: _____

Reported Health Insurance Contributions: _____

Payment Details

Please indicate below during which report month contributions were reported.

Payment has been included with _____ monthly contribution report.
 (Report Month)

Certification

I certify that the sick leave information provided above is accurate based upon the

_____ records.

Employer Name

Name: _____ Phone: _____

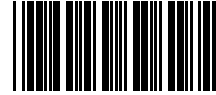
Title: _____ Date: _____

Signature: _____

FORM 6501

[(RE;V. 11 / 00)]

Kentucky Public Pensions Authority ~~[KENTUCKY-
RETIREMENT SYSTEMS Perimeter Park West]~~
1260 Louisville Road * Frankfort, KY 40601
Phone (502) 696-8800 * Fax: 502) 696-8822
kyret.ky.gov

1/2026

~~Ky Retirement Systems
use only~~
sick leave months

ALTERNATE PLAN

SICK LEAVE AUTHORIZATION

Upon ~~[A member, on]~~ retirement, a member receives credit for unused sick leave accrued while working for an agency that participates with Kentucky Public Pensions Authority ~~[in state service]~~. To receive credit, The employer must ~~[shall]~~ certify the retiring employee's unused accumulated sick leave balance ~~[to the Retirement System]~~. Please complete and return this form to our office ~~[the Retirement System]~~ after the termination date shown below ~~[within 10 days]~~. **Submitting this form prior to the termination date below will cause the form to be invalid since a final leave balance at the time of termination is required.**

Retiring Employee:

Member ID ~~[SSN]~~:

Termination date:

Eff. Ret. Date:

Employer:

Employer Code:

Date of birth:

Accumulated Sick Leave: (in days) _____ [~~(-) Hours — () Days~~]

[Current Rate of Pay: ~~** (Complete Below)~~
~~(-) Hourly — () Daily~~]

[~~Number of hours worked per day: _____~~]

Total compensation paid for sick leave: _____

Reported Contributions: Employer _____ Employee _____

Reported Health Insurance Contributions: _____Certification

I certify that the sick leave balance provided above is accurate based upon the _____ records.

Employer NameName ~~[Individual Completing Form]~~Phone ~~[Title]~~Title ~~[Date]~~: _____Date ~~[Phone number]~~: _____Signature: _____



Brief for Administrative Regulations

Date: November 2025

**1. Regulation Number, Title, & Expiration Date: 105 KAR 1:170 – Membership form requirements
(Expires June 2026)**

☐ Emergency Regulation ☐ New Administrative Regulation ☒ Amendment
☐ Repealer ☐ Amended After Comments (w/SOC) ☐ Not Amended After Comments

2. Proposed schedule for regulation process:

File – by January 15, 2026

Public Comment period – through March 31, 2026

Public Hearing – March 23, 2026

ARRS – April 2026 (if no comments are received), May 2026 (if comments are received)

3. Statutory Authority: KRS 61.505(1)(g)

4. Major Economic Impact Exemption under KRS 13A.105(2)(a): This regulation will not have a combined implementation and compliance costs of five hundred thousand dollars (\$500,000) or more over any two-year period. The regulation is already being administered as written.

5. Summary of the Regulation: This regulation establishes the information required for membership, that the member shall not receive a refund unless the member has terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency.

6. Justification for Amendment(s) or New Regulation(s): The amendment clarifies when and how an employee simultaneously employed in hazardous and nonhazardous positions with different employers may make an irrevocable choice not to participate in the nonhazardous system, clarifies how a former employee who is ineligible for retirement may request a refund of their account, clarifies how a member or a fiduciary can update their contact information with the agency, updates and corrects statutory references, updates materials incorporated by reference, and aligns language with KRS Chapter 13A drafting requirements.

7. Affected Entities: Approximately 421,609 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System.

8. Is there a cost to or savings for the affected entities or the agency? If so, please explain and include funding source: There are no costs or savings for the amendment because the administrative regulation is already being implemented as written. Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

9. Is Tiering Applied? (Explain why or why not): No, tiering is not applied. The processes and procedures are the same for all employees who want to select a plan based on simultaneous hazardous and nonhazardous positions with different employers, former employees who are ineligible for retirement but want an account refund, and for those who want to update their contact information with the agency.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Amendment)

4 105 KAR 1:170. Membership form requirements.

5 RELATES TO: KRS 16.530, 61.525, 61.526, 61.540, 61.542, 61.545, 61.625, 78.540

6 STATUTORY AUTHORITY: KRS 61.505(1)(g)~~[61.645(9)(e)]~~, 26 C.F.R. 1.401-
7 1(b)(1)(i), 26 U.S.C. 401(a)

8 CERTIFICATION STATEMENT: This is to certify that this administrative regulation
9 complies with KRS 13A.150(2) because it does not have a major economic impact.

10 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g)~~[61.645(9)(e)]~~
11 authorizes the~~[Board of Trustees of]~~ Kentucky Public Pensions Authority~~[Retirement Systems]~~
12 to promulgate all administrative regulations necessary or proper in order to carry out the
13 provisions of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 16.530,
14 61.526 and 61.540 require a member of the Kentucky Employees Retirement System, County
15 Employees Retirement System, or State Police Retirement System to file information with the
16 Kentucky Public Pensions Authority~~[Board of Trustees]~~ as a condition of membership. KRS
17 61.542 requires a member to file a designation of beneficiary. KRS 61.625 establishes the
18 conditions under which a member may apply for a refund. KRS 78.545 requires that designations
19 of beneficiaries and refunds for County Employees Retirement System members be administered
20 in the same manner as for Kentucky Employees Retirement System members. 26 U.S.C. 401(a)

provides that a qualified pension plan cannot make distributions prior to normal retirement age if a separation from service has not occurred. This administrative regulation establishes the information and forms required for membership,~~[and establishes]~~ that the member shall not receive a refund unless the member has terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency.

Section 1. An employee eligible for participation on the date their employer~~[his agency]~~ first participates shall complete a "Form 2010, Election or Rejection of Participation", designating their~~[his]~~ desire to participate in or waive participation and benefits in the retirement system. The original form shall be kept on file at the agency~~[in the retirement office]~~.

Section 2. Within thirty (30) days of participation, an employee who is required to participate or who elects to participate may~~[shall]~~ complete a "Form 2001, Membership Information". The membership form shall be kept on file at the agency~~[in the retirement office]~~.

Section 3. An employee shall file with the agency a valid~~[may also complete a]~~ "Form 2035, Beneficiary Designation" to designate or change a beneficiary prior to retirement. If a valid beneficiary designation is not on file at the agency the employee's estate shall be the beneficiary~~[which shall be sent to the retirement office]~~.

Section 4. (1) If an employee is participating in a hazardous position, as defined by KRS 61.592, that meets the definition of a regular full-time position under KRS 61.510(21) or 78.510(21) based solely upon their service in a hazardous position, and is simultaneously employed in a nonhazardous position with a different participating employer that would not be considered a regular full-time position based solely upon their service in the nonhazardous

1 position, the employee may make a one (1) time irrevocable election within thirty (30) days of
2 employment in the nonhazardous position to not participate in the system for their employment
3 in the nonhazardous position with that employer by filing with the agency a valid Form 2014,
4 Rejection of Nonhazardous Part-Time Participation~~[If an employee is simultaneously eligible to~~
5 ~~participate in more than one (1) of the Kentucky Retirement Systems, the employee may elect to~~
6 ~~participate in only one (1) system and waive participation in and any rights to benefits from the~~
7 ~~employment in the other system during the period of simultaneous employment].~~

8 (2)~~[The employee shall notify the retirement system in writing of his intent to exercise~~
9 ~~this right under KRS 61.545(3). Upon receipt of the notification, the retirement system shall~~
10 ~~provide the employee with an estimate of the benefits that may be forfeited by the employee and~~
11 ~~the "Form 2026, Simultaneous Employment Choice of Systems", necessary for making an~~
12 ~~election.~~

13 (3)~~] If the employee does not~~ make an election pursuant to subsection 1 of this
14 section~~[complete and return the form], the employee shall participate in both systems~~
15 ~~simultaneously and~~ their~~[his] service shall be prorated between the systems pursuant to 105 KAR~~
16 1:320 Section 2~~[based on his ratio of his creditable compensation in each system to his total~~
17 ~~creditable compensation from all systems].~~

18 (4) If the employee makes an election pursuant to subsection 1 of this section~~[submits the~~
19 ~~completed form], the employer that participates in the system in which the employee rejected~~
20 ~~participation shall be notified that it shall not report creditable compensation or contributions on~~
21 ~~the employee while the member is employed by the nonhazardous employer~~~~[for the period of~~
22 ~~simultaneous employment]. If contributions were reported prior to~~ the employee making an
23 election~~[receipt of the form], the employer and employee contributions shall be refunded to the~~

employer and employee and all service credit under that system shall be deleted from the employee's account for the period of simultaneous employment.

Section 5. Pursuant to KRS 61.625, a ~~former[an]~~ employee who is not eligible to retire~~[vested for monthly benefits]~~ may request a refund of their~~[his]~~ account by filing with the agency a valid~~[completing and returning a]~~ "Form 4525, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection". The agency~~[Kentucky Retirement Systems]~~ shall not issue a refund to a member unless the member has terminated employment with all employers participating in the retirement system from which the member is attempting to take a refund~~[his employer]~~.

Section 6. (1) A member may update their contact information on file with the agency:

(a) On the Self-Service website at <http://myretirement.ky.gov>;

(b) By telephone with an agency-issued PIN; or

(c) By submitting a valid Form 2040, Change of Contact Information.

(2) An attorney in fact, guardian, or other fiduciary shall file a valid Form 2040 with the agency to change contact information on behalf of a member.

Section 7. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) Form 2010, "Election or Rejection of Participation", KPPA, 1/2026~~[12/2006]~~;

(b) Form 2001, "Membership Information", KPPA, 1/2026~~[2/02]~~;

(c) Form 2035, "Beneficiary Designation", KPPA, 1/2026~~[6/03]~~;

(d)~~[Form 2026, "Simultaneous Employment Choice of Systems", 5/98; and~~

(e)] Form 4525, "Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection", KPPA, 1/2026~~[5/08.]~~

1 (e) Form 2040, “Change of Contact Information”, KPPA, 1/2026; and

2 (f) Form 2014, Rejection of Nonhazardous Part-Time Participation, 1/2026.

3 (2) This material may be inspected, copied or obtained, subject to applicable copyright

4 law, from the Kentucky Public Pensions Authority~~[Retirement Systems office at Perimeter Park~~

5 ~~West]~~, 1260 Louisville Road, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to

6 4:30 p.m. or on the agency’s website at kyret.ky.gov.

105 KAR 1:170 Membership form requirements 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 Monday, March 23, 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 March 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
1260 Louisville Road
Frankfort, Kentucky 40601
Phone (502) 696-8679
Fax (502) 696-8615
Email: Legal.Non-Advocacy@kyret.ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 1:170

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

Subject Headings: Boards and Commissions, Deaths, Local Governments, Retirements and Pensions, State Employees, State Police

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the information required for membership, that the member shall not receive a refund unless the member has terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish information required for membership, that members shall not receive a refund unless the member has terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Board of Trustees of Kentucky Public Pensions Authority to promulgate all administrative regulations necessary or proper in order to carry out the provisions of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 16.530, 61.526 and 61.540 require a member of the Kentucky Employees Retirement System, County Employees Retirement System, or State Police Retirement System to file information with the Kentucky Public Pensions Authority as a condition of membership. KRS 61.542 requires a member to file a designation of beneficiary. KRS 61.625 establishes the conditions under which a member may apply for a refund. 26 U.S.C. 401(a) provides that a qualified pension plan cannot make distributions prior to normal retirement age if a separation from service has not occurred.

(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 information required for membership, that members shall not receive a refund unless the member has terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency.

(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: The amendment to this administrative regulation clarifies when and how an employee simultaneously employed in hazardous and nonhazardous positions with different employers may make an irrevocable choice not to participate in the nonhazardous system, clarifies how a former employee who is ineligible for retirement may request a refund of their account, clarifies how a member or a fiduciary can update their contact information with the agency, updates and corrects statutory references, updates materials incorporated by reference, and aligns language with KRS Chapter 13A drafting requirements.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to clarify when and how an employee simultaneously employed in hazardous and nonhazardous positions with different employers may make an irrevocable choice not to participate in the nonhazardous system, clarifies how a former employee who is ineligible for retirement may request a refund of their account, clarifies how a member or a fiduciary can update their contact information with the agency, updates and corrects statutory references, updates materials incorporated by reference, and aligns language with KRS Chapter 13A drafting requirements.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Board of Trustees of Kentucky Public Pensions Authority to promulgate all administrative regulations necessary or proper in order to carry out the provisions of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 16.530, 61.526 and 61.540 require a member of the Kentucky Employees Retirement System, County Employees Retirement System, or State Police Retirement System to file information with the Kentucky Public Pensions Authority as a condition of membership. KRS 61.542 requires a member to file a designation of beneficiary. KRS 61.625 establishes the conditions under which a member may apply for a refund. 26 U.S.C. 401(a) provides that a qualified pension plan cannot make distributions prior to normal retirement age if a separation from service has not occurred.

(d) How the amendment will assist in the effective administration of the statutes: The amendment to this administrative regulation will assist in the effective administration of the statutes by clarifying when and how an employee simultaneously employed in hazardous and nonhazardous positions with different employers may make an irrevocable choice not to participate in the nonhazardous system, clarifying how a former employee who is ineligible for retirement may request a refund of their account, clarifying how a member or a fiduciary can update their contact information with the agency, updating and correcting statutory references, updating materials incorporated by reference, and aligning language with KRS Chapter 13A drafting requirements.

(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.)

KRS 61.505 - Amended 2024 Ky. Acts ch. 55, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 28, sec. 1, effective June 29, 2023. -- Amended 2022 Ky. Acts ch.

216, sec. 2, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 76, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 2, effective April 1, 2021.

KRS 61.526 - Amended 2021 Ky. Acts ch. 102, sec. 46, effective April 1, 2021.

KRS 61.540 - Amended 2021 Ky. Acts ch. 96, sec. 2, effective June 29, 2021; and ch. 102, sec. 47, effective April 1, 2021.

KRS 61.542 - Amended 2021 Ky. Acts ch. 96, sec. 3, effective June 29, 2021; and ch. 102, sec. 48, effective April 1, 2021.

KRS 61.625 - Amended 2024 Ky. Acts ch. 55, sec. 11, effective July 15, 2024.

KRS 78.545 - Amended 2021 Ky. Acts ch. 102, sec. 20, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation affects the Kentucky Public Pensions Authority and, of the approximately 433,461 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System, those participants who may be able to elect a plan based on their simultaneous hazardous and nonhazardous positions, those who are not eligible for retirement but want a refund of their account, or those who need to update their contact information with the agency.

(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 the administrative regulation is already being implemented as written. The amendments are primarily technical in nature and aligns the administrative regulation with current technology and processes.

(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 because it is already being implemented as written. The amendment is primarily technical in nature.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community will benefit from clarity regarding when and how an employee simultaneously employed in hazardous and nonhazardous positions with different employers may make an irrevocable choice not to participate in the nonhazardous system, how a former employee who is ineligible for retirement may request a refund of their account, how a member or a fiduciary can update their contact information with the agency, and having updated forms that have been incorporated by reference and align with current technology and procedures.

(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 regulation is already being implemented as written.

(b) On a continuing basis: There will be no additional costs because 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) No, tiering is not applied. The processes and procedures are the same for all employees who want to select their participation in a plan based on simultaneous hazardous and nonhazardous positions with different participating employers, former employees who are ineligible for retirement but want a refund of their account, and for those who want to update their contact information with the agency.

FISCAL IMPACT STATEMENT

105 KAR 1:170

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), 26 C.F.R. 1.401-1(b)(1)(i), 26 U.S.C. 401(a)

(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)

(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 administration establishes membership form requirements and has minimal fiscal impact.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs, procedures, and forms for employees who are simultaneously employed in hazardous and nonhazardous positions with different employers making an irrevocable choice not to participate in the nonhazardous system, how a former employee who is ineligible for retirement may request a refund of their account, and how a member or a fiduciary can update their contact information with the agency.

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

(b) The methodology and resources used to reach this conclusion: The agency analyzed costs, procedures, and forms for employees who are simultaneously employed in hazardous and nonhazardous positions with different employers making an irrevocable choice not to participate in the nonhazardous system, how a former employee who is ineligible for retirement may request a refund of their account, and how a member or a fiduciary can update their contact information with the agency.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 1:170

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

1. Federal statute or regulation constituting the federal mandate. 26 C.F.R. 1.401-1(b)(1)(i), 26 U.S.C. 401(a)
2. State compliance standards. KRS 16.530, 61.525, 61.526, 61.540, 61.542, 61.545, 61.625, 78.540
3. Minimum or uniform standards contained in the federal mandate. 26 C.F.R. 1.401-1(b)(1)(i) 26 defines and distinguishes defined benefit pension plans from other financial retirement mechanisms, generally based on compensation and years of service and unrelated to profits of an employer. U.S.C. 401(a) provides that a qualified pension plan cannot make distributions prior to normal retirement age if a separation from service has not occurred.
4. Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements than those required by the federal mandate? No. This administrative regulation complies with the federal law.
5. Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. This administrative regulation does not impose a stricter standard, or additional or different responsibilities or requirements than federal law.

SUMMARY OF MATERIALS INCORPORATED BY REFERENCE

Form 2040, “Change of Contact Information”, KPPA, 1/2026, is the one-page form used to notify the agency of contact information for a member or a fiduciary, including email address, and whether a member prefers to receive information online (paperless) or by U.S. Mail.

Form 2014, Rejection of Nonhazardous Part-Time Participation, 1/2026, is the one-page form used to make a one-time, irrevocable election not to participate as a nonhazardous part-time member in favor of participating only as a full-time hazardous member.

SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 2001, “Membership Information”, KPPA, Rev 1/2026, is the one-page form used by members to report contact, state employment, and military service information to the agency.

Changes to the previous form include:

Name and address changes from Kentucky Retirement Systems to Kentucky Public Pensions Authority.

Replaced the fields for a social security number with a bar code in the upper right corner of the form.

“Member Information” reformatted; duplicate agency contact information removed; field added for an email address; fields for “Home” and “Work” phone numbers deleted and replaced with one field for a choice of phone (mobile, home, and work); and a field added for an email address.

Form 2010, “Election or Rejection of Participation”, KPPA, Rev 1/2026, is the one-page form used by members of the County Employees Retirement System to notify the agency of their choice to participate or not in the retirement system.

Changes to the previous form include:

Name and address changes from Kentucky Retirement Systems to Kentucky Public Pensions Authority; duplicate agency contact information removed.

Bar code inserted in top right hand corner.

Employee information fields added and reformatted to begin with name and social security number.

Participation status field reformatted and field added for Position Title.

Notice replaces “service credit for any prior years” with “prior months”, and adds an additional citation to KRS 78.5536.

Certification statement added and states: “I hereby certify that the information provided on this form is correct and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, I may be liable for repayment of benefits I was not entitled to receive, but also liable for civil payments, legal fees, ad costs.”

Lines for participant and witness signatures and dates removed from the middle of the form and inserted at the end of the form.

Form 2035, “Beneficiary Designation”, KPPA, Revised 1/2026, is the two-page form used by members to designate a beneficiary.

Changes to the previous form include:

Name and address change from Kentucky Retirement Systems to Kentucky Public Pensions Authority.

Social security field replaced with bar code in upper right hand corner.

Member information fields reformatted; fields for “Home” and “Work” phone numbers deleted and replaced with one field for a choice of phone (mobile, home, and work); and a field added for a personal email address.

The initial Notice was relocated below member information fields, and replaced with:

“Notice: This form is not valid unless it is completed correctly and received by the retirement office prior to the member’s death.

The member and a witness must sign this form or it will not be accepted. You may name one or more individuals, your estate, or a trust as a principal or contingent beneficiary of your retirement account. If you wish to name more than four individuals as principal or contingent beneficiaries, please contact our office. Your beneficiary designation may be changed at any time prior to retirement by filing a new Form 2035.”

“Instructions for Completing Your Form 2035” have been consolidated and replaced with applicable instructions beneath each type of beneficiary:

Person: “You cannot name yourself as principal beneficiary. You also cannot name the same person as both principal and contingent beneficiary. If you name a single individual as beneficiary, that individual may be eligible for a lifetime benefit upon your death, depending on your total service credit. If you name multiple individuals, your estate or a trust, no lifetime benefit is available. If you name more than one individual as principal beneficiary, you may indicate the percentage each beneficiary is to receive. Percentages for the principal beneficiary section should total but not exceed 100%. If the percentages do not total 100%, the percentages will be adjusted proportionally to equal 100%. If you do not indicate percentages, disbursement of payment will be divided equally among living principal beneficiaries, or if all principal beneficiaries have died, among all living contingent beneficiaries, as provided in KRS 61.542 and 78.545.

My Estate: “If you name your estate as a principal beneficiary, you cannot name a contingent beneficiary. No additional information required.”

Living Trust: “The following information is required to designate a living trust. You must write in the name of the trust as it appears in the trust document and submit a copy of the trust with this form. A charitable organization or a religious charity cannot be named as a beneficiary unless it is a trust.”

Testamentary Trust: “A testamentary trust is established by the member’s will and takes effect following the member’s death. No additional information required.”

The initial notice was relocated below the fields for Testamentary Trust, and states “This form is not valid unless signed by the member and witnessed. Please ensure that you have only checked one beneficiary type box in the principal beneficiary section and one beneficiary type box in the contingent beneficiary section. If you select more than one beneficiary type in either section, this form will be considered invalid. Please initial all corrections you have made to the form. Failure to initial changes may cause the form to be invalid.”

Form 4525, “Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection”, KPPA, 1/2026, is the three-page document used to request a refund of member contributions and select the type of direct rollover or payment.

Changes to the previous form include:

Page 1 - Name and address change from Kentucky Retirement Systems to Kentucky Public Pensions Authority.

Social security field replaced with bar code in upper right hand corner.

Member information fields reformatted; fields for “Home” and “Work” phone numbers deleted and replaced with one field for a choice of phone (mobile, home, and work); a field added for a personal email address; SSN replaced with Member ID.

Fields added to identify the retirement system from which a refund is being requested.

Page 2 – Fields added for Member Name and Member ID.

Field added for Employer information if employment was terminated within the 6 months prior to requesting the refund.

Acknowledgments regarding separation of service, forfeiture of service credit, etc., expanded and reformatted.

Page 3 - Fields added for Member Name and Member ID.

Under “Taxable Portion” - Field added for simple IRS established for at least two years.

**KENTUCKY PUBLIC PENSIONS AUTHORITY**
 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

 Form 2001
 Revised 01/2026
Membership Information**Member Information**

Please provide your Member ID or Social Security number in the Member ID box below.

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Date of Birth:	Phone (select type) ☐ Mobile ☐ Home ☐ Work		
Email address:	Marital Status:	Sex: ☒ Male ☒ Female	
Full Name of Employing Agency:			
Date of Employment with Agency:		Other Name Under Which You May Have Been Previously Employed:	

Previous County, City or State Employment

Department or Agency	Position	From			To			Administrative Use		
		Month	Day	Year	Month	Day	Year	Month	Day	Year

Statement of Active Duty Military Service

--	--

Signature: _____

Date: _____

Kentucky Public Pensions
~~Authority/Retirement Systems~~
~~Perimeter Park West~~
 1260 Louisville Rd
 Frankfort KY 40601-6124
 Phone: (502) 696-8800
 Fax: (502) 696-8822
kyret.ky.gov www.kyret.com

Form 2010 Revised
 1/2026~~12/2006~~

[FORM 2010
 KENTUCKY RETIREMENT SYSTEMS-
 PERIMETER PARK WEST
 1260 LOUISVILLE ROAD
 FRANKFORT, KY 40601]
 ELECTION OR REJECTION OF PARTICIPATION

I, _____, occupying a regular full-time position with
 _____ as a _____

Employer Name

Position Title

☐ ELECT

☐ REJECT

membership in the County Employees Retirement System pursuant to the provisions of KRS 78.540(1).

[SIGNED: _____]

S.S.#: _____

WITNESS: _____

DATE: _____]

Notice: Persons who elect to participate under this subsection may purchase service credit for any prior ~~months~~ years by paying a delayed contribution payment. The service shall not be included in the member's total service for purposes of determining benefits under KRS 61.702 and 78.5536.

Certification

I hereby certify that the information provided on this form is correct and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, I may be liable for repayment of benefits I was not entitled to receive, but also liable for civil payments, legal fees, ad costs.

Signed: _____

Date: _____

Witness: _____

Date: _____

1260 Louisville Road • Frankfort, KY 40601
Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 2010
Revised 01/2026

Employee Information

Name:	Social Security Number:
-------	-------------------------

Participation Status

I, _____, occupying a regular full-time position with
 Name

_____ as a _____
 Employer Name *Position Title*

☐ Elect ☐ Reject

membership in the County Employees Retirement System pursuant to the provisions of KRS 78.540(1).

Notice: Persons who elect to participate under this subsection may purchase service credit for any prior months by paying a delayed contribution payment. The service shall not be included in the member's total service for purposes of determining benefits under KRS 61.702 and 78.5536.

Certification

I hereby certify that the information provided on this form is correct and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, I may be liable for repayment of benefits I was not entitled to receive, but also liable for civil payments, legal fees, and costs.

Signed: _____

Date: _____

Witness: _____

Date: _____

1260 Louisville Road • Frankfort, KY 40601
Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 2014
1/2026

Employee Information

Member ID:

I, _____, certify that the above named individual was hired on _____
Name *Hire Date* in a position that would not be considered a regular full-time position based solely upon his or her service in the nonhazardous position.

Signed: _____ Date: _____

Title:

I, _____, occupying a regular full-time hazardous position with _____,
Name

_____ as a _____,
Employer Name *Position Title*

reject participation in a part-time nonhazardous position with _____,
Employer Name

as a _____ pursuant to the provisions of KRS 61.545(2)(b)2.
Position Title

I understand that my decision to reject participation in my nonhazardous position with the above listed employer is irrevocable, and that employee contributions shall not be withheld from nonhazardous wages and service shall not be credited for my nonhazardous employment.

Signed: _____ Date: _____

Witness: _____ Date: _____

Kentucky Public Pensions
 Authority/Retirement Systems
 Perimeter Park West
 1260 Louisville Rd
 Frankfort KY 40601-6124
 Phone: (502) 696-8800
 Fax: (502) 696-8822
kyret.ky.gov

[Member's
 Sec. Sec. No.:

FORM 2035

Revised 1/2026[6/93]

FORM 2035 BENEFICIARY DESIGNATION

THIS FORM IS NOT VALID UNLESS IT IS COMPLETED CORRECTLY AND RECEIVED IN THE FRANKFORT RETIREMENT OFFICE PRIOR TO DEATH. YOU MUST SIGN THIS FORM AND A WITNESS (OR YOUR SPOUSE) MUST SIGN THIS FORM OR IT WILL NOT BE ACCEPTABLE. PLEASE COMPLETE THIS SECTION AND THE BACK OF THIS FORM. PLEASE PRINT.

Your Name: _____ SSN: _____

Birthdate: / / Work Phone #: () - Home Phone #: () -

Your Address: _____

 Street

 City State Zip+ 4 Code

INSTRUCTIONS FOR COMPLETING YOUR FORM 2035.

- You may name one or more individuals, your estate, or a trust or trustee as principal or contingent beneficiary of your retirement account. The principal beneficiary will receive benefits in the event of your death. The contingent beneficiary will receive benefits in the event of your death ONLY if all of the named principal beneficiaries are deceased.
- **Naming One or More Individuals As Beneficiary:** If you name more than one individual as principal or contingent beneficiary you may indicate the percentage each beneficiary is to receive. Percentages for the principal beneficiary section must equal but not exceed 100%. Percentages for the contingent beneficiary section must also equal but not exceed 100%. If you do not indicate percentages, disbursement of payment will be divided equally among living principal beneficiaries, or if all principal beneficiaries have died, among all living contingent beneficiaries, as provided in KRS 61.542.

If you name a *single individual* as beneficiary, that individual may be eligible for a lifetime benefit upon your death, depending on your total service credit. If you name multiple individuals, your estate or a trust, no lifetime benefit is available.
- **Naming An Estate As Beneficiary:** You may name your estate as either principal or contingent beneficiary by writing "My Estate" as the name of the beneficiary. Keep in mind that if you name your estate as a principal beneficiary, you cannot name a contingent beneficiary.
- **Naming a Trust or Trustee As Beneficiary:** You may name a trust or trustee as a principal or contingent beneficiary. If the trust is an existing trust (already funded), you must provide the *name of the trust* and the *federal tax identification number*. If the trust is a testamentary trust (created by will to be funded upon your death), you must provide the *name of the trustee* and your *social security number*.
- **Other Considerations:** You cannot name yourself as principal or contingent beneficiary. You also cannot name the same person as both principal and contingent beneficiary. A charitable organization or a religious charity cannot be named as beneficiary unless it is a trust.
- **Required Signatures:** You must sign and date the form in the Signature section. Your spouse or another individual must also witness your signature and sign the form in the Signature section.

1 of 2

~~Changing Your Beneficiary:~~ Prior to retirement you may change your beneficiary designation at any time by completing a new Form 2035.

~~THIS IS A LEGAL AND BINDING DOCUMENT AND IS NOT TO BE ALTERED. ALL INFORMATION MUST BE COMPLETED AND THIS FORM MUST BE RECEIVED IN THE FRANKFORT RETIREMENT OFFICE PRIOR TO THE MEMBER'S DEATH TO BE VALID.~~

PRINCIPAL BENEFICIARY SECTION

1. Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Tax ID if Funded Trust: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. street
 City state ZIP

2. Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. street
 City state ZIP

Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. street
 City state ZIP

Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. street
 City state ZIP

CONTINGENT BENEFICIARY SECTION

1. Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Tax ID if Funded Trust: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. Street
 City state ZIP

2. Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. Street
 City state ZIP

Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. Street
 City state ZIP

4. Name: _____ % : _____
 First Last
 Social Security #: _____ Sex: _____
 Date of Birth: _____ Relationship: _____
 Address: _____
 Apt. No. Street
 City state ZIP

~~IF YOU WISH TO NAME MORE THAN FOUR PRINCIPAL OR CONTINGENT BENEFICIARIES, PLEASE CONTACT THE RETIREMENT OFFICE.~~

SIGNATURE SECTION

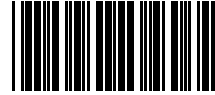
THIS SECTION MUST BE COMPLETED BEFORE WE CAN ACCEPT THIS FORM 2035

Your SSN: _____ Your Signature: _____
 Spouse's Signature: _____ Date Form is Signed: _____
 OR
 Signature of Witness: _____ Your signature must be witnessed by your spouse or by another individual.

Please initial any and all corrections you have made to the form.



KENTUCKY PUBLIC PENSIONS AUTHORITY
 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Print Form

Form 2035
Revised 1/2026**Beneficiary Designation****Member Information** Please provide your Member ID or Social Security Number in the Member ID box below.

Member Name:	Phone (select type) ☐ Mobile ☐ Home ☐ Work	Member ID or SSN:
--------------	--	----------------------

KPPA will update contact information for your retirement account based on the details provided below.

Address:	City:	State:	zip Code:
Member's Date of Birth:	Sex:	Personal Email:	

Notice: This form is not valid unless it is completed correctly and received by the retirement office prior to the member's death.

The member and a witness must sign this form or it will not be accepted. You may name one or more individuals, your estate, or a trust as principal or contingent beneficiary of your retirement account. If you wish to name more than four individuals as principal or contingent beneficiaries, please contact our office. Your beneficiary designation may be changed at any time prior to retirement by filing a new Form 2035.

Principal Beneficiary Section: Please select one of the beneficiary types below by checking the appropriate box. The principal beneficiary will receive benefits in the event of your death.

☐ **Person**

You cannot name yourself as principal beneficiary. You also cannot name the same person as both principal and contingent beneficiary. If you name a single individual as beneficiary, that individual may be eligible for a lifetime benefit upon your death, depending on your total service credit. If you name multiple individuals, your estate or a trust, no lifetime benefit is available. If you name more than one individual as principal beneficiary, you may indicate the percentage each beneficiary is to receive. Percentages for the principal beneficiary section should total but not exceed 100%. If the percentages do not total 100%, the percentages will be adjusted proportionally to equal 100%. If you do not indicate percentages, disbursement of payment will be divided equally among living principal beneficiaries, or if all principal beneficiaries have died, among all living contingent beneficiaries, as provided in KRS 61.542 and 78.545.

Name: _____ %: _____	Name: _____ %: _____
Social Security Number: _____ Sex: _____	Social Security Number: _____ Sex: _____
Date of Birth: _____ Relationship: _____	Date of Birth: _____ Relationship: _____
Address: _____	Address: _____
City: _____ State: _____ Zip Code: _____	City: _____ State: _____ Zip Code: _____

Name: _____ %: _____	Name: _____ %: _____
Social Security Number: _____ Sex: _____	Social Security Number: _____ Sex: _____
Date of Birth: _____ Relationship: _____	Date of Birth: _____ Relationship: _____
Address: _____	Address: _____
City: _____ State: _____ Zip Code: _____	City: _____ State: _____ Zip Code: _____

☐ **My Estate**

If you name your estate as a principal beneficiary, you cannot name a contingent beneficiary. No additional information required.

☐ **Living Trust**

The following information is required to designate a living trust. You must write the name of the trust as it appears in the trust document and submit a copy of the trust with this form. A charitable organization or a religious charity cannot be named as beneficiary unless it is a trust.

Name of Trust:	Trust Tax ID:	Date of Trust:
Trustee or Successor Trustee Contact Information:		
Name:	☐ Mobile ☐ Home ☐ Work	
Address:	City:	State: Zip Code:

☐ **Testamentary Trust**

A testamentary trust is established by the member's will and takes effect following the member's death. No additional information required.

Contingent Beneficiary Section: Please select one of the beneficiary types below by checking the appropriate box. The contingent beneficiary will receive benefits in the event of your death only if all of the named principal beneficiaries are deceased. If you named your estate as the principal beneficiary, you cannot name a contingent beneficiary.

☐ **Person**

You cannot name yourself as contingent beneficiary. You also cannot name the same person as both principal and contingent beneficiary. If you name more than one individual as contingent beneficiary you may indicate the percentage each beneficiary is to receive. Percentages for the contingent beneficiary section should total but not exceed 100%. If you do not indicate percentages, disbursement of payment will be divided equally among living principal beneficiaries, or if all principal beneficiaries have died, among all living contingent beneficiaries, as provided in KRS 61.542 and 78.545.

Name: _____ %: _____	Name: _____ %: _____
Social Security Number: _____ Sex: _____	Social Security Number: _____ Sex: _____
Date of Birth: _____ Relationship: _____	Date of Birth: _____ Relationship: _____
Address: _____	Address: _____
City: _____ State: _____ Zip Code: _____	City: _____ State: _____ Zip Code: _____
Name: _____ %: _____	Name: _____ %: _____
Social Security Number: _____ Sex: _____	Social Security Number: _____ Sex: _____
Date of Birth: _____ Relationship: _____	Date of Birth: _____ Relationship: _____
Address: _____	Address: _____
City: _____ State: _____ Zip Code: _____	City: _____ State: _____ Zip Code: _____

☐ **My Estate**

No additional information required.

☐ **Living Trust**

The following information is required to designate a living trust. You must write the name of the trust as it appears in the trust document and submit a copy of the trust with this form. A charitable organization or a religious charity cannot be named as beneficiary unless it is a trust.

Name of Trust: _____	Trust Tax ID: _____	Date of Trust: _____
Trustee or Successor Trustee Contact Information:		
Name: _____	Phone (select type) ☐ Mobile ☐ Home ☐ Work	
Trustee Address: _____	City: _____	State: _____ Zip Code: _____

☐ **Testamentary Trust**

A testamentary trust is established by the member's will and takes effect following the member's death. No additional information required.

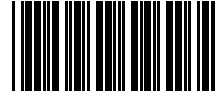


This form is not valid unless signed by the member and witnessed. Please ensure that you have only checked one beneficiary type box in the principal beneficiary section and one beneficiary type box in the contingent beneficiary section. If you select more than one beneficiary type in either section, this form will be considered invalid. Please initial all corrections you have made to the form. Failure to initial changes may cause the form to be invalid.

I hereby certify that the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to penalty of perjury in accordance with KRS 523.010, et seq.

Your Signature: _____	Member ID: _____
Witness Signature: _____ (REQUIRED)	Date: _____


KENTUCKY PUBLIC PENSIONS AUTHORITY

 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

 Form 2040
 1/2026

Change of Contact Information

To ensure Kentucky Public Pensions Authority (KPPA) has current contact information, please complete and return this form to our office as soon as possible. **Please remember:** It is your responsibility to provide and maintain accurate contact information for your retirement account so that KPPA can inform you about your benefits.

Contact Information

Please provide your Member ID or Social Security number in the Member ID box below.

Name: _____ Member ID: _____

Please make sure your current mailing address is on file with your local Post Office, and your employer if you are not retired.

Address: _____ City: _____ State: _____ Zip Code: _____

Please provide at least one phone number below.

 Phone: _____ ☐ Mobile ☐ Home ☐ Work Phone: _____ ☐ Mobile ☐ Home ☐ Work

Please provide your personal email address below. KPPA sends newsletters and general information to you by email.

Personal Email Address: _____

Your preference can be changed at any time by doing one of the following: 1) Log in to Self Service at <https://myretirement.ky.gov/>
 2) Submit Form 2040 (this form) to our office or 3) Call KPPA with your Personal Identification Number (PIN).

☒ **Paperless:** I am requesting to receive my account information in electronic format through email notifications and the Self Service website. I understand that KPPA may still mail some documents to me and that a personal email address must be provided above to complete my request.

☐ **U.S. Mail:** I am requesting to receive my account information by U.S. mail. I understand that KPPA will still email me general information and that a physical mailing address must be provided above to complete my request.

Only a fiduciary may complete this form on behalf of the member or other account holder. If this applies to you:

- A copy of the power of attorney, order appointing guardianship, or other document designating you as a fiduciary must be submitted with this form or already be on file and approved by KPPA.
- Changes to your contact information and communication preferences can only be made by filing this form.

Persons acting as a fiduciary should sign all KPPA documents so that the capacity in which the document is being executed is exactly clear.

If you are acting as a Power of Attorney, you must sign in the name of the principal followed by your signature as the attorney-in-fact with the designation "POA" or "AIF." For example: "John Doe by Jane Doe, POA." If you are acting as a Guardian, you must sign in the name of the ward followed by your signature as the guardian with the designation "Guardian." For example: "John Doe by Jane Doe, Guardian." If you have questions, please contact our office.

Certification

I hereby certify that the information provided on this form is correct and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted false or fraudulent information, I may be liable for repayment of benefits I was not entitled to receive and for civil payments, legal fees, and costs.

Signature: _____

Date: _____

DIRECT ROLLOVER INFORMATION

(To be completed by Trustee of IRA or eligible plan receiving rollover)

Please complete both sections if the distribution will include a taxable portion and a non-taxable portion.

Taxable Portion	
☐	TRADITIONAL INDIVIDUAL RETIREMENT ACCOUNT/ANNUITY
☐	ROTH INDIVIDUAL RETIREMENT ACCOUNT/ANNUITY
☐	401(a) QUALIFIED PLAN, 403(a) QUALIFIED ANNUITY, 403(b) ANNUITY CONTRACT, OR 457(b) GOVERNMENTAL PLAN
Name of Financial Institution: _____	
Make check payable to: _____	
Account number (if applicable): _____	
Mail check to: _____	
As agent for the above named plan, I certify that the above plan is an eligible plan and will accept the rollover for the benefit of the distributee of pre-tax dollars that would otherwise be taxable upon distribution.	
Trustee/Agent signature: _____	
Telephone: _____	
Title: _____ Date: _____	

Non-Taxable Portion	
☐	TRADITIONAL INDIVIDUAL RETIREMENT ACCOUNT/ANNUITY
☐	ROTH INDIVIDUAL RETIREMENT ACCOUNT/ANNUITY
☐	401(a) QUALIFIED PLAN OR 403(b) ANNUITY CONTRACT
Name of Financial Institution: _____	
Make check payable to: _____	
Account number (if applicable): _____	
Mail check to: _____	
As agent for the above named plan, I certify that the above plan is an eligible plan and will accept the rollover for the benefit of the distributee of post-tax dollars, and will separately account for such post-tax dollars. In the case of a 401(a) qualified plan or a 403(b) annuity contract.	
Trustee/Agent signature: _____	
Telephone: _____	
Title: _____ Date: _____	


KENTUCKY PUBLIC PENSIONS AUTHORITY

 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov


Print Form

Form 4525
 Revised 1/2026

Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection

The earliest a refund may be processed is 45 days following termination of employment. KPPA does not guarantee the date a refund will be issued or the date it will be received once mailed from our office.

Required Information: Failure to complete all items and sign this form could result in delays. This form and verification of termination must be on file at the retirement office before a refund or rollover will be issued.

Member Information

Member Name:		Member ID:	
KPPA will update contact information for your retirement account based on the details provided below.			
Address:		City:	State: Zip Code:
Phone (select type) ☐ Mobile ☐ Home ☐ Work		Email:	
Date of Birth:		Gender: ☐ Male ☐ Female	

System	Name of Agency Refund/Rollover Requested From	Termination Date		
		Month	Day	Year
☐ Kentucky Employees Retirement System (KERS)				
☐ County Employees Retirement System (CERS)				
☐ State Police Retirement System (SPRS)				

Distribution of Payment Election: If you are unsure about the information to provide in this section, please contact our office for assistance from a counselor to avoid possible delays in processing your benefits.

I elect a complete distribution of my payment as follows:

If your refund will include taxable monies, you must select one option from this column.

Taxable Portion (Monies have not yet been taxed)

- ☐ Direct Rollover
☐ Paid Directly to me (less 20% withholding*)
☐ Partial Rollover in the amount of \$_____, balance (less 20% withholding*) paid to me.

If your refund will include non-taxable monies, you must select one option from this column.

Non-Taxable Portion (Monies have already been taxed)

- ☐ Direct Rollover
☐ Paid Directly to me
☐ Partial Rollover in the amount of \$_____, balance

Please complete Page 2. Complete Page 3 only if you select a rollover.

Member Information

Member Name: _____

Member ID: _____

Employer Information: If you have terminated employment with a participating agency within the last 6 months, please have your former employer complete the information below.

Employer Name: _____ Employer Code: _____

Termination Date: _____ Were there wages reported to KPPA after termination? ☐ Yes ☐ NoIf so, were those wages earned prior to the termination? ☐ Yes ☐ No

Signature of Agency Official: _____ Date: _____

Printed Name of Agency Official: _____

Title: _____ Agency Phone Number: _____

Acknowledgments: Subject to penalty of KRS 523.100

- I acknowledge that federal and state law both require a bona fide separation from service with all employers participating in the Kentucky Retirement Systems (KRS) and the County Employees Retirement System (CERS) and, in some cases, entities affiliated with participating employers in order for the Kentucky Public Pensions Authority to pay a refund of a retirement account.
- If I am taking a refund of my retirement account, I affirm that I have had a separation from service with all employers participating in the KRS and the CERS. I also affirm that I do not have a prearranged agreement to return to work for a participating employer (including, in some cases, entities affiliated with participating employers) after I have received a refund.
- I understand that the term "separation from service" as used in this affidavit means a complete severance of any kind of employment relationship (including, but not limited to, work as an independent contractor or leased employee) with all employers participating in the KRS and the CERS (including, in some cases, entities affiliated with participating employers).
- I understand that the term "prearranged agreement" as used in this affidavit means any contemplation of return to employment with employers participating in the KRS and the CERS (including, in some cases, entities affiliated with participating employers) after I have received a refund.
- I understand that the terms "employers participating in the KRS and the CERS" and "participating employer" as used in this affidavit are to be construed in a broad manner, and include not only the employer itself, but may also include certain entities affiliated with participating employers, regardless of whether such entities are holding themselves out as legally separate entities. I am aware that I may contact the Kentucky Public Pensions Authority for assistance if I have any questions about whether an entity affiliated with a participating employer may be included in these terms.
- I acknowledge that if I fail to comply with federal and state law regarding bona fide separation from service, I will be required to repay all refunded contributions paid in error.
- I acknowledge that I have full understanding that any person who provides a false statement, report, or representation is subject to the penalty of perjury in accordance with Kentucky Revised Statutes 523.010, et seq.
- I understand that by taking a refund, I am forfeiting all service credit and eligibility for future retirement benefits.
- If I am a Tier 3 member (participation date is on or after January 1, 2014) and I am not eligible to retire, I understand that by taking a refund that is not a retirement benefit, I will be eligible to participate in the KRS and/or CERS again if I should become reemployed with a participating employer, but I will not be able to re-establish my original participation date.
- If I am a Tier 3 member (participation date is on or after January 1, 2014), and I am eligible to retire, and taking a refund that is a retirement benefit, I understand that I will not be eligible to participate in the KRS or the CERS again if I should become reemployed with a participating employer.

Certification

I certify that I have read the enclosed SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS and have selected the distribution option indicated above. I understand that my payment will not be processed until this form is completed and returned to the retirement office. I understand that I have a right to at least 30 days from my receipt of the SPECIAL TAX NOTICE in which to make my decision regarding receipt or rollover of these funds, and by signing and returning this form, I waive my right to the full 30-day period. I understand that if I elect to receive any or all of the taxable portion directly, 20% of the taxable portion paid to me will be withheld for my federal income taxes.* I understand that no tax will be withheld if I have the entire taxable portion rolled over directly to an IRA, qualified plan, or other retirement plan that can accept the rollover. If I elect to have any or all of the payment rolled over, I will have the Trustee receiving the rollover complete page 3 of this form.

*If you are a nonresident alien, the mandatory withholding rate is 30% instead of 20%, unless a tax treaty exemption applies.

Signature: _____ Date: _____

Witness Signature: _____ Date: _____

Note: Signature of Member is required. Signature of Witness is also required. Failure to sign form and have your signature witnessed by another person will result in the form being voided.

Page 2

Member Information

Member Name: _____

Member ID: _____

Direct Rollover Information: To be completed by Trustee of IRA or eligible plan receiving rollover. Please complete both sections if the distribution will include a taxable portion and a non-taxable portion.

Taxable Portion (Monies have not yet been taxed)

- ☐ Traditional Individual Retirement Account/Annuity
- ☐ Roth Individual Retirement Account/Annuity
- ☐ 401(a) Qualified Plan, 403(a) Qualified Annuity, 403(b) Annuity Contract, or 457(b) Governmental Plan
- ☐ SIMPLE IRA that has been established for at least two (2) years

Make check payable to: _____

Account number (if applicable): _____

Send check to: _____

As agent for the above named plan, I certify that the above plan is an eligible plan and will accept the rollover for the benefit of the distributee of pre-tax dollars that would otherwise be taxable upon distribution.

Trustee/Agent

Signature: _____

Phone: _____

Title: _____

Date: _____

Non-Taxable Portion (Monies have already been taxed)

- ☐ Traditional Individual Retirement Account/Annuity
- ☐ Roth Individual Retirement Account/Annuity
- ☐ 401(a) Qualified Plan or 403(b) Annuity Contract

Make check payable to: _____

Account number (if applicable): _____

Send check to: _____

As agent for the above named plan, I certify that the above plan is an eligible plan and will accept the rollover for the benefit of the distributee of post-tax dollars, and will separately account for such post-tax dollars, in the case of a 401(a) qualified plan or a 403 (b) annuity contract.

Trustee/Agent

Signature: _____

Phone: _____

Title: _____

Date: _____



Brief for Administrative Regulations

Date: November 2025

1. **Number and Title of Regulation(s):** 105 KAR 1:330 Purchase of service credit (expires June 2029)
105 KAR 1:261 Repeal of 105 KAR 1:260 Purchase of out-of-state
service credit (expires June 2026)

☐ Emergency Regulation ☐ New Administrative Regulation ☒ Amendment (1:330)
☒ Repealer (1:261) ☐ Amended After Comments (w/SOC) ☐ Not Amended After Comments

2. **Proposed schedule for regulation process:**

File – by January 15, 2026

Public Comment period – through March 31, 2026

Public Hearing – March 23, 2026

ARRS – April 2026 (if no comments are received), May 2026 (if comments are received)

3. **Statutory Authority:** KRS 61.545(9)(e), 61.505(1)(f) and (1)(g)

4. **a) Major Economic Impact Exemption under KRS 13A.105(2)(a):** The regulation will not have a combined implementation and compliance cost of \$500,000 or more over a two-year period. The regulation is already being administered as written.

5. **Summary of the Regulation:** This administrative regulation establishes the requirements and forms for eligibility and purchase of service credit and the filing deadlines on which the cost calculation will be made.

6. **Justification for Amendment(s) or New Regulation(s):** The amendment consolidates 105 KAR 1:260 Purchase of out-of-state service credit, which is being repealed, with this administrative regulation, updates statutory authority and references, removes definitions that are contained in statute and in 105 KAR 1:001 Definitions, aligns language with KRS Chapter 13A drafting requirements, and updates materials incorporated by reference.

7. **Affected Entities:** Approximately 421,609 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System

8. **Is there a cost to or savings for the affected entities or the agency? If so, please explain and include funding source:** There will be no additional costs to comply with the amendment because it is already being implemented as written. The amendment is primarily technical in nature. Administrative expenses of the KPPA are paid from the Retirement Allowance Account (trust and agency funds).

9. **Is Tiering Applied? (Explain why or why not):** Tiering is applied only to the extent that the documentation of service credit to be purchased may differ between hazardous and nonhazardous positions, and in-state or out-of-state service credit.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Amendment)

4 105 KAR1:330. Purchase of service credit.

5 RELATES TO: KRS 16.545,16.645, 61.505, 61.543, 61.552, 61.592, 78.5520, 61.685,
6 78.545, 78.610, 26 U.S.C. 415

7 STATUTORY AUTHORITY: KRS 61.545(9)(e), 61.505(1)(f) and (1)(g)

8 CERTIFICATION STATEMENT: This is to certify that this administrative regulation
9 complies with KRS 13A.150(2) because it does not have a major economic impact.

10 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(f) and (1)(g) and
11 61.645(9)(e) authorize[authorizes] the Kentucky Public Pensions Authority to promulgate
12 administrative regulations on behalf of the Kentucky Retirement Systems and the County
13 Employees Retirement System that are consistent with and necessary or proper to carry out the
14 provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510[~~20~~] to 78.852. KRS 16.545,
15 16.645, 61.543, 61.552, 61.592, 78.5520, 61.685, 78.545, and 78.610 provide for purchasing
16 service credit and out-of-state service credit for Kentucky Employees Retirement Systems
17 members. KRS 16.645(19) and 78.545(7) provide that purchase of service credit for members of
18 the State Police Retirement System and County Employees Retirement System, respectively.
19 shall be administered in the same manner subject to the same limitations and requirements as
20 provided for the Kentucky Employees Retirement System. 26 U.S.C. 415 establishes federal

requirements regarding purchases of service credit. This administrative regulation establishes the requirements and forms for eligibility and purchase of ~~documentation required from the employee or person as proof of eligibility for purchasing~~ service credit, and the filing deadlines on which the cost calculation will be made~~[-and the procedures for purchase of service credit]~~.

Section 1.~~Definitions.~~

(1) ~~Unless otherwise defined in this section, the definitions contained in KRS 16.505, 61.510, and 78.510 shall apply to this administrative regulation.~~

(2) ~~Prior to April 1, 2021, "agency" means the Kentucky Retirement Systems, which administers the State Police Retirement System, the Kentucky Employees Retirement System, and the County Employees Retirement System. Effective April 1, 2021, "agency" means the Kentucky Public Pension Authority, which is authorized to carry out the day-to-day administrative needs of the Kentucky Retirement Systems (comprised of the State Police Retirement System and the Kentucky Employees Retirement System) and the County Employees Retirement System.~~

(3) ~~"File" means delivering or submitting a form to the retirement office by mail, fax, secure email, in-person delivery, or upload via Self Service on the Web site maintained by the agency (if available). A form shall not be deemed filed until it has been received at the retirement office.~~

(4) ~~"Provide" means the agency makes a form or document available to a member, retired member, or person by mail, fax, secure email, or upload via Self Service on the Web site maintained by the agency (if available).~~

(5) ~~"Systems" means the State Police Retirement System, the Kentucky Employees Retirement System, and the County Employees Retirement System.~~

1 ~~(6) "Valid" means that all required sections on a form are completed and all required~~
2 ~~signatures on a form are executed.~~

3 Section 2.] Cost Calculation Date for Determining the Cost of the Service Purchase.

4 (1) The cost calculation date for determining the cost of the service to be purchased shall
5 be the later of the last day of the month:

6 (a) In~~[The last day of the month in]~~ which the request for the cost of the service is filed at
7 the agency~~[retirement office]~~;

8 (b) The~~[last day of the month the]~~ employee or person designates as the intended
9 purchase date;

10 (c) In~~[The last day of the month in]~~ which documentation of the service is filed at the
11 agency~~[retirement office]~~;

12 (d) In~~[The last day of the month in]~~ which the employee attains sufficient service credit
13 to be eligible to make the purchase; or

14 (e) In~~[The last day of the month in]~~ which the employee terminates employment if the
15 employee files a completed Form 4172, Notice of Intent to Transfer Lump Sum Payment(s) to
16 Qualified Employer Sponsored Plan, at the agency~~[retirement office]~~ indicating that the
17 employee intends to defer the employee's lump sum payment for accrued compensatory and
18 annual leave to be paid to the employee at termination to the Kentucky Public Employees
19 Deferred Compensation Authority or other qualified employer sponsored plan. The employee
20 shall then rollover the funds from the Kentucky Public Employees Deferred Compensation
21 Authority or other qualified employer sponsored plan to the agency as payment, in whole or in
22 part, for the employee's service purchase.

23 (2) (a) The purchase deadline date shall be the later of the end of the day as defined by

1 105 KAR 1:001 on the cost calculation date or thirty (30) days from the date the purchase cost is
 2 provided to the employee~~[unless day thirty (30) is a Saturday, Sunday, a public holiday listed in~~
 3 ~~KRS 2.110, a day on which the public office is actually and legally closed, or any other federal~~
 4 ~~or state holiday that disrupts mail service, then the purchase deadline date shall be the next~~
 5 ~~business day].~~

6 (b) Upon discovery of a delay in providing the purchase cost to the employee or person,
 7 the agency may extend the purchase deadline date in paragraph (a).

8 (3) An employee or person shall not make a new request for cost calculation for purchase
 9 of service previously requested until the purchase deadline date has passed.

10 (4) Payment for purchase of service credit shall be filed at the agency~~[retirement office]~~
 11 while the employee is participating in an eligible retirement system and prior to the employee's
 12 termination date, except if the:

13 (a) Purchase~~[If the purchase]~~ of service credit is made pursuant to KRS
 14 61.552(2)(a)~~[under KRS 61.552(2)]~~;

15 (b) Employee~~[If the employee]~~ files a Form 4170, Direct Transfer/Rollover Authorization
 16 Form, at the agency~~[retirement office]~~ while the employee is participating in an eligible
 17 retirement system and prior to the employee's termination date, and~~[so long as]~~ the financial
 18 institution completes the transfer or rollover within sixty (60) days of the payment due date, the
 19 payment for purchase of service credit by transfer or rollover may occur when the employee is
 20 no longer participating in an eligible retirement system and after the employee's termination date;
 21 or

22 (c) Agency~~[If the agency]~~ discovers an error or omission in the service purchase cost
 23 the~~;~~

1 ~~1. Agency~~~~[then the agency]~~ may provide corrected costs to the employee, person,
2 member, or retired member; and~~;~~

3 ~~2. Employee~~~~[to have the service purchase credited to his or her account, the employee],~~
4 person, member, or retired member shall pay any additional amount due for the corrected costs
5 to have the service purchase credited to their account.

6 (5) If the employee elects to purchase only a portion of the service for which they
7 have~~[he or she has]~~ requested a cost calculation, the employee shall be required to obtain a new
8 cost calculation for the remaining service unless the remaining service is service pursuant
9 to~~[under]~~ KRS 61.552(2) or (3).

10 Section 3. General Requirements to Purchase Service.

11 (1) The employee or person shall file at the agency~~[retirement office]~~ all documentation
12 necessary for the agency to determine that the service meets the eligibility requirements for
13 purchase of service.

14 (2) The agency may require that any statement, letter, form, or other document required
15 by~~[in]~~ this administrative regulation be notarized, made under oath as defined in KRS 523.010,
16 or both.

17 (3) An employee or person shall not certify their~~[his or her]~~ own service on any of the
18 statements, letters, forms, or other documents required by this administrative regulation.

19 (4)(a) The agency shall determine how much service is eligible for purchase by statute
20 and shall notify the employee or person in writing of the cost of the service that qualifies for
21 purchase.

22 (b) If the agency determines that the service is not eligible for purchase, it shall notify
23 the employee or person in writing of the reasons.

Section 4. Purchase of Omitted Service.

(1) (a) To purchase omitted service pursuant to KRS 61.552(2) and 78.545, the employee or person shall file at the agency~~[retirement office]~~ a valid Form 4225, Verification of Past Employment.

(b) If the employee or person is seeking to purchase omitted service based on employment with the Executive Branch, copies of personnel and wage records provided by the employer may~~[shall]~~ be filed at the agency~~[retirement office]~~ instead of Form 4225~~[, Verification of Past Employment]~~.

(c) The agency may determine eligibility to purchase omitted service based on records submitted pursuant to KRS 61.675, 78.625, or 105 KAR 1:130 without an application by the employee.

(2) If the agency determines that the employer records~~[submitted on Form 4225, Verification of Past Employment, or the personnel and wage records from the Executive Branch employer]~~ are not sufficient, the agency may require the employee or person to supplement the employer records with copies of check stubs, W-2 forms, personnel action forms, or payroll records in the employee's or person's possession.

(3) If the employee or person does not have additional documentation of the service, the employee or person may file at the agency~~[retirement office]~~ a report of detailed earnings from the Social Security Administration for the period of service, along with two (2) Form 4160s, Affidavit and Certification for Documentation of Service completed by persons who earned, or were eligible for, service for the same period in a state-administered retirement system with the same employer. Each affiant shall detail the employee's or person's employment status and length of service.

Section 5. Purchase of School Board Service. For service with a school board, the employee shall file at the agency~~[retirement office]~~ a valid Form 4225, Verification of Past Employment.

Section 6. Vested Service Purchases.

(1) In order to purchase service credit pursuant to this section, a member shall be:

(a) Participating in one of the retirement systems administered by the Kentucky Public Pensions Authority; and

(b) Vested as defined by KRS 16.505(29), 61.510(22), or 78.510(30).

(2)(a) To purchase service credit for active duty service in the Armed Forces of the United States pursuant to KRS 61.552(5)(d) and 78.545, the employee shall file at the agency~~[retirement office]~~ a copy of the federal form DD-214 or other official military documents clearly indicating the:

1. Date~~[The date]~~ of entry into active duty service;
2. Date~~[The date]~~ of discharge from active duty service; and
3. Type~~[The type]~~ of discharge.

(b) To purchase service credit for service in the National Guard or the military reserve forces pursuant to KRS 61.552(5)(e) and 78.545, including periods of active duty training,~~[or for service in the National Guard,]~~ the employee shall file at the agency~~[retirement office]~~ copies of official military documents clearly indicating the date of entry and current participation or date of discharge.

(c) The documents required by~~[in]~~ paragraphs (a) or (b) of this subsection shall be verified by a statement or letter signed by an authorized employee of the military.

(d) The agency shall verify with the employer the beginning and ending dates of the

period of leave associated with active duty service in the Armed Forces of the United States, or
service in the National Guard[,] or~~service in~~ the military reserve forces.

~~(3)~~~~(2)~~ (a) To purchase service for a period when the employee was on educational, maternity, or sick leave without pay pursuant to KRS 61.552(5)(i) and 78.545, the employee shall file at the agency~~retirement office~~ a statement or letter from the reporting official, personnel director, or agency head certifying the beginning and ending dates of~~the period of leave~~ and the type of leave designated by the employer.

(b) The agency shall verify with the employer the beginning and ending dates of~~the period of~~ educational, maternity, or sick leave without pay.

~~(4)~~~~(3)~~ To purchase state university service pursuant to KRS 61.552(5)(b) and 78.545, the employee shall file at the agency~~retirement office~~ a valid Form 4120, Verification of Employment with a State University.

~~(5)~~~~(4)~~ To purchase federal service pursuant to KRS 61.552(5)(f) and 78.545, the employee shall file at the agency~~retirement office~~ a valid Form 4115, Federal Verification.

~~(6)~~~~(5)~~ (a) To purchase past seasonal, emergency, interim, probationary, temporary, or part-time employment that averages the required hours of work per month pursuant to KRS 61.552(5)(g) and 78.545, the employee shall file at the agency~~retirement office~~ a valid Form 4225, Verification of Past Employment.

(b) If the employee is seeking to purchase service based on past seasonal, emergency, interim, probationary, temporary, or part-time employment with the Executive Branch, documentation to be filed at the agency shall include:

1. Copies~~copies~~ of personnel and wage records provided by the employer;

2. A Form 4225; or

1 3. Other documentation the agency deems necessary to confirm the employment that the
2 service purchase is being based on~~[shall be filed at the retirement office instead of Form 4225,~~
3 ~~Verification of Past Employment]~~.

4 ~~(7)~~~~(6)~~ To purchase service with a non-participating agency whose service is authorized
5 pursuant to KRS 61.552(5)(j) and 78.545, the employee shall file at the agency~~[retirement office~~
6 ~~the following documentation and may be required to file additional information, if necessary for~~
7 ~~determination]~~:

8 (a) The beginning and ending dates of the service and any breaks that may have occurred
9 during the service, listed by fiscal year;

10 (b) The number of calendar months worked;

11 (c) The position title and status, including full-time, part-time, probationary, emergency,
12 seasonal, temporary, or interim;~~[and]~~

13 (d) If the employee participated in a retirement plan, and if so, if the:

14 1. Plan~~[plan]~~ was a defined contribution or defined benefit plan;~~[-and]~~

15 2. Employee~~[if the employee]~~ has taken a refund of contributions to the plan; and

16 (e) Any other documentation the agency deems necessary to determine eligibility.

17 ~~(8)~~~~(7)~~ To purchase urban-county government service pursuant to KRS 61.552(5)(k) and
18 78.545, the employee shall file at the agency~~[retirement office]~~ a valid Form 4131, Verification
19 of Urban-County Government Service.

20 ~~(9)~~~~(8)~~ Out-of-State Service Credit.

21 (a) To purchase service credit for any out-of-state public service pursuant to KRS
22 61.552(5)(c) and 78.545, the employee shall file at the agency~~[retirement office]~~ a valid Form
23 4140, Verification of Out-of-State Service.

1 (b) To purchase nonhazardous out-of-state service credit pursuant to KRS 61.552(5)(c), a
2 member shall:

3 1. Have been employed in a regular, full-time position;

4 2. Have earned the out-of-state service credit in a state or local defined benefit plan other
5 than a plan for teachers; and

6 3. Provide documentation or other evidence that they are not eligible for a retirement
7 benefit from the out-of-state plan for the same period of service.

8 (c) To purchase out-of-state service credit for a hazardous duty position, the employee
9 shall:~~also~~

10 1. File~~file~~ at the agency a Form 4140 and~~retirement office~~ a copy of the description of
11 the duties of the out-of-state position from ~~their~~~~his or her~~ former out-of-state employer~~;~~~~[-]~~

12 2. Meet the eligibility requirements established in subsection (9)(b) of this section;

13 3. Be vested in any system in which the member has a hazardous service account based
14 solely upon service in that system; and

15 4. Have been employed in an out-of-state~~(c) Out of state service credit shall be eligible~~
16 ~~for purchase as hazardous duty if the~~ position ~~that~~ is the same as or substantially similar to
17 positions for which hazardous duty credit has been approved pursuant to, and meets the
18 definition of a hazardous position as established in,~~under~~ KRS 61.592 or 78.5522.

19 (d) Nonhazardous service may not be used to meet the vesting requirement for a
20 hazardous service credit purchase.

21 Section 7. Service Purchase Calculations Based on Actuarial Cost.

22 (1) Except for employees of a school board paid under an employment contract, for a
23 purchase based on the actuarial cost, in accordance with KRS 61.552(10)(a) and 78.545, the

higher of the current rate of pay, final rate of pay, or final compensation times the actuarial age factor shall be~~[determined as follows]~~:

(a) Current rate of pay shall be~~[determined as follows]~~:

1. For an hourly employee paid on a seven and one-half (7 1/2) hour day, the hourly rate times 1,950;

2. For an hourly employee paid on an eight (8) hour day, the hourly rate times 2,080;

3. For an employee paid by the day, the daily rate times 260;

4. For an employee paid by the week, the weekly rate times fifty-two (52);

5. For an employee paid by the month, the monthly rate times twelve (12);

6. For a part-time employee who averages 100 or more hours per month, the hourly rate times hours per day times 260. If the number of hours worked per day is not fixed by the employer, seven and one-half (7 1/2) hours shall be used;

7. For an employee who receives a fixed amount in addition to an hourly, daily, weekly, monthly, or annual rate, the current rate shall include all fixed amounts, averaged into the same period;

8. For an employee simultaneously employed in more than one (1) of the systems, the higher of the combined current rate of pay, combined final rate of pay, or combined final compensation shall be used as of the cost calculation date.

(b) Final compensation shall be determined as of the cost calculation date, except that if the agency provides or corrects a cost calculation for a retired member, final compensation shall be based on the definition of final compensation as established in 105 KAR 1:001 in effect on their retirement date. To determine final compensation in effect for the cost calculation or correction for a retired member, the agency shall use~~[the final compensation of nonhazardous~~

1 ~~members of the County Employees Retirement System or Kentucky Employees Retirement~~
 2 ~~System with an effective retirement date within the window provided in KRS 61.510(14)(b) and~~
 3 ~~78.510(14)(b) shall be based on the three (3) fiscal years with the highest average monthly~~
 4 ~~earnings if the sum of the employee's service when added to his age would equal at least seventy-~~
 5 ~~five (75), assuming] the employee's actual service, including[includes]:~~

6 1. All service~~[remaining on an active installment purchase agreement;~~
 7 2. All service] which the employee purchased pursuant to~~[is eligible to purchase under]~~
 8 KRS 61.552(2), 61.552(3), and 78.545; and

9 2. The employee's age at retirement~~[3. All service the employee would accrue if~~
 10 ~~employment continued through December 31, 2008.~~

11 ~~(c) The employee's age [rounded to the nearest year as of the cost calculation date shall~~
 12 ~~be used].~~

13 ~~(c)[(d)]~~ The benefit factor used to determine the actuarial cost, in accordance with KRS
 14 61.552(10)(a) and 78.545, shall be the benefit factor to which the employee is entitled on the first
 15 day of the month following the cost calculation date, except that the benefit factor for
 16 nonhazardous employees of the County Employees Retirement System and the Kentucky
 17 Employees Retirement System with an effective retirement date within the window
 18 established~~[provided]~~ in KRS 61.510(14)(b) and 78.510(14)(b) shall be the highest benefit factor
 19 to which the employee would be entitled, assuming total service as determined in paragraph (b)
 20 of this subsection.

21 (2) For employees of a school board paid under an employment contract, for a purchase
 22 based on the actuarial cost, in accordance with KRS 61.552(10)(a) and 78.545, the higher of the
 23 current rate of pay, final rate of pay, or final compensation times the actuarial age factor shall

1 be~~determined as follows~~]:

2 (a) The current rate of pay shall be equal to the final compensation as of the cost
3 calculation date.

4 (b) Final compensation shall be determined as of the cost calculation date, except that the
5 final compensation of nonhazardous members of the County Employees Retirement System or
6 Kentucky Employees Retirement System with an effective retirement date within the window
7 established~~provided~~ in KRS 61.510(14)(b) and 78.510(14)(b) shall be based on the three (3)
8 fiscal years with the highest average monthly earnings if the sum of the employee's service when
9 added to their~~his~~ age would equal at least seventy-five (75), assuming the employee's service
10 includes all service:

11 1. Remaining~~All service remaining~~ on an active installment purchase agreement;

12 2. Which~~All service which~~ the employee is eligible to purchase under KRS 61.552(2),
13 61.552(3), and 78.545; and

14 3. The~~All service the~~ employee would accrue if employment continued through
15 December 31, 2008.

16 (c) The employee's age rounded to the nearest year as of the cost calculation date shall be
17 used.

18 (d) The benefit factor used to determine the actuarial cost, in accordance with KRS
19 61.552(10)(a) and 78.545, shall be the benefit factor to which the employee is entitled on the first
20 day of the month following the cost calculation date, except that the benefit factor for
21 nonhazardous employees of the County Employees Retirement System and the Kentucky
22 Employees Retirement System with an effective retirement date within the window
23 established~~provided~~ in KRS 61.510(14)(b) and 78.510(14)(b) shall be the highest benefit factor

1 to which the employee would be entitled, assuming total service as determined in paragraph (b)
2 of this subsection.

3 Section 8. Correction Upon Discovery of Error or Omission in Service Purchase Costs.

4 (1) After the employee, member, or retired member has purchased service, the agency
5 may recalculate the cost of the service if, upon audit, the agency determines that any of the
6 information utilized to calculate the cost of the service was incorrect.

7 (2) If the recalculation results in an increase in the cost of \$100 or more, the employee or
8 person, member, or retired member shall have thirty (30) days to pay the additional amount.

9 (3) If the employee, member, retired member, or the employer, fails to pay the additional
10 amount, the employee's, member's, or retired member's service shall be reduced to the next lower
11 increment or number of months for which the employee, member, or retired member is eligible
12 based on the original payment, and the difference shall be refunded to the employee, member, or
13 retired member.

14 Section 9. Special Considerations for Purchase of Refunded or Past Service.

15 (1) The verified wages associated with service purchased under the provisions of KRS
16 61.552 and 78.545 that would have qualified as creditable compensation shall be added to the
17 employee's account and shall be used in determining the employee's final compensation.

18 (2) An employee purchasing service pursuant to~~[under the preceding]~~ subsection (1) of
19 this section by increments or by installment purchase agreement shall have the service credited in
20 chronological order beginning with the earliest service.

21 Section 10. Incorporation by Reference.

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

23 (a) Form 4172, "Notice of Intent to Transfer Lump Sum Payment(s) to Qualified

- 1 Employer Sponsored Plan," April 2021;
- 2 (b) Form 4170, "Direct Transfer/Rollover Authorization Form" 1/2026~~[April 2021]~~;
- 3 (c) Form 4225, "Verification of Past Employment," 1/2026~~[April 2021]~~;
- 4 (d) Form 4160, "Affidavit and Certification for Documentation of Service," September
- 5 2010;
- 6 (e) Form 4120, "Verification of Employment with a State University," April 2021;
- 7 (f) Form 4115, "Federal Verification," 1/2026~~[April 2021]~~;
- 8 (g) Form 4131, "Verification of Urban-County Government Service," April 2021; and
- 9 (h) Form 4140, "Verification of Out-of-State Service," April 2021.
- 10 (2) This material may be inspected, copied, or obtained, subject to applicable copyright
- 11 law, at the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky
- 12 40601, Monday through Friday, 8 a.m. to 4:30 p.m. or on the agency website at kyret.ky.gov.

105 KAR 1:330 Purchase of service credit 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 March 23, 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 March 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
1260 Louisville Road
Frankfort, Kentucky 40601
Phone (502) 696-8679
Fax (502) 696-8615
Email: Legal.Non-Advocacy@kyret.ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 1:330

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

Subject Headings: Boards and Commissions, Local Governments, Retirements and Pensions, State Employees, State Police

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the requirements and forms for eligibility and purchase of service credit and the filing deadlines on which the cost calculation will be made.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the requirements and forms for eligibility and purchase of service credit, and the filing deadlines on which the cost calculation will be made.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(f) and (1)(g) and 61.645(9)(e) authorize 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 necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. KRS 16.545, 16.645, 61.543, 61.552, 61.592, 78.5520, 61.685, 78.545, and 78.610 provide for purchasing service credit and out-of-state service credit for Kentucky Employees Retirement Systems members. KRS 16.645(19) and 78.545(7) provide that purchase of service credit for members of the State Police Retirement System and County Employees Retirement System, respectively, shall be administered in the same manner submit to the same limitations and requirements as provided for the Kentucky Employees Retirement System. 26 U.S.C. 415 establishes federal requirements regarding purchases of service credit. This administrative regulation establishes the requirements and forms for eligibility and purchase of service credit, and the filing deadlines on which the cost calculation will be made.

(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 requirements and forms for eligibility and purchase of service credit, and the filing deadlines on which the cost calculation will be made.

(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: The amendment to this administrative regulation updates statutory authority and references,

consolidates 105 KAR 1:260 Purchase of out-of-state service credit, which is being repealed, with this administrative regulation, removes definitions that are contained in statute and in 105 KAR 1:001 Definitions, aligns language with KRS Chapter 13A drafting requirements, and updates materials incorporated by reference.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to update statutory authority and references, consolidate 105 KAR 1:260 Purchase of out-of-state service credit, which is being repealed, with this administrative regulation, remove definitions that are contained in statute and in 105 KAR 1:001 Definitions, align language with KRS Chapter 13A drafting requirements, and update materials incorporated by reference.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(f) and (1)(g) and 61.645(9)(e) authorize 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 necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. KRS 16.545, 16.645, 61.543, 61.552, 61.592, 78.5520, 61.685, 78.545, and 78.610 provide for purchasing service credit and out-of-state service credit for Kentucky Employees Retirement Systems members. KRS 16.645(19) and 78.545(7) provide that purchase of service credit for members of the State Police Retirement System and County Employees Retirement System, respectively, shall be administered in the same manner submit to the same limitations and requirements as provided for the Kentucky Employees Retirement System. 26 U.S.C. 415 establishes federal requirements regarding purchases of service credit. This administrative regulation establishes the requirements and forms for eligibility and purchase of service credit, and the filing deadlines on which the cost calculation will be made.

(d) How the amendment will assist in the effective administration of the statutes: The amendment to this administrative regulation will assist in the effective administration of the statutes by updating statutory authority and references, consolidating 105 KAR 1:260 Purchase of out-of-state service credit, which is being repealed, with this administrative regulation, removing definitions that are contained in statute and in 105 KAR 1:001 Definitions, aligning language with KRS Chapter 13A drafting requirements, and updating materials incorporated by reference.

(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.}

KRS 61.505 - Amended 2024 Ky. Acts ch. 55, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 28, sec. 1, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 2, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 76, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 2, effective April 1, 2021.

KRS 61.543 - Amended 2021 Ky. Acts ch. 102, sec. 49, effective April 1, 2021.

KRS 61.552 - Amended 2024 Ky. Acts ch. 55, sec. 8, effective July 15, 2024. -- Amended 2022 Ky. Acts ch. 165, sec. 5, effective July 14, 2022. -- Repealed and reenacted 2021

Ky. Acts ch. 102, sec. 52, effective April 1, 2021. -- Amended 2020 Ky. Acts ch. 79, sec. 43, effective April 1, 2021. KRS 61.592

KRS 61.645 - Amended 2024 Ky. Acts ch. 55, sec. 13, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 94, sec. 3, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 12, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 66, effective April 1, 2021. -- Amended 2020 Ky. Acts ch. 79, sec. 4, effective April 1, 2021.

KRS 61.685 - Amended 2024 Ky. Acts ch. 55, sec. 15, effective July 15, 2024. -- Amended 2021 Ky. Acts ch. 189, sec. 1, effective June 29, 2021.

KRS 78.5520 - Created 2021 Ky. Acts ch. 102, sec. 6, effective April 1, 2021.

KRS 78.545 - Amended 2021 Ky. Acts ch. 102, sec. 20, effective April 1, 2021.

KRS 78.610 - Amended 2021 Ky. Acts ch. 102, sec. 21, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Of approximately 433,461 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System, those who wish to purchase service credit are affected by this administrative regulation.

(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 the administrative regulation is already being implemented as written. The amendments are primarily technical in nature.

(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 because it is already being implemented as written. The amendment is primarily technical in nature.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community will benefit from having a consolidated administrative regulation that addresses purchases of both in-state and out-of-state service credit, removing definitions that are contained in statute and in 105 KAR 1:001 Definitions, and updated materials incorporated by reference.

(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 regulation is already being implemented as written.

(b) On a continuing basis: There will be no additional costs because 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) Tiering is applied only to the extent that the documentation of service credit to be purchased may differ between hazardous and nonhazardous positions, and in-state or out-of-state service credit.

FISCAL IMPACT STATEMENT

105 KAR 1:330

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 61.545(9)(e), 61.505(1)(f) and (1)(g), 16.545, 16.645, 61.543, 61.552, 61.592, 61.685, 78.5520, 78.545, 78.610, 26 U.S.C. 415

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act: KRS 61.545(9)(e), 61.505(1)(f) and (1)(g), 16.545, 16.645, 61.543, 61.552, 61.592, 78.5520, 61.685, 78.545, and 78.610.

(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 affected 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. It is already being implemented as written

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed its costs and procedures to implement the purchase of in-state and out-of-state service credit.

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

(b) The methodology and resources used to reach this conclusion: The agency analyzed its costs and procedures to implement the purchase of in-state and out-of-state service credit.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 1:330

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

- (1) Federal statute or regulation constituting the federal mandate. 26 U.S.C. 415(c)
- (2) State compliance standards. KRS 16.545, 16.645, 61.543, 61.552, 61.592, 78.5520, 61.685, 78.545, and 78.610.
- (3) Minimum or uniform standards contained in the federal mandate. 26 U.S.C. 415(c) sets limits on annual additions to a participant's retirement account, such as purchase of service credit.
- (4) Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate? No.
- (5) Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. This administrative regulation does not impose a stricter standard, or additional or different responsibilities or requirements than the federal law.

SUMMARY OF MATERIALS INCORPORATED BY REFERENCE

Form 4172, "Notice of Intent to Transfer Lump Sum Payment(s) to Qualified Employer Sponsored Plan", KPPA, April 2021, is the one-page form used by members to notify the agency of their intent to transfer a lump-sum payment to a state-administered plan to purchase service credit.

Form 4160, "Affidavit and Certification for Documentation of Service", KPPA, September 2010, is the two-page form affidavit to verify past employment that may qualify as service credit when other records are insufficient or unavailable.

Form 4120, "Verification of Employment with a State University", KPPA, April 2021, is the one-page form used to verify a member's prior employment with a state university that may qualify as service credit.

Form 4131, "Verification of Urban-County Government Service", KPPA, April 2021, is the one-page form used to verify a member's prior employment with an urban-county government that may qualify as service credit.

Form 4140, "Verification of Out-of-State Service", KPPA, April 2021, is the two-page form used to verify a member's prior out-of-state service that may qualify as service credit.

SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 4170, "Direct Transfer/Rollover Authorization Form", KPPA, January 2026, is the one-page form a member uses to direct their financial institution to transfer or rollover their assets in order to purchase credit for qualified retirement service.

Changes made to the previous form include:

Member Information Section:

Statement added: "KPPA will update contact information for your retirement account based on the details provided below."

Statement added: "Submit to your financial institution for completion of Section 2."

Financial Institution Information Section:

Instructions to mail payments to KPPA added.

Authorized Signature and date lines beneath the address line, and Title beneath signature line.

Form 4225, "Verification of Past Employment", KPPA, January 2026, is the two-page form sent to a member's prior employer(s), which in turn are submitted to KPPA, to verify past employment that may qualify as service credit.

Changes made to the previous form include:

Member Information Section – Statement added "KPPA will update contact information for your retirement account based on the details provided below."

Statement regarding missing service credit removed; added "Missing Service" to field for

dates of service.

Employer Instructions revised for clarity regarding why and who must complete information, KPPA correction of misreported information and corresponding statutory references, requiring a copy of the contract for contract employees, and citation to 105 KAR 1:140 requirement for a prompt reply.

Certification statement expanded to include statutory reference for perjury and liability for false or fraudulent claims.

Form 4115, "Federal Verification", KPPA, January 2026, is the two-page form used to verify a member's federal government employment that may qualify as service credit.

Changes made to the previous form include:

Section 1 – Statement added "KPPA will update contact information for your retirement account based on the details provided below."

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Repealer)

4 105 KAR 1:261. Repeal of 105 KAR 1:260.

5 RELATES TO: KRS 61.505(g)

6 STATUTORY AUTHORITY: KRS 61.505(1)(g), 61.645(9)(e)

7 CERTIFICATION STATEMENT: This is to certify that this administrative regulation
8 complies with KRS 13A.150(2) because it does not have a major economic impact.

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) and 61.645(9)(e)
10 authorize the Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems
11 and County Employees Retirement System to promulgate administrative regulations that are
12 consistent with and necessary or proper to carry out the provisions of KRS 16.505 to 16.652,
13 61.505 to 61.705, and 78.510 to 78.852. This administrative regulation repeals 105 KAR 1:260
14 Purchase of out-of-state service credit which is being consolidated with 105 KAR 1:330
15 Purchase of service credit.

16 Section 1. 105 KAR 1:260, Purchase of out-of-state service credit, is hereby repealed.

105 KAR 1:261 Repeal of 105 KAR 1:260 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 March 23, 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 March 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
1260 Louisville Road
Frankfort, Kentucky 40601
Phone (502) 696-8679
Fax (502) 696-8615
Email: Legal.Non-Advocacy@kyret.ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 1:261

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

Summary Headings: Boards and Commissions, Local Governments, Retirements and Pensions, State Employees, State Police

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation repeals 105 KAR 1:260 Purchase of out-of-state service credit which is being consolidated with 401 KAR 1:330 Purchase of service credit.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to repeal 105 KAR 1:260 Purchase of out-of-state service credit which is being consolidated with 401 KAR 1:330 Purchase of service credit.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) and 61.645(9)(e) authorize the Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County Employees Retirement System to promulgate administrative regulations that are consistent with and necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. KRS 13A.310 provides for the repeal of administrative regulations.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation will assist in the effective administration of the statutes by repealing 105 KAR 1:260 Purchase of out-of-state service credit which is being consolidated with 401 KAR 1:330 Purchase of service credit.

(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: This administrative regulation is a repealer.

(b) The necessity of the amendment to this administrative regulation: This administrative regulation is a repealer.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation is a repealer.

(d) How the amendment will assist in the effective administration of the statutes: This

administrative regulation is a repealer.

(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.}

KRS 61.505 - Amended 2024 Ky. Acts ch. 55, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 28, sec. 1, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 2, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 76, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 2, effective April 1, 2021.

KRS 61.645 - Amended 2024 Ky. Acts ch. 55, sec. 13, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 94, sec. 3, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 12, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 66, effective April 1, 2021. -- Amended 2020 Ky. Acts ch. 79, sec. 4, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation affects those members, of approximately 433,461 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System, that wish to purchase service credit.

(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 401 KAR 1:260 Purchase of out-of-state service credit is being consolidated with 105 KAR 1:330 Purchase of service credit. The process and eligibility for purchase of service credit is already being implemented as written.

(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 this repealer because purchase of service credit is already being implemented as written.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community will benefit from having a single, streamlined regulation regarding purchase of service credit.

(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 to implement this repealer because purchase of service credit is already being implemented as written.

(b) On a continuing basis: There will be no additional costs to implement this repealer

because purchase of service credit 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) No, tiering is not applied. This administrative regulation is a repealer.

FISCAL IMPACT STATEMENT

105 KAR 1:261

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 13A.310, 61.505(1)(g) and 61.645(9)(e).

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act: KRS 13A.310, 61.505(1)(g) and 61.645(9)(e)

(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): This administrative regulation affects those members, of approximately 433,461 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System, that wish to purchase service credit.

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

(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 repealer will have no fiscal impact.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for implementing purchase of service credit for participants.

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

(b) The methodology and resources used to reach this conclusion: The agency analyzed costs and procedures for implementing purchase of service credit for participants.


KENTUCKY PUBLIC PENSIONS AUTHORITY

 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov


Print Form

Form 4115

Revised

1/2026 [04/2021]

Federal Verification
The purchase of service credit for previous employment by the Federal Government is provided for and subject to provisions of KRS 61.552, 105 KAR 1:330 and other applicable state and federal laws and regulations.

Summary of statutory requirements to purchase federal service:

1. You are currently participating in one of the systems administered by Kentucky Public Pensions Authority.
2. If you are less than age 65, you must have at least 60 months of service credit in the systems administered by the Kentucky Public Pensions Authority. If you are age 65 or more, you must have at least 48 months of service credit in the systems administered by Kentucky Public Pensions Authority.
3. While employed by the Federal Government, either the employee must not have participated in a retirement plan or has now withdrawn all funds from the retirement plan and is no longer eligible for a benefit based on this service.
4. If you were employed as a seasonal or temporary employee by the Federal Government, the employment must have exceeded the guidelines set by KRS 61.510 or KRS 78.510.

Section 1: Member Information

Member Name:		Member ID:	
KPPA will update contact information for your retirement account based on the details provided below.			
Address:	City:	State:	Zip Code:
Work Phone:	Home Phone:		
Personal Email:			
I wish to purchase service credit for employment with the federal government. I hereby authorize the federal government to release my personnel records to the Kentucky Public Pensions Authority.			
Signature: _____		Date: _____	

Section 2. Certification of Dates of Federal Government Employment

Forward the form to the following address for completion of this section:

National Personnel Records Center
Civilian Personnel Records
1411 Boulder Boulevard
Valmeyer, IL 62295

Name of Federal Agency	Dates Employed		Job Title	Employment Status: Regular, Seasonal, Temporary, etc.	Employment Classification: Full-time (100+ hours/month) Part time (<100 hours/month)
	From Month/Day/Year	To Month/Day/Year			

Signature: _____

Title: _____

Phone: _____

Date: _____

Section 3. Certification of Participation

Forward this form to the following address for completion of this section:

US Office of Personnel Management
Retirement Programs
1900 E. Street, NW
Washington, DC 20415-3000
Phone Number: 888-767-6738

1. The member named on the front of this form participated in a retirement plan for the period of employment certified in Section 2.

☐ Yes ☐ No

2. Is the plan a: ☐ Defined Benefit Plan ☐ Defined Contribution Plan

☐ Other If other, please explain: _____

3. Did the Employee receive a refund of retirement contributions? ☐ Yes ☐ No

If "yes", what was the date of withdrawal: _____

4. Is the employee entitled to benefits for this period of employment? ☐ Yes ☐ No

Signature: _____

Title: _____

Phone: _____

Date: _____

When all sections have been completed, please return this form to Kentucky Public Pensions Authority at
1260 Louisville Road, Frankfort, KY 40601.

**KENTUCKY PUBLIC PENSIONS AUTHORITY**

1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

**Form 4115**

Revised 1/2026

Federal Verification

The purchase of service credit for previous employment by the Federal Government is provided for and subject to provisions of KRS 61.552, 105 KAR 1:330 and other applicable state and federal laws and regulations.

Summary of statutory requirements to purchase federal service:

1. You are currently participating in one of the systems administered by Kentucky Public Pensions Authority.
2. If you are less than age 65, you must have at least 60 months of service credit in the systems administered by the Kentucky Public Pensions Authority. If you are age 65 or more, you must have at least 48 months of service credit in the systems administered by Kentucky Public Pensions Authority.
3. While employed by the Federal Government, either the employee must not have participated in a retirement plan or has now withdrawn all funds from the retirement plan and is no longer eligible for a benefit based on this service.
4. If you were employed as a seasonal or temporary employee by the Federal Government, the employment must have exceeded the guidelines set by KRS 61.510 or KRS 78.510.

Section 1: Member Information

Member Name:		Member ID:	
KPPA will update contact information for your retirement account based on the details provided below.			
Address:	City:	State:	Zip Code:
Work Phone:	Home Phone:		
Personal Email:			
I wish to purchase service credit for employment with the federal government. I hereby authorize the federal government to release my personnel records to the Kentucky Public Pensions Authority.			
Signature: _____		Date: _____	

Section 2. Certification of Dates of Federal Government Employment

Forward the form to the following address for completion of this section:

**National Personnel Records Center
 Civilian Personnel Records
 1411 Boulder Boulevard
 Valmeyer, IL 62295**

Name of Federal Agency	Dates Employed		Job Title	Employment Status: Regular, Seasonal, Temporary, etc.	Employment Classification: Full-time (100+ hours/month) Part time (<100 hours/month)
	From Month/Day/Year	To Month/Day/Year			

Signature: _____ Title: _____
 Phone: _____ Date: _____

Section 3. Certification of Participation

Forward this form to the following address for completion of this section:

US Office of Personnel Management
Retirement Programs
1900 E. Street, NW
Washington, DC 20415-3000
Phone Number: 888-767-6738

1. The member named on the front of this form participated in a retirement plan for the period of employment certified in Section 2.

☐ Yes ☐ No

2. Is the plan a: ☐ Defined Benefit Plan ☐ Defined Contribution Plan

☐ Other If other, please explain: _____

3. Did the Employee receive a refund of retirement contributions? ☐ Yes ☐ No

If "yes", what was the date of withdrawal: _____

4. Is the employee entitled to benefits for this period of employment? ☐ Yes ☐ No

Signature: _____

Title: _____

Phone: _____

Date: _____

When all sections have been completed, please return this form to Kentucky Public Pensions Authority at
1260 Louisville Road, Frankfort, KY 40601.



KENTUCKY PUBLIC PENSIONS AUTHORITY
 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 4120
 Revised 04/2021

Verification of Employment With a State University

The purchase of university service in full or in 12 month increments shall be subject to the provisions of KRS 61.552, 105 KAR 1:330, and other applicable state and federal laws and regulations.

Summary of statutory requirements to purchase state university service:

1. You did not participate in a defined benefit retirement program at the state university.
2. You are currently participating in one of the systems administered by Kentucky Public Pensions Authority.
3. If you are less than age 65, you must have at least 60 months of service credit in the systems administered by the Kentucky Public Pensions Authority. If you are age 65 or more, you must have at least 48 months of service credit in the systems administered by Kentucky Public Pensions Authority.
4. The position at the state university must have been a non-instructional position and qualified as a "regular full-time position" as defined by law.

Section 1: Member Information

Member Name:			Member ID:		
Work Phone:			Home Phone:		
Address:		City:	State:	Zip Code:	
I wish to purchase service credit for employment with a state university. I hereby authorize the state university to release my personnel records to the Kentucky Public Pensions Authority.					
Signature: _____			Date: _____		

Section 2: To be completed by an authorized representative of the state university.

Name of University	Dates Employed		Job Title	Employment Status: Regular, Seasonal, Temporary, etc.	Employment Classification: Full-time (100 hours/month) Part time, etc.
	From	To			

Signature of Agency Official: _____ Phone Number: _____
 Title: _____ Date: _____

Section 3: To be completed by an authorized representative of the retirement plan.

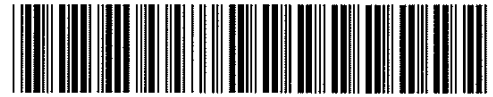
1. Did the employee participate in a retirement plan? ☐ Yes ☐ No
2. In which type of plan did the employee participate? ☐ Defined Benefit ☐ Defined Contribution
3. Please provide dates of participation: From: _____ To: _____

Signature of Agency Official: _____ Phone Number: _____
 Title: _____ Date: _____

When all sections have been completed, please return this form to Kentucky Public Pensions Authority at
 1260 Louisville Road, Frankfort, KY 40601.



KENTUCKY PUBLIC PENSIONS AUTHORITY
 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 4131
 Revised 04/2021

Verification of Urban-County Government Service

The purchase of urban-county government service in full or in 12 month increments shall be subject to the provisions of KRS 61.552, 105 KAR 1:330, and other applicable state and federal laws and regulations. Kentucky law provides for the purchase of public service credit with an urban-county government subject to the following restrictions:

1. You must be an employee participating in a hazardous position in one of the systems administered by Kentucky Public Pensions Authority.
2. If you are less than age 65, you must have at least 60 months of service credit in the systems administered by Kentucky Public Pensions Authority. If you are age 65 or older, you must have at least 48 months of service credit in the systems administered by Kentucky Public Pensions Authority.
3. The period of employment must be considered full-time and qualify for hazardous duty coverage under KRS 61.592.
4. To determine if the period of employment verified meets the criteria for a hazardous position, you must submit a job description with this form.
5. You must have received a refund of the retirement account or must be ineligible for a benefit from the period of service.

Section 1: Member Information

You must submit a job description with this form.

Member Name:		Member ID:	
Home Phone:		Work Phone:	
Address:	City:	State:	Zip Code:
I wish to purchase service credit for public service with an urban-county government. I hereby authorize the release of all pertinent personnel or retirement information to the Kentucky Public Pensions Authority for this purpose.			
Signature: _____		Date: _____	

Section 2: Certification of Public Service and Pension Claim

From official records, I certify that the above individual was employed in a regular **full-time** position averaging 100 or more hours of work per month for the periods shown and that the individual participated in a defined benefit retirement plan.

Name of Employer	Position	From month/day/year	To month/day/year	Months Worked in Period Shown

1. Did the member participate in _____ for the period of employment certified above?
 Name of Retirement System

☐ Yes ☐ No

2. Is the plan a defined benefit plan? ☐ Yes ☐ No

3. Has the member withdrawn the account? ☐ Yes ☐ No Date of Withdrawal: _____

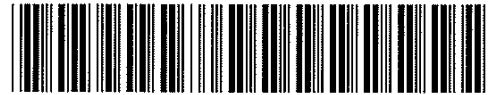
4. Is the member receiving or entitled to receive a benefit from the retirement plan based on any of the service certified by the employer in Section 2? ☐ Yes ☐ No

Signature: _____ Title: _____ Date: _____

When all sections have been completed, please return this form to Kentucky Public Pensions Authority at
 1260 Louisville Road, Frankfort, KY 40601.



KENTUCKY PUBLIC PENSIONS AUTHORITY
 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 4140
 Revised 04/2021

Verification of Out of State Service

The purchase of public service credit in a position outside of Kentucky in full or in 12 month increments shall be subject to the provisions of KRS 61.552, 105 KAR 1:260 and other applicable state and federal laws and regulations.

Summary of statutory requirements to purchase out of state service:

1. You are currently participating in one of the systems administered by Kentucky Public Pensions Authority.
2. If you are less than age 65, you must have at least 60 months of service credit in the systems administered by the Kentucky Public Pensions Authority. If you are age 65 or more, you must have at least 48 months of service credit in the systems administered by Kentucky Public Pensions Authority.
3. The period of employment must be considered full-time, averaging 100 or more hours per month over the period of employment.
4. The period must have been credited under a defined benefit retirement plan administered by the state or local government, other than a plan for teachers.
5. If hazardous service credit is desired, the position must meet the definition of hazardous in KRS 61.592 before it can be credited to the member's account.
6. The individual must have received a refund of the retirement account or must be ineligible for a benefit from the period of service.

Section 1: Member Information

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Work Phone:		Home Phone:	
I wish to purchase service credit for public service outside the state of Kentucky. I hereby authorize the release of all pertinent personnel or retirement information to the Kentucky Public Pensions Authority for this purpose.			
I am seeking ☐ Regular Service ☐ Hazardous Service If the hazardous service block is checked, a copy of the job or position description must be included with the employer's certification.			
Signature: _____		Date: _____	

Section 2: Employer's Certification of Public Service Claim

To be completed by the former employer. Complete this section then forward to the Retirement System indicated below. Please attach a job description if the employee checked the hazardous service box above.

From official records, I certify that the above individual was employed in a regular full-time position averaging 100 or more hours of work per month for the periods shown and that the individual was required to participate in a state administered defined benefit retirement plan, other than a plan for teachers, by reason of his employment.

Name of Employer	Position	From Month/Day/Year	To Month/Day/Year	Months Worked to Period Shown

Name of Retirement System: _____	
Comments: _____	
Title: _____	Phone: _____
Address: _____	City: _____ State: _____ Zip Code: _____
Signature: _____	Date: _____

Section 3: Retirement System's Certification of Participation

To be completed by the former retirement system after Section 2 has been completed by the employer.

1. The member named on this form participated in _____
Name of Retirement System

For the period of employment certified above? ☐ Yes ☐ No

2. Is the plan a defined benefit plan? ☐ Yes ☐ No

3. Is the plan administered by the: ☐ State ☐ Local Government

4. Has the member withdrawn the account? ☐ Yes ☐ No Date of Withdrawal: _____

5. Is the member receiving or entitled to receive a benefit from the retirement system based on any of the service certified by the employer in Section 2. ☐ Yes ☐ No

Name of Retirement System: _____

Comments: _____

Title: _____ Phone: _____

Address: _____ City: _____ State: _____ Zip Code: _____

Signature: _____ Date: _____

Acknowledgement

State of: _____

County of: _____

Section 3 was acknowledged before me, a Notary Public, this _____ day of _____ 20_____.

(Notary Seal) Notary Public _____

My Commission Expires: _____

When all sections have been completed, please return this form to Kentucky Public Pensions Authority at
1260 Louisville Road, Frankfort, KY 40601

**Kentucky Retirement Systems**

Perimeter Park West • 1260 Louisville Rd. • Frankfort KY 40601-6124
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 4160
 Revised 09/2010

Affidavit**Member Information**

Member Name: _____

Member ID: _____

Required Documentation

In order to purchase service credit, you must have the agency you worked for during the period of time in question provide verification to our office by submitting Form 4225 - Verification of Past Employment or other valid payroll documentation. If you have not yet submitted this information, please contact our office at 1-800-928-4646 for assistance.

If the agency has notified KRS that records are not available or was not able to provide sufficient documentation to verify your employment, you may attempt to verify the period of employment by submitting a Social Security Quarterly Breakdown (SSA 7050 F4) and two affidavits for the period of time in question. The required affidavits must be from two different individuals who are eligible for retirement service credit for the period of time in question, whether they actually contributed, are eligible to purchase it through a delayed purchase or recontribution of a refund, or received it through alternate participation. If affidavits are submitted, a Social Security Quarterly Earnings Statement, W2's, or other valid payroll records must accompany them.

The submission of affidavits and payroll records does not guarantee the eligibility to purchase service credit.

Employment History

I, _____, swear and affirm that I was employed without any breaks in service by _____ for the following periods of time:

Dates Employed						Employment Status Specify one of the following: Regular Full-time, Seasonal Full-time, or Temporary (Probation) Full-time	Received a Salary for Not Less Than Specify one of the following: 80 hours (School Board employees only) or 100 hours (All other employees)
From			To				
Month	Day	Year	Month	Day	Year		

Member Certification

I state that I have full knowledge of the penalty in KRS 523.100 of the penal law, whereby a person falsifying records or attempting to defraud the Kentucky Retirement Systems shall be punished by a fine or imprisonment or both, and that the information provided in this document is true and accurate.

Signature: _____

Notary _____

State of: _____ County of: _____

This instrument was acknowledged before me this _____ day of _____, _____

Notary Public _____ My Commission Expires: _____

Form 4160
Revised 09/2010

Member Information

Member Name: _____

Member ID: _____

Supervisor/Coworker Affidavit #1

I state that I have full knowledge of the penalty in KRS 523.100 of the penal law, whereby a person falsifying records or attempting to defraud the Kentucky Retirement Systems shall be punished by a fine or imprisonment or both, and that the information provided in this document is true and accurate.

I, _____ do certify that I worked in a full-time position for the aforementioned employer during the same period specified on this form, and that I worked with the individual as a ☐ supervisor ☐ coworker. Further, I certify that in my judgement, this person has made a true statement of the dates and official hours of work required by the position.

Signature: _____

SSN: _____

Notary _____

State of: _____ County of: _____

This instrument was acknowledged before me this _____ day of _____, _____

Notary Public _____

My Commission Expires: _____

Supervisor/Coworker Affidavit #2

I state that I have full knowledge of the penalty in KRS 523.100 of the penal law, whereby a person falsifying records or attempting to defraud the Kentucky Retirement Systems shall be punished by a fine or imprisonment or both, and that the information provided in this document is true and accurate.

I, _____ do certify that I worked in a full-time position for the aforementioned employer during the same period specified on this form, and that I worked with the individual as a ☐ supervisor ☐ coworker. Further, I certify that in my judgement, this person has made a true statement of the dates and official hours of work required by the position.

Signature: _____

SSN: _____

Notary _____

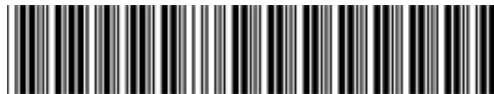
State of: _____ County of: _____

This instrument was acknowledged before me this _____ day of _____, _____

Notary Public _____

My Commission Expires: _____


KENTUCKY PUBLIC PENSIONS AUTHORITY

 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov


Print Form

Form 4170

 Revised
 01/2026[04/2021]

Direct Transfer/Rollover Authorization
Important Notice

This form must be returned to Kentucky Public Pensions Authority by the due date listed on the cost estimate. Kentucky Public Pensions Authority, a qualified public defined benefit plan under IRC Section 401(a), has agreed to permit the transfer/rollover of employee assets in order to enable you to purchase credit for all or part of other allowable retirement service in accordance with the provisions of KRS 61.515 to KRS 61.705. Please understand that the acceptance by Kentucky Public Pensions Authority of this transfer/rollover for this purpose in no manner constitutes any acknowledgment or representation by Kentucky Public Pensions Authority with respect to the current tax status of the amount received to purchase allowable service on your behalf.

Member Information

Member Name:		Member ID:		Member SSN: (Last 4 Digits)	
KPPA will update contact information for your retirement account based on the details provided below.					
Address:		City:		State:	Zip Code:
Phone (select type) ☐ Mobile ☐ Home ☐ Work			Email:		

I understand that I am responsible for any and all tax liability.

I authorize my financial institution to transfer/rollover \$_____ from my account toward the purchase of service credit. I have received a cost estimate from Kentucky Public Pensions Authority.

Submit to your financial institution for completion of Section 2.

DUE DATE FOR SUBMISSION OF THIS FORM (payment due date from cost estimate): _____

Date: _____

Member Signature: _____

Financial Institution Information
To be completed by the financial institution making a direct trustee to trustee transfer or rollover of funds.

 Complete and return this form to the retirement office by the due date shown above. When sending the transfer/rollover, please make checks payable to: Kentucky State Treasurer, FBO (member name). Mail payments to KPPA, 1260 Louisville Rd.,
Frankfort, KY 40601-9126.

Plan Type	Qualified Trust as described in IRC Section 401(a)	IRC Section 401(k)	IRC Section 403 (b) account or annuity	IRC Section 457 deferred compensation plan	"Conduit" or "Rollover" IRA	Taxable amounts in a traditional IRA
Taxed Portion	\$	\$	\$	\$	\$	Not Applicable
Untaxed Portion	\$	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$	\$
Date of Rollover/ Transfer						

Financial Institution: _____

Address: _____ Phone: _____

_____ City: _____ State: _____ Zip Code: _____

Authorized Signature: _____ Date: _____

Title: _____

I hereby certify that the amount is an eligible transfer/rollover, and that the transfer/rollover is being made from a qualified trust as described in Internal Revenue Code Section 401(a); a Code Section 401(k) account; a Code Section 403(b) account or annuity; a Code Section 457 deferred compensation plan; a "conduit" or

**KENTUCKY PUBLIC PENSIONS AUTHORITY**

1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 4170
 Revised 1/2026

Direct Transfer/Rollover Authorization**Important Notice**

This form must be returned to Kentucky Public Pensions Authority by the due date listed on the cost estimate. Kentucky Public Pensions Authority, a qualified public defined benefit plan under IRC Section 401(a), has agreed to permit the transfer/rollover of employee assets in order to enable you to purchase credit for all or part of other allowable retirement service in accordance with the provisions of KRS 61.515 to KRS 61.705. Please understand that the acceptance by Kentucky Public Pensions Authority of this transfer/rollover for this purpose in no manner constitutes any acknowledgment or representation by Kentucky Public Pensions Authority with respect to the current tax status of the amount received to purchase allowable service on your behalf.

Member Information

Member Name:		Member ID:		Member SSN: (Last 4 Digits)	
KPPA will update contact information for your retirement account based on the details provided below.					
Address:		City:		State:	Zip Code:
Phone (select type) ☐ Mobile ☐ Home ☐ Work				Email:	

I understand that I am responsible for any and all tax liability.

I authorize my financial institution to transfer/rollover \$_____ from my account toward the purchase of service credit. I have received a cost estimate from Kentucky Public Pensions Authority.

Submit to your financial institution for completion of Section 2.

DUE DATE FOR SUBMISSION OF THIS FORM (payment due date from cost estimate): _____

Member Signature: _____ Date: _____

Financial Institution Information

To be completed by the financial institution making a direct trustee to trustee transfer or rollover of funds.

Complete and return this form to the retirement office by the due date shown above. When sending the transfer/rollover, please make checks payable to: Kentucky State Treasurer, FBO (member name). Mail payments to: KPPA, 1260 Louisville Rd.,

Frankfort, KY 40601.

Plan Type	Qualified Trust as described in IRC Section 401(a)	IRC Section 401(k)	IRC Section 403 (b) account or annuity	IRC Section 457 deferred compensation plan	"Conduit" or "Rollover" IRA	Taxable amounts in a traditional IRA
Taxed Portion	\$	\$	\$	\$	\$	Not Applicable
Untaxed Portion	\$	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$	\$
Date of Rollover/ Transfer						

Financial Institution: _____

Address: _____ Phone: _____

City: _____ State: _____ Zip Code: _____

Authorized Signature _____ Date: _____

Print Name: _____ Title: _____

I hereby certify that the amount is an eligible transfer/rollover, and that the transfer/rollover is being made from a qualified trust as described in Internal Revenue Code Section 401(a); a Code Section 401(k) account; a Code Section 403(b) account or annuity; a Code Section 457 deferred compensation plan; a "conduit" or "rollover" IRA; or the taxable amounts in a traditional IRA.



KENTUCKY PUBLIC PENSIONS AUTHORITY
 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 4172
 Revised 04/2021

Notice of Intent to Transfer Lump-Sum Payment(s) to Qualified Employer Sponsored Plan

Member Information

Member Name:		Member ID:		Member SSN: (Last 4 Digits)
Address:		City:	State:	Zip Code:
Phone:	Employer Name:		Employer Phone:	

Financial Institution Information

Financial Institution to Receive Payment(s):	
Financial Institution Contact Name:	Phone:

Please be advised that failure to complete this process may result in a recalculation of the cost of your service purchase, cancellation of your service purchase, delaying your effective retirement date, or termination of your retirement benefits.

Certification

I, _____, hereby give notice to Kentucky Public Pensions Authority that I shall transfer the lump-sum payment for accrued compensatory and/or annual leave to be paid to me by my employer at my termination to my account with the Kentucky Public Employee Deferred Compensation Authority or other qualified employer sponsored plan. Thereafter, I shall rollover to Kentucky Public Pensions Authority an amount from my Deferred Compensation or other qualified employer sponsored plan to pay all or part of the remaining balance of my service purchase.

I hereby certify that I have consulted with my employer and have determined that I will receive a total net payment of _____ at my termination representing my accrued compensatory and/or annual leave.

I understand that I must submit this form as well as a completed Form 4170, Direct Transfer/Rollover Authorization to Kentucky Public Pensions Authority, by the due date for payment in my service purchase contract or before my termination date, whichever is earliest. I further understand that I must contact Kentucky Public Pensions Authority and submit a new Form 4172 if the information provided on this form changes.

Member Signature: _____	Date: _____
Payroll Officer's Signature: _____	Date: _____



KENTUCKY PUBLIC PENSIONS AUTHORITY
 1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



Form 4225

Verification of Past Employment

Revised 1/2026[04/2021]

Member Information

Member Name:		Member ID:	
KPPA will update contact information for your retirement account based on the details provided below.			
Address:		State:	Zip Code:
City:			
Phone (select type) D Mobile D Home D Work		Email:	
Please indicate below the dates of your employment for which you are missing service credit. Upon review, it may be determined you are eligible to purchase retirement service from your past employment. Please have the employing agency of the time of service credit in question complete the form in its entirety and return to KPPA. Please Note: Only forms completed by an Authorized Agency contact of the employing agency will be considered.			
Name of Employer Verifying Employment:			
Dates of Past Employment for Missing Service:			

Employer Instructions: Please accurately complete all items on the remainder of this form.

An Agency Head or Reporting Official will need to complete the following fields in their entirety because:

- The above member has contacted KPPA regarding employment with your organization. If any of the information provided by your organization is [agency. An agency contact from the KPPA approved list will need to complete the proceeding fields in their entirety. If a member purchases service based on this information and it is found at a later date that the information was] incorrect, in compliance with KRS 61.685(1) and 78.545, KPPA [the retirement office] will correct any errors upon subsequent discovery, which may include the reduction of [and reduce] the member's service and benefits. [if necessary.]

-OR-

- KPPA has identified an employee in a regular full-time position for previous periods that were not reported by your organization in accordance with KRS 16.543, 61.543, 61.675, 78.615, and 78.625.

[Your prompt reply is requested as the member's cost may increase each month.]

Please note the following:

- All applicable fields should be completed. If you are unable to provide information for all of the requested fields, please provide an explanation. Failure to verify all requested information may require a representative of KPPA to follow up or could [even] cause the form to not be considered by KPPA. [invalid.]
- Each line item should be verified based upon fiscal year, NOT calendar year (i.e. July 1, 1995 to June 30, 1996).
- Please provide the exact start and end dates of the period(s) of service in question (i.e. If an employer is verifying three months of seasonal, full-time service that [which] began September 1st and ended January 30th [in May and ended in July], September 1st to January 30th [May to June] would be verified on one line] [and July to July would be verified on a separate line]).
- If the member was employed during more than four (4) fiscal years [for more years than were provided], please copy page two 2 and complete/attach the additional pages to this form when you return the form to KPPA [sheets].
- Classified employees of school boards must average eighty (80) or more hours of work per month over a calendar or fiscal year to be eligible for service credit. All other employees [service eligible to purchase] must average one hundred (100) or more hours of work per month over a calendar or fiscal year to be eligible for service credit.
- If the member was on an approved leave of absence, please specify the leaves dates as well as the type of leave (i.e. maternity, military leave, sick leave without pay, etc.).
- If the member provided services to the employer under a contract, please submit a copy of the contract to KPPA along with this form.

Your prompt reply is required pursuant to 105 KAR 1:140.

Retirement Coverage (To be completed by the employer)

Please answer the following questions about the member's past employment, then verify this service on the next page.

- Did the member participate in an agency sponsored pension plan? D Yes D No
- If the answer to question 1 is yes, was it a: D Defined Benefit Plan D Defined Contribution Plan
- Did the member take a refund from the plan upon termination? D Yes D No

When all sections have been completed, please submit this form to KPPA. Employers may~~[please return this form to]:~~

- Email the form using the KPPA Secure Email Portal
- Submit the form through Employer Self Service at MyRetirement.ky.gov
- Fax the form to 502-696-8822
- Mail the form to 1260 Louisville Road, Frankfort, KY 40601

~~[Kentucky Public Pensions Authority-
1260 Louisville Road
Frankfort, KY 40601-6124]~~

Past Employment Service									
Member Name:				Member ID:			Employer:		
Fiscal Year (Mo/Day/Yr) Show breaks in service		No. of Months Worked	School Board Use Only		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes	
Begin Date	End Date		Contract Days	No. of Actual Days Worked					
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)				
Fiscal Year (Mo/Day/Yr) Show breaks in service		No. of Months Worked	School Board Use Only		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes	
Begin Date	End Date		Contract Days	No. of Actual Days Worked					
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)				
Fiscal Year (Mo/Day/Yr) Show breaks in service		No. of Months Worked	School Board Use Only		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes	
Begin Date	End Date		Contract Days	No. of Actual Days Worked					
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)				
Fiscal Year (Mo/Day/Yr) Show breaks in service		No. of Months Worked	School Board Use Only		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes	
Begin Date	End Date		Contract Days	No. of Actual Days Worked					
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)				
Fiscal Year (Mo/Day/Yr) Show breaks in service		No. of Months Worked	School Board Use Only		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes	
Begin Date	End Date		Contract Days	No. of Actual Days Worked					
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)				

Certification Please Note: Only forms completed by an Agency Head or Reporting Official will be considered by KPPA.

I hereby certify that the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefits, the employer I represent, and I (personally) may be liable for restitution of the benefits for which the member was not eligible to receive, civil payments, legal fees, and costs. [state that I have full knowledge of the penalty in KRS 523.100 related to falsification of records and the information provided is true and accurate].

Printed Name: _____

Signature: _____

Title: _____

Date: _____

Daytime Phone: _____

**KENTUCKY PUBLIC PENSIONS AUTHORITY**

1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

**Verification of Past Employment**

Form 4225
 Revised 1/2026

Member Information

Member Name:		Member ID or SSN:	
KPPA will update contact information for your retirement account based on the details provided below.			
Address:	City:	State:	Zip Code:
Phone (select type) ☐ Mobile ☐ Home ☐ Work		Email:	
Name of Employer Verifying Employment:			
Dates of Past Employment for Missing Service:			

Employer Instructions

An Agency Head or Reporting Official will need to complete the following fields in their entirety because:

- The above member has contacted KPPA regarding employment with your organization. If any of the information provided by your organization is incorrect, in compliance with KRS 61.685(1) and 78.545, KPPA will correct any errors upon subsequent discovery, which may include the reduction of the member's service and benefits;
- OR-
- KPPA has identified an employee in a regular full-time position for previous periods that were not reported by your organization in accordance with KRS 16.543, 61.543, 61.675, 78.615, and 78.625.

Please note the following:

- All applicable fields should be completed. If you are unable to provide information for all of the requested fields, please provide an explanation. Failure to verify all requested information may require a representative of KPPA to follow up or could cause the form not to be considered by KPPA.
- Each line item should be verified based upon fiscal year, NOT calendar year (i.e. July 1, 1995 to June 30, 1996).
- Please provide the exact start and end dates of the period(s) of service in question (i.e. If an employer is verifying three months of seasonal, full-time service that began September 1st and ended in January 30th, September 1st to January 30th would be verified on one line).
- If the member was employed during more than four (4) fiscal years, please copy page two (2) and complete/attach the additional pages to this form when you return the form to KPPA.
- Classified employees of school boards must average eighty (80) or more hours of work per month over a calendar or fiscal year to be eligible for service credit. All other employees must average one hundred (100) or more hours of work per month over a calendar or fiscal year to be eligible for service credit.
- If the member was on an approved leave of absence, please specify the leave dates as well as the type of leave (i.e. maternity, military leave, sick leave without pay, etc.).
- If the member provided services to the employer under a contract, please submit a copy of the contract to KPPA along with this form.

Your prompt reply is required pursuant to 105 KAR 1:140.

Retirement Coverage (To be completed by the employer.)

Please answer the following questions about the member's past employment, then verify this service on the next page.

- Did the member participate in an employer sponsored pension plan? ☐ Yes ☐ No
- If the answer to question 1 is yes, was it a: ☐ Defined Benefit Plan ☐ Defined Contribution Plan
- Did the member take a refund from the plan upon termination? ☐ Yes ☐ No

When all sections have been completed, please submit this form to KPPA. Employers may:

- Email the form using the [KPPA Secure Email Portal](#)
- Submit the form through Employer Self Service at MyRetirement.ky.gov
- Fax the form to 502-696-8822
- Mail the form to 1260 Louisville Road, Frankfort, KY 40601

Past Employment Information (To be completed by the employer)

Member Name:			Member ID:		Employer:			
Fiscal Year (Mo/Day/Yr) Show breaks in service Begin Date End Date		No. of Months Worked	School Board Use Only Contract Days No. of Actual Days Worked		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)			
Fiscal Year (Mo/Day/Yr) Show breaks in service Begin Date End Date		No. of Months Worked	School Board Use Only Contract Days No. of Actual Days Worked		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)			
Fiscal Year (Mo/Day/Yr) Show breaks in service Begin Date End Date		No. of Months Worked	School Board Use Only Contract Days No. of Actual Days Worked		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)			
Fiscal Year (Mo/Day/Yr) Show breaks in service Begin Date End Date		No. of Months Worked	School Board Use Only Contract Days No. of Actual Days Worked		Hours Worked Per Day	Hourly Wage	Actual Wages Earned for Year	Notes
Position Title: (E.g. Bus Driver, Secretary, etc.)					Position Status: (E.g. Regular full-time, part-time, seasonal full-time, Temporary full-time, etc.)			

Certification Please Note: Only forms completed by an Agency Head or Reporting Official will be considered by KPPA.

I hereby certify that the information completed on this form is true and accurate. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, the employer I represent, and I (personally) may be liable for restitution of the benefits for which the member was not eligible to receive, civil payments, legal fees, and costs.

Printed Name: _____

Date: _____

Signature: _____

Daytime Phone: _____

Title: _____



Brief for Administrative Regulations

Date: November 2025

1. Regulation Number, Title, & Expiration Date: 105 KAR 1:380 Minimum distribution
(expires March 2026)

☐ Emergency Regulation ☐ New Administrative Regulation ☒ Amendment
☐ Repealer ☐ Amended After Comments (w/SOC) ☐ Not Amended After Comments

2. Proposed schedule for regulation process:

File – by January 15, 2026

Public Comment period – through March 31, 2026

Public Hearing – March 23, 2026

ARRS – April 2026 (if no comments are received), May 2026 (if comments are received)

3. Statutory Authority: KRS 61.645(9)(e) and (9)(g)

4. Major Economic Impact Exemption under KRS 13A.105(2)(a): This regulation will not have a combined implementation and compliance costs of five hundred thousand dollars (\$500,000) or more over any two-year period. The regulation is already being administered as written.

5. Summary of the Regulation: This regulation establishes minimum distribution requirements as applied to a governmental plan pursuant to 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

6. Justification for Amendment(s) or New Regulation(s): The amendment revises definitions, updates references to and the requirements of the Code of Federal Regulations, adds the new rule regarding distributions to a spouse who is ten (10) or more years younger than the member pursuant to the federal SECURE Act of 2022, and updates language to comply with KRS Chapter 13A drafting requirements.

7. Affected Entities: Approximately 421,609 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System

8. Is there a cost to or savings for the affected entities or the agency? If so, please explain and include funding source: The cost for the amendment is minimal because the administrative regulation is already being substantially implemented as written. Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

9. Is Tiering Applied? (Explain why or why not): No, tiering is not applied. The rules regarding minimum distribution apply to all members.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Amendment)

4 105 KAR 1:380. Minimum distribution.

5 RELATES TO: KRS 61.645(9)(e), 26 C.F.R. 1.401(a)(9)-1-1.401(a)(9)-9, 26 U.S.C.

6 401(a)(9), 26 U.S.C. 414(d)

7 STATUTORY AUTHORITY: KRS 61.645(9)(e)

8 CERTIFICATION STATEMENT: This is to certify that this administrative regulation

9 complies with KRS 13A.150(2) because it does not have a major economic impact.

10 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.645(9)(g) requires the
11 Kentucky Public Pensions Authority~~[Board of Trustees of Kentucky Retirement Systems]~~ to
12 promulgate administrative regulations necessary to carry out the provisions of KRS 61.515 to
13 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 61.645(9)(e) and this administrative
14 regulation implement the statutory requirements of IRC Section 401(a)(9), which is codified as
15 26 U.S.C. 401(a)(9)~~], and are meant to be a reasonable good faith interpretation of those~~
16 ~~statutory requirements~~. This administrative regulation establishes minimum distribution
17 requirements as applied to a governmental plan pursuant to 26 U.S.C. 414(d),~~[in compliance~~
18 ~~with 26 U.S.C.]~~ 401(a)(9), and the federal SECURE Act of 2022.

19 Section 1. Definitions.

20 (1) “Applicable age” means the age established in 26 U.S.C. 401(a)(9)(C)(v).

1 (2) "Designated beneficiary" means an individual designated as the beneficiary under
2 applicable plan provisions or by a participant's affirmative election.

3 ~~(3) ["Member" means a member of a retirement fund established in accordance with KRS~~
4 ~~61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852, and administered by the Kentucky~~
5 ~~Retirement Systems.~~

6 ~~(2)~~ "Required beginning date" means April 1 of the calendar year following the later of
7 the calendar year in which the member attains the applicable age or retires~~[-~~

8 ~~(a) The calendar year in which the member attains age seventy and one-half (70 1/2); or~~

9 ~~(b) The calendar year in which the member retires].~~

10 Section 2. (1) This administrative regulation shall apply to members of a fund established
11 in accordance with KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852.

12 (2) Kentucky Public Pensions Authority~~[Retirement Systems]~~ shall pay all benefits in
13 accordance with~~[a good faith interpretation of the requirements of]~~ 26 U.S.C. 401(a)(9) and the
14 Code of Federal Regulations in effect under that section, as applicable to a governmental plan
15 within the meaning of 26 U.S.C. 414(d). The requirements of 26 U.S.C. 401(a)(9) and Title 26 of
16 the Code of Federal Regulations shall take precedence over any inconsistent provisions of this
17 administrative regulation or KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852.

18 (3) The member's entire interest shall be distributed over the member's life or lives of the
19 member and a designated beneficiary, or over a period not extending beyond the life expectancy
20 of the member or of the member and a designated beneficiary.

21 Section 3. (1) Except as provided in subsection (2) of this section, the member's entire
22 interest shall be distributed~~[,]~~ or begin to be distributed~~[, to the member]~~ no later than the
23 member's required beginning date.

(2) If the member dies before distributions begin, the member's entire interest shall be distributed, or begin to be distributed, no later than as established in this subsection.~~[follows:]~~

(a) Except as provided in subsection (3) of this section,~~[if the member's surviving spouse is] the member's sole designated beneficiary,~~ distributions to a member's sole designated beneficiary~~[the surviving spouse]~~ shall begin by the later of:

1. December 31 of the calendar year immediately following the calendar year in which the member died; or

2. December 31 of the calendar year in which the member would have attained the applicable age.~~[seventy and one half (70 1/2);]~~

~~(b)[If the member's surviving spouse is not the member's sole designated beneficiary, distributions to each designated beneficiary shall begin by December 31 of the calendar year immediately following the calendar year in which the member died; or~~

~~(c)~~ If there is no designated beneficiary as of September 30 of the year following the year of the member's death, or if the beneficiary on file is a trust, the member's entire interest shall be distributed by December 31 of the calendar year containing the fifth anniversary of the member's death.

(c) If the member's surviving spouse is the member's sole designated beneficiary and the surviving spouse dies after the member but before distributions to the surviving spouse begin, this subsection, except for paragraph (a), shall apply as if the surviving spouse were the member as established in 26 C.F.R. 1.401(a)(9)-3(e).

(3) If a member dies after the required distribution of benefits has begun, the remaining portion of the member's interest shall be distributed at least as rapidly as under the method of distribution before the member's death.

(4) (a) For purposes of Section 3(2) to (3) and Section 6 of this administrative regulation, distributions shall~~[be required to]~~ begin on the member's required beginning date.

(b) If annuity payments irrevocably commence to the member before the member's required beginning date, or to the member's surviving spouse before the date distributions are required to begin to the surviving spouse pursuant to subsection (2)(a) of this section, the date distributions are considered to begin shall be the date distributions actually commence.

Section 4. (1) If the member's interest is paid in the form of annuity distributions, payments pursuant to the annuity shall~~[satisfy the following requirements]:~~

(a) ~~Be~~~~[The annuity distributions shall be]~~ paid in monthly periodic payments;

(b) ~~Have a~~~~[The]~~ distribution period~~[shall be]~~ over a life or lives,~~[(or lives)]~~ or over a period certain not longer than the period established in Title 26 of the Code of Federal Regulations~~[described in this section or Section 5 or 6 of this administrative regulation];~~

(c) Not change the period certain once~~[Once]~~ payments have begun over a period certain,~~[the period certain shall not be changed]~~ even if the period certain is shorter than the maximum permitted; and

(d) Increase payments only~~[Payments shall increase only as follows]:~~

1. By the annual percentage increase provided for pursuant to KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852;

2. To the extent of the reduction in the amount of the member's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in this section dies, or if the beneficiary is the member's spouse and they divorce, as provided in KRS 61.635(10);

3. To provide cash refunds of employee contributions upon the member's death; or

4. To pay any increased benefits that result from a plan amendment.

(2) (a) The amount that shall be distributed on or before the member's required beginning date, or if the member dies before distributions begin, the date distributions are required to begin pursuant to Section ~~3~~~~(2)~~ of this administrative regulation, shall be the payment that is required for one (1) month.

(b) The second payment shall not be required to be made until the end of the next payment interval even if that payment interval ends in the next calendar year.

(c) All of the member's benefit accruals as of the last day of the first distribution calendar year shall be included in the calculation of the amount of the annuity payments for months ending on or after the member's required beginning date.

Section 5. (1) The amount of annuity paid to a member's beneficiary shall not exceed the maximum determined under the incidental death benefit requirement established in~~of~~ 26 U.S.C. 401(a)(9)(G), and the minimum distribution incidental benefit rule established in 26 C.F.R. 1.401(a)(9)-6(b)~~under 26 C.F.R. 1.401(a)(9)-6, Q&A 2~~.

(2) The death and disability benefits provided by Kentucky Retirement Systems and County Employees Retirement System~~systems~~ shall be limited by the incidental benefit rule established~~set forth~~ in 26 U.S.C. 401(a)(9)(g) and 1.401-1(b)(1)(i)~~or any successor law~~. As a result, the total death or disability benefits payable shall not exceed twenty-five (25) percent of the cost of all of the members' benefits received from Kentucky Retirement Systems and County Employees Retirement System.

(3) (a) Unless the member's spouse who is more than ten (10) years younger than the member is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the member's

lifetime shall not exceed the applicable distribution period for the member pursuant to the uniform lifetime table established in 26 C.F.R. 1.401(a)(9)-9 for the calendar year that contains the annuity starting date.

(b) If the member is younger than the applicable age on the member's birthday in the calendar year that includes the annuity starting date, the period certain may not exceed the limitation on the period certain for a person who has attained the applicable age, increased by the number of years the member is younger than the applicable age on that birthday~~annuity starting date precedes the year in which the member reaches age seventy (70), the applicable distribution period for the member shall be the distribution period for age seventy (70) under the uniform lifetime table established in 26 C.F.R. 1.401(a)(9)-9 plus the excess of seventy (70) over the age of the member as of the member's birthday in the year that contains the annuity starting date]~~.

(4) If the member's spouse is ten (10) years younger than the member and is the member's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain shall not exceed the longer of the member's applicable distribution period, as determined pursuant to this subsection, or the joint life and last survivor expectancy of the member and the member's spouse as determined pursuant to the joint and last survivor table established in 26 C.F.R. 1.401(a)(9)-9, using the member's and spouse's attained ages as of the member's and spouse's birthdays in the calendar year that contains the annuity starting date.

Section 6. (1) If the member dies before the date distribution of the member's interest begins and there is a designated beneficiary, the entire interest payable to the member shall be distributed, beginning no later than the time established in Section 3(2)(a) or (b) of this administrative regulation, over the life of the designated beneficiary or over a period certain not exceeding:

1 (a) Unless the annuity starting date is before the first distribution calendar year, the life
2 expectancy of the designated beneficiary determined using the beneficiary's age as of the
3 beneficiary's birthday in the calendar year immediately following the calendar year of the
4 member's death; or

5 (b) If the annuity starting date is before the first distribution calendar year, the life
6 expectancy of the designated beneficiary determined using the beneficiary's age as of the
7 beneficiary's birthday in the calendar year that contains the annuity starting date.

8 (2) If the member dies before the date distribution of their~~his or her~~ interest begins, the
9 member's surviving spouse is the member's sole designated beneficiary, and the surviving spouse
10 dies before distributions to the surviving spouse begin, this section shall apply as if the surviving
11 spouse were the member, except that the time by which distributions are required to begin shall
12 be determined without regard to Section 3(2)(a) of this administrative regulation.

105 KAR 1:380 Minimum distribution 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 March 23, 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 March 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
1260 Louisville Road
Frankfort, Kentucky 40601
Phone (502) 696-8679
Fax (502) 696-8615
Email: Legal.Non-Advocacy@kyret.ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 1:380

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

Subject Headings: Boards and Commissions, Retirements and Pensions, State Employees

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes minimum distribution requirements as applied to a governmental plan pursuant to 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish minimum distribution requirements as applied to a governmental plan pursuant to 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.645(9)(g) requires the Kentucky Public Pensions Authority to promulgate administrative regulations necessary to carry out the provisions of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 61.645(9)(e) and this administrative regulation implement the statutory requirements of IRC Section 401(a)(9), which is codified as 26 U.S.C. 401(a)(9). This administrative regulation establishes minimum distribution requirements as applied to a governmental plan pursuant to 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

(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 minimum distribution requirements as applied to governmental plans pursuant to 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

(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: The amendment to this administrative regulation revises definitions, updates references to and the requirements of the Code of Federal Regulations, adds the new rule regarding distributions to a spouse who is ten (10) or more years younger than the member pursuant to the federal SECURE Act of 2022, and updates language to comply with KRS Chapter 13A drafting requirements.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to revise definitions, update references to and the

requirements of the Code of Federal Regulations, add the new rule regarding distributions to a spouse who is ten (10) or more years younger than the member pursuant to the federal SECURE Act of 2022, and update language to comply with KRS Chapter 13A drafting requirements.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.645(9)(g) requires the Kentucky Public Pensions Authority to promulgate administrative regulations necessary to carry out the provisions of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 61.645(9)(e) and this administrative regulation implement the statutory requirements of IRC Section 401(a)(9), which is codified as 26 U.S.C. 401(a)(9). This administrative regulation establishes minimum distribution requirements as applied to a governmental plan pursuant to 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

(d) How the amendment will assist in the effective administration of the statutes: The amendment to this administrative regulation will assist in the effective administration of the statutes by revising definitions, updating references to and the requirements of the Code of Federal Regulations, adding the new rule regarding distributions to a spouse who is ten (10) or more years younger than the member pursuant to the federal SECURE Act of 2022, and updating language to comply with KRS Chapter 13A drafting requirements.

(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.)

KRS 61.645 - Amended 2024 Ky. Acts ch. 55, sec. 13, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 94, sec. 3, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 12, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 66, effective April 1, 2021. -- Amended 2020 Ky. Acts ch. 79, sec. 4, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation affects approximately 433,461 participants in the Kentucky Retirement Systems, 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 the administrative regulation is already being implemented as written. The amendments are primarily technical in nature.

(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 because it is already being implemented as written. The amendment is

primarily technical in nature.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community will benefit from revised definitions, updated references to and requirements of the Code of Federal Regulations, adding the new rule regarding distributions to a spouse who is ten (10) or more years younger than the member pursuant to the federal SECURE Act of 2022, and updating language to comply with KRS Chapter 13A drafting requirements.

(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 regulation is already being implemented as written.

(b) On a continuing basis: There will be no additional costs because 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) No, tiering is not applied. The federal minimum distribution requirements are applicable to all members.

FISCAL IMPACT STATEMENT

105 KAR 1:380

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 61.645(9)(g) and (9)(e), 26 U.S.C. 401(a)(9) and 414(d), and the federal SECURE Act of 2022

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act: KRS 61.645(9)(g) and (9)(e)

(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: 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.

(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: 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.

(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 little fiscal impact. It is already being implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for implementing federal minimum distribution requirements as applied to a governmental plan.

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

(b) The methodology and resources used to reach this conclusion: The agency analyzed costs and procedures for implementing federal minimum distribution requirements as applied to a governmental plan.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 1:380

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

1. Federal statute or regulation constituting the federal mandate. 26 U.S.C. 401(a)(9) and 414(d), and the federal SECURE Act of 2022.

2. State compliance standards. KRS 61.645(9)(e) and 9(g)

3. Minimum or uniform standards contained in the federal mandate. KRS 61.645(9)(e) and this administrative regulation implement the statutory requirements of IRC Section 401(a)(9), which is codified as 26 U.S.C. 401(a)(9). This administrative regulation establishes Minimum distribution requirements as applied to a governmental plan are established in 26 U.S.C. 414(d), 26 U.S.C. 401(a)(9), and the federal SECURE Act of 2022.

4. Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements than those required by the federal mandate? No. This administrative regulation implements the federal requirements.

5. Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. This administrative regulation does not impose a stricter standard, or additional or different responsibilities or requirements, than the federal standard.



Brief for Administrative Regulations

Date: November 2025

1. **Regulation Number, Title, & Expiration Date:** 105 KAR 1:400 - Federal taxation limitation year (expires June 2026)

☐ Emergency Regulation ☐ New Administrative Regulation ☒ Amendment
☐ Repealer ☐ Amended After Comments (w/SOC) ☐ Not Amended After Comments

2. **Proposed schedule for regulation process:**

File – by January 15, 2026

Public Comment period – through March 31, 2026

Public Hearing – March 23, 2026

ARRS – April 2026 (if no comments are received), May 2026 (if comments are received)

3. **Statutory Authority:** KRS 61.505(1)(g)

4. **Major Economic Impact Exemption under KRS 13A.105(2)(a):** This regulation will not have a combined implementation and compliance costs of five hundred thousand dollars (\$500,000) or more over any two-year period. The regulation is already being administered as written.

5. **Summary of the Regulation:** This administrative regulation concerns the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

6. **Justification for Amendment(s) or New Regulation(s):** The amendment to this administrative regulation is primarily technical in nature and adds definitions for “annual benefit” and “annual addition”, updates statutory references, clarifies that plans include those from KRS and CERS, and updates language to conform with KRS Chapter 1A drafting requirements.

7. **Affected Entities:** Fewer than 20 each year of 421,609 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System

8. **Is there a cost to or savings for the affected entities or the agency? If so, please explain and include funding source:** The fiscal impact of the amendment is minimal because the administrative regulation is already being substantially implemented as written. Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

9. **Is Tiering Applied? (Explain why or why not):** No, tiering is not applied. The administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Amendment)

4 105 KAR 1:400. Federal taxation limitation year.

5 RELATES TO: KRS 61.505(1)(g); 26 U.S.C. 415~~[61.645(9)(e)]~~

6 STATUTORY AUTHORITY: KRS 61.505(1)(g)~~[61.645(9)(e)]~~

7 CERTIFICATION STATEMENT: This is to certify that this administrative regulation
8 complies with KRS 13A.150(2) because it does not have a major economic impact.

9 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the
10 Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County
11 Employees Retirement System~~[61.645(9)(g) requires the Board of Trustees of Kentucky~~
12 ~~Retirement Systems]~~ to promulgate administrative regulations necessary or proper in order to
13 carry out the provisions of KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852 and to
14 conform to federal statutes and regulations. 26 U.S.C. 415(c) limits post-tax contributions by a
15 member. This administrative regulation concerns the administration of testing contribution and
16 benefit limits in accordance with 26 U.S.C. Section 415.

17 Section 1. Definitions.

18 (1) "Annual addition" is defined by 26 U.S.C. 415(c)(2).

19 (2) "Annual benefit" is defined by 26 U.S.C. 415(b)(2).

20 (3) "Fiscal year" is defined by KRS 16.505(32), 61.510(19), and 78.510(19).

1 (4)(2) "415(b) limit" means~~[to]~~ the limitation on benefits established by 26 U.S.C.
2 415(b).

3 (5)(3) "415(c) limit" means the limitation on annual additions established by 26 U.S.C.
4 415(c).

5 Section 2. The "fiscal year" shall be the limitation year established~~[as set out]~~ in 26
6 U.S.C. Section 415 for determining contribution and benefit limits in the plans administered by
7 the Kentucky Retirement Systems or County Employees Retirement System.

8 Section 3. This administrative regulation shall apply to all plans administered by
9 Kentucky Retirement Systems or County Employees Retirement System. Subject to the
10 provisions of this administrative regulation, benefits paid from, and employee contributions
11 made to, these plans shall not exceed the maximum benefits and the maximum annual addition,
12 respectively, as established in~~[applicable under]~~ 26 U.S.C. 415. The provisions of this section
13 shall not prevent the member receiving benefits from the funds created by KRS 16.568, 61.663,
14 and 78.652.

15 Section 4. Participation in Other Qualified Plans: Aggregation of Limits. The 415(b) limit
16 with respect to any member who at any time has been a member in any other defined benefit plan
17 as defined in 26 U.S.C. 414(j) maintained by the member's employer in a Kentucky Retirement
18 Systems or County Employees Retirement System~~[KRS]~~ plan shall apply as if the total benefits
19 payable under all those defined benefit plans in which the member has been a member were
20 payable from one (1) plan.

21 Section 5. The 415(c) limit with respect to any member who at any time has been a
22 member in any other defined contribution plan as defined in 26 U.S.C. 414(i) maintained by a
23 participating employer~~[the member's employer in a KRS plan]~~ shall apply as if the total annual

additions under all those defined contribution plans in which the member has been a member were payable from one (1) plan.

Section 6. Basic 415(b) Limitation. On and after January 1, 1995, a member shall not receive an annual benefit that exceeds the dollar amount established~~[specified]~~ in 26 U.S.C. 415(b)(1)(A), subject to the applicable adjustments established in 26 U.S.C. 415(b) and subject to any additional limits established~~[that are specified]~~ in this section. A member's annual benefit payable in any limitation year from a Kentucky Retirement Systems or County Employees Retirement System~~[KRS]~~ plan shall not be greater than the limit applicable on~~at~~ the annuity starting date, as increased in subsequent years pursuant to 26 U.S.C. 415(d) and 26 C.F.R. 1.415(d)-1.

Section 7.~~[Definition of]~~ Annual Benefit.

(1) For purposes of 26 U.S.C. 415(b), the "annual benefit" is the~~[means a]~~ benefit payable annually in the form of a straight life annuity with no ancillary benefits~~[(with no ancillary benefits)]~~ without regard to the benefit attributable to:

(a) After-tax~~[after-tax]~~ employee contributions other than permissive service credit as defined by 26 U.S.C. 415(n); or

(b) To rollover contributions as defined by 26 U.S.C. 415(b)(2)(A)~~[(except pursuant to 26 U.S.C. 415(n)) and to rollover contributions (as defined in 26 U.S.C. 415(b)(2)(A))].~~

(2) The "benefit attributable" shall be determined in accordance with 26 C.F.R. 1.415(b)-1(b)(2).

Section 8. Adjustments to Basic 415(b) Limitation for Form of Benefit.

(1) If the benefit under a Kentucky Retirement Systems or County Employees Retirement System~~[KRS]~~ plan is other than the form specified in Section 6 of this administrative regulation,

then the benefit shall be adjusted so that it is the equivalent of the annual benefit, using factors established~~[prescribed]~~ in 26 C.F.R. 1.415(b)-1(c).

(2) If the form of benefit without regard to the automatic benefit increase feature is not a straight life annuity or a qualified joint and survivor annuity, then subsection (1) of this section shall be applied by either reducing the section 415(b) limit applicable at the annuity starting date or adjusting the form of benefit to an actuarially equivalent amount~~[determined]~~ using the assumptions established~~[specified]~~ in Treasury Regulation Section 1.415(b)-1(c)(2)(ii) that take~~takes~~ into account the additional benefits under the form of benefit as established in this subsection.~~[follows:]~~

(a) For a benefit paid in a form to which 26 U.S.C. 417(e)(3) does not apply a monthly benefit, the actuarially equivalent straight life annuity benefit that is the greater of, ~~or~~~~[or]~~ the reduced 415(b) limit applicable at the annuity starting date which is the "lesser of" when adjusted in accordance with the assumptions established in subparagraphs 1 and 2 of this paragraph.~~[following assumptions:]~~

1. The annual amount of the straight life annuity~~[(if any)]~~ payable to the member under the Kentucky Retirement Systems or County Employees Retirement Systems~~[KRS]~~ plan commencing ~~on~~~~[at]~~ the same annuity starting date as the form of benefit to the member; or

2. The annual amount of the straight life annuity commencing ~~on~~~~[at]~~ the same annuity starting date that has the same actuarial present value as the form of benefit payable to the member, computed using a five (5) percent statutory interest assumption established in 26 U.S.C. 415(b)(2) E(i); and~~[(or the applicable statutory interest assumption), and:]~~

a. ~~On or before December 31, 2008, the applicable mortality tables described in Treasury Regulation Section 1.417(e)-1(d)(2) (Revenue Ruling 2001-62 or any subsequent Revenue~~

~~Ruling modifying the applicable provisions of Revenue Ruling 2001-62); or~~

~~b. On or after January 1, 2009,] the applicable mortality tables established~~[described]~~ in 26 U.S.C. 417(e)(3)(B)[, (Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing 26 U.S.C. 417(e)(3)(B))]; or~~

(b) For a benefit paid in a form to which 26 U.S.C. 417(e)(3) applies~~[a lump-sum benefit]~~, the actuarially equivalent straight life annuity benefit that is the greatest of, or~~(or)~~ the reduced 415(b) limit applicable at the annuity starting date which is the "least of" when adjusted in accordance with the assumptions established in subparagraphs 1 through 3 of this paragraph.~~[following assumptions):]~~

1. The annual amount of the straight life annuity commencing on~~at~~ the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using the interest rate and mortality table, or tabular factor, established~~[specified]~~ in the Kentucky Retirement Systems or County Employees Retirement System~~[KRS]~~ plan for actuarial experience;

2. The annual amount of the straight life annuity commencing on~~at~~ the annuity starting date that has the same actuarial present value as the particular form of benefit payable, computed using a five and one-half (5.5)~~[5.5]~~ percent statutory interest assumption established in 26 U.S.C. 415(b)(ii)(I) and the~~(or the applicable statutory interest assumption), and:~~

~~a. On or before December 31, 2008, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62); or~~

~~b. On or after January 1, 2009, the applicable] mortality tables established~~[described]~~ in~~

26 U.S.C. 417(e)(3)(B)[~~(Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing 26 U.S.C. 417(e)(3)(B))~~]; or

3. The annual amount of the straight life annuity commencing ~~on~~^{at} the annuity starting date that has the same actuarial present value as the particular form of benefit payable~~(computed)~~ using the applicable interest rate for the distribution established in 26 C.F.R.~~[under Treasury Regulation section]~~ 1.417(e)-1(d)(3)~~[(the thirty (30) year Treasury rate (prior to January 1 2007, using the rate in effect for the month prior to retirement, and on and after January 1, 2007, using the rate]~~ in effect for the first day of the plan year with a one (1) year stabilization period and~~[period]~~); and:

a. ~~On or before December 31, 2008, the applicable mortality tables for the distribution under Treasury Regulation Section 1.417(e)-1(d)(2) (the mortality table specified in Revenue Ruling 2001-62 or any subsequent Revenue Ruling modifying the applicable provisions of Revenue Ruling 2001-62), divided by 1.05; or~~

b. ~~On or after January 1, 2009,~~ the applicable mortality tables established~~[described]~~ in 26 U.S.C. 417(e)(3)(B)~~[(Notice 2008-85 or any subsequent Internal Revenue Service guidance implementing 26 U.S.C. 417(e)(3)(B))]~~ divided by 1.05.

Section 9. Benefits Not Taken into Account for 415(b) Limit.~~[(4)]~~ For purposes of this administrative regulation, the following benefits shall not be taken into account in applying these limits:

(1) Any ancillary benefit which is not directly related to retirement income benefits;

(2) That portion of any joint and survivor annuity~~and~~ that constitutes a qualified joint and survivor annuity pursuant to 26 U.S.C. 415(b)(2)(g); and

(3) Any other benefit not required under 26 U.S.C. 415(b)(2) and 26 C.F.R. 1.415(b)-1 to

be taken into account for purposes of the limitation of 26 U.S.C. 415(b)(1).

Section 10. Other Adjustments in 415(b) Limitation.

(1) If the member's retirement benefits become payable before age sixty-two (62), the limit established in~~prescribed by~~ this section shall be reduced in accordance with 26 C.F.R. 1.415(b)-1(d), so that the reduced limit~~(as so reduced)~~ equals an annual straight life benefit when the retirement income benefit begins~~(when the retirement income benefit begins)~~ which is equivalent to an adjusted \$160,000~~a \$160,000 (as adjusted)~~ annual benefit beginning at age sixty-two (62).

(2) If the member's benefit is based on at least fifteen (15) years of service as a full-time employee of any police or fire department or on fifteen (15) years of military service, the adjustments established~~provided for~~ in subsection (1) of this section shall not apply.

(3) The reductions established~~provided for~~ in subsection (1) of this section shall not apply to preretirement disability benefits or preretirement death benefits.

Section 11. Less than Ten (10) Years of Participation.

(1) The maximum retirement benefits payable to any member who has completed less than ten (10) years of participation in a system shall be the amount determined under Section 6 of this administrative regulation as adjusted under Sections 8 or 10 of this administrative regulation multiplied by a fraction, the numerator of which is the number of the member's years of service and the denominator of which is ten (10).

(2) The reduction established in~~provided by~~ this section shall not:

(a) Reduce~~reduce~~ the maximum benefit below ten (10) percent of the limit determined without regard to this section; or

(b) Apply~~. The reduction provided by this section shall not apply~~ to preretirement

1 disability benefits or preretirement death benefits.

2 Section 12. \$10,000 Limit Less than Ten (10) Years of Service.

3 (1) Notwithstanding any provision of~~[anything in]~~ this administrative regulation to the
 4 contrary, the retirement benefit payable~~[with respect to a member]~~ shall be deemed not to exceed
 5 the limit established~~[set forth]~~ in this section if the benefits payable~~[, with respect to the member]~~
 6 under a Kentucky Retirement Systems or County Employee Retirement System~~[KRS]~~ plan and
 7 under all other qualified defined benefit pension plans to which the member's employer
 8 contributes;

9 (a) Do~~[, do]~~ not exceed \$10,000 for the applicable limitation year and for any prior
 10 limitation year; and

11 (b) The~~[the]~~ employer has not at any time maintained a qualified defined contribution
 12 plan in which the member participated.

13 (2) If the member has completed less than ten (10) years of service with the employer, the
 14 limit under this section shall be a reduced limit equal to \$10,000 multiplied by a fraction, the
 15 numerator of which is the number of years of service the member has and the denominator of
 16 which is ten (10).

17 Section 13. Effect of COLA without a Lump Sum Component on 415(b) Testing.
 18 On~~[Effective on]~~ and after January 1, 2003, for purposes of applying the 415(b) limit to a
 19 member with no lump sum benefit~~[, the following shall apply]~~:

20 (1) A member's~~[applicable]~~ 415(b) limit shall be applied to the member's annual benefit
 21 in the member's first limitation year without regard to any automatic cost of living adjustments;

22 (2) To the extent that the member's annual benefit equals or exceeds the limit~~[Limit]~~, the
 23 member shall not be eligible for cost of living increases from the funds created by KRS 16.510,

61.515, 78.520, until the ~~time that the~~ benefit added to ~~plus~~ the accumulated increases are less than the 415(b) limit; and

(3) ~~In~~ ~~Thereafter, in~~ any subsequent limitation year, a member's annual benefit, including any automatic cost of living increases, shall be tested under the current ~~then applicable~~ 415(b) limit including any adjustment to the 26 U.S.C. 415(b)(1)(A) dollar limit under 26 U.S.C. 415(d), and 26 C.F.R. 1.415(b)-1(d) ~~[- The provisions of this section shall not prevent the member receiving benefits from the funds created by KRS 16.568, 61.663, and 78.652].~~

Section 14. Effect of COLA with a Lump Sum Component on 415(b) Testing. On and after January 1, 2009, with respect to a member who receives a portion of their ~~the member's~~ annual benefit in a lump sum, the ~~a member's applicable~~ limit shall be applied taking into consideration cost of living increases as required by 26 U.S.C. 415(b) and 26 C.F.R. 1.415(b)-1.

Section 15. 415(c) Limit. After-tax member contributions or other annual additions with respect to a member shall not exceed the lesser of \$40,000, as adjusted pursuant to 26 U.S.C. 415(d), ~~(as adjusted pursuant to 26 U.S.C. 415(d))~~ or 100 percent of the member's compensation.

~~(1) Annual additions shall mean the sum (for any year) of employer contributions to a defined contribution plan, post-tax member contributions, and forfeitures credited to a member's individual account. Member contributions shall be determined without regard to rollover contributions and to picked-up employee contributions that are paid to a defined benefit plan.~~

(2) For purposes of applying the 415(c) limits only, compensation ~~and for no other purpose, the definition of compensation if applicable~~ shall be compensation actually paid or made available during a limitation year, except as established ~~noted~~ in subsection (3) of this

section and as permitted by Treasury Regulation Section 1.415(c)-2,~~[or successor regulation;]~~
except that member contributions picked up under 26 U.S.C. 414(h) shall not be treated as
compensation.

~~(2)(a)(3)~~ Unless another definition of compensation that is permitted by Treasury
Regulation Section 1.415(c)-2,~~[or successor regulation;]~~ is specified by a Kentucky Retirement
Systems or County Employees Retirement System~~[KRS]~~ plan, compensation shall be~~;~~~~defined~~
as]

1. Wages as defined by~~[wages within the meaning of]~~ 26 U.S.C. 3401(a);

2. All~~[and all]~~ other payments of compensation to an employee by an employer for which
the employer is required to furnish the employee a written statement under 26 U.S.C. 6041(d),
6051(a)(3), and 6052; and

3. Determined~~[shall be determined]~~ without regard to any rules under 26 U.S.C. 3401(a)
that limit the remuneration included in wages based on the nature or location of the employment
or the services performed, including~~[(such as)]~~ the exception for agricultural labor in 26 U.S.C.
3401(a)(2)~~[3401(a)(2))]~~.

(b) ~~For~~~~[(a) However, for]~~ limitation years beginning on and after January 1, 1998,
compensation shall also include amounts that would otherwise be included in compensation but
for an election under 26 U.S.C. 125(a), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b).

(c) For limitation years beginning on and after January 1, 2001, compensation shall also
include any elective amounts that are not includible in the gross income of the employee by
reason of 26 U.S.C. 132(f)(4).

(d)~~[(b)]~~ For limitation years beginning on and after January 1, 2009, compensation~~[for~~
~~the limitation year]~~ shall also include compensation paid by the later of two and one-half (2 1/2)

months after an employee's severance from employment or the end of the limitation year that includes the date of the employee's severance from employment if:

1. The payment is:

a. Regular compensation for services during the employee's regular working hours;

b. Compensation for services outside the employee's regular working hours, including~~[such as]~~ overtime or shift differential; or

c. Commissions, bonuses, or other similar payments; and

2. Absent a severance from employment, the employee would have been able to use the payments including~~(including)~~ unused accrued bona fide sick, vacation or other leave~~[leave]~~ if employment had continued.

~~(e)~~~~(e)~~ Any payments not established~~[described]~~ in paragraph ~~(d)~~~~(b)~~ of this subsection shall not be considered compensation if paid after severance from employment, even if they are paid within two and one half (2 1/2) months following severance from employment, except for payments to the individual who does not currently perform services for the employer by reason of qualified military service as established in 26 U.S.C. 414(u)(1)~~[(within the meaning of 26 U.S.C. 414(u)(1))]~~ to the extent these payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the employer rather than entering qualified military service. An employee who is in qualified military service~~[(within the meaning of 26 U.S.C. 414(u)(1))]~~ shall be treated as receiving compensation from the employer during the period of qualified military service equal to:

1. The compensation the employee would have received during the period if the employee were not in qualified military service, determined based on the rate of pay the employee would have received from the employer but for the absence during the period of

1 qualified military service; or

2 2. If the compensation the employee would have received during the period was not
3 reasonably certain, the employee's average compensation from the employer during the twelve
4 (12) month period immediately preceding the qualified military service ~~or, (or,)~~ if shorter, the
5 period of employment immediately preceding the qualified military ~~service~~service).

6 (f)~~(d)~~ Back pay, as established in 26 C.F.R.~~[within the meaning of Treasury Regulation~~
7 ~~section]~~ 1.415(c)-2(g)(8), shall be treated as compensation for the limitation year to which the
8 back pay relates to the extent the back pay represents wages and compensation that would
9 otherwise be included under this definition.

10 Section 16. Service Purchases Under Section 415(n).

11 (1) ~~Beginning~~Effective for permissive service credit contributions made in limitation
12 ~~years beginning~~ after December 31, 1997, if a member makes one (1) or more contributions to
13 purchase permissive service credit under a Kentucky Retirement Systems or County Employees
14 Retirement System~~[KRS]~~ plan,~~[then]~~ the requirements of 26 U.S.C. 415(n) shall be treated as
15 met only if determined by treating:

16 (a) ~~The~~requirements of 26 U.S.C. 415(b) are met, determined by treating the accrued
17 benefit derived from all these contributions as an annual benefit for purposes of the 415(b) limit;
18 or

19 (b) All of the~~The requirements of 26 U.S.C. 415(c) are met, determined by treating all~~
20 ~~these~~ contributions made pursuant to this subsection as annual additions for purposes of the
21 415(c) limit.

22 (2) For purposes of applying this section, a Kentucky Retirement Systems or County
23 Employees Retirement System~~[KRS]~~ plan shall not fail to meet solely by reason of this section

1 the;

2 (a) Reduced~~[reduced]~~ limit under 26 U.S.C. 415(b)(2)(C); and

3 (b) Percentage~~[solely by reason of this section and shall not fail to meet the percentage]~~
4 limitation under 26 U.S.C. 415(c)(1)(B)~~[solely by reason of this section]~~.

5 (3) (a) For purposes of this section the term "permissive service credit" shall mean
6 service credit:

7 1. Recognized by a Kentucky Retirement Systems or County Employees Retirement
8 System~~[KRS]~~ plan for purposes of calculating a member's benefit under a Kentucky Retirement
9 Systems or County Employees Retirement System~~[KRS]~~ plan;

10 2. Which the member has not received under a Kentucky Retirement Systems or County
11 Employees Retirement System ~~[KRS]~~ plan; and

12 3. Which the member may receive only by making a voluntary additional contribution, in
13 an amount determined under a Kentucky Retirement Systems or County Employees Retirement
14 System ~~[KRS]~~ plan, which does not exceed the amount necessary to fund the benefit attributable
15 to the service credit.

16 (b) Permissive~~[Effective for permissive]~~ service credit contributions made in limitation
17 years beginning after December 31, 1997~~[, the term]~~ may include service credit for periods for
18 which there is no performance of service, and, notwithstanding paragraph (a)2 of this subsection,
19 may include service credited~~[in order]~~ to provide an increased benefit for service credit which a
20 member is receiving under a Kentucky Retirement Systems or County Employees Retirement
21 System~~[KRS]~~ plan.

22 (4) The Kentucky Retirement Systems or County Employees Retirement System ~~[KRS]~~
23 plan shall fail to meet the requirements of this section if:

(a) More than five (5) years of nonqualified service credit are taken into account for purposes of this section; or

(b) Any nonqualified service credit is taken into account under this section before the member has at least five (5) years of participation under a Kentucky Retirement Systems or County Employees Retirement System ~~[KRS]~~ plan.

(5) For purposes of subsection (4) of this section, ~~[effective]~~ for permissive service credit contributions made in limitation years beginning after December 31, 1997, ~~[the term]~~ "nonqualified service credit" shall ~~be~~ ~~mean~~ permissive service credit other than that allowed with respect to:

(a) Service as an employee of the Government of the United States, any state or political subdivision thereof, or any agency or instrumentality of any of the foregoing other ~~[other]~~ than military service or service for credit which was obtained as a result of a repayment described in 26 U.S.C. 415(k)(3) ~~[26 U.S.C. 415(k)(3)]~~;

(b) Service as an employee other ~~[other]~~ than that established ~~[as an employee described]~~ in paragraph (a) of this subsection ~~[subsection]~~ of an education organization established ~~[described]~~ in 26 U.S.C. 170(b)(1)(A)(ii) which is a public, private, or sectarian school which provides elementary, ~~[or]~~ secondary through grade twelve (12) ~~[education (through grade 12)]~~, or a comparable level of education, pursuant to ~~[as determined under]~~ the applicable law of the jurisdiction in which the service was performed;

(c) Service as an employee of an association of employees as established ~~[who are described]~~ in paragraph (a) of this subsection; or

(d) Military service other ~~[other]~~ than qualified military service under 26 U.S.C. 414(u) ~~[26 U.S.C. 414(u)]~~ recognized by the Kentucky Retirement Systems or County

1 Employees Retirement System [KRS] plan.

2 (6) Service established~~[For service described]~~ in subsection (5)(a), (b), or (c) of this
3 section~~[, the service]~~ shall be nonqualified service if recognition of the service would cause a
4 member to receive a retirement benefit for the same service under more than one plan.

5 (7) For a trustee-to-trustee transfer after December 31, 2001, to which 26 U.S.C.
6 403(b)(13)(A) or 457(e)(17)(A) applies without~~(without)~~ regard to whether the transfer is made
7 between plans maintained by the same employer, the~~(employer)~~:

8 (a) Limitations~~[The limitations]~~ of subsection (4)~~[shall]~~ of this section shall not apply in
9 determining whether the transfer is for the purchase of permissive service credit; and

10 (b) Distribution~~[The distribution]~~ rules applicable under federal law to a Kentucky
11 Retirement Systems or County Employees Retirement System [KRS] plan shall apply to these
12 amounts and any benefits attributable to these amounts.

13 (8) For individuals who began membership in a Kentucky Retirement Systems or County
14 Employees Retirement System plan before January 1, 1998~~[an eligible member]~~, the 415(c) limit
15 shall not be applied to reduce the amount of permissive service credit which may be purchased to
16 an amount less than the amount which was allowed to be purchased under the terms of a
17 Kentucky Retirement Systems or County Employees Retirement System [KRS] plan as in effect
18 on August 5, 1997.~~[For purposes of this subsection an eligible member shall be an individual~~
19 ~~who first became a member in a KRS plan before January 1, 1998].~~

20 Section 17. Modification of Contributions for 415(c) and 415(n) Purposes. The
21 agency~~[department]~~ may modify a request by a member to make a contribution to a Kentucky
22 Retirement Systems or County Employees Retirement System [KRS] plan if the amount of the
23 contribution would exceed the limits provided in Section 415 by using the methods established in

1 this section~~[following methods:]~~

2 (1) If the law requires a lump sum payment for the purchase of service credit, the
3 agency~~[Kentucky Retirement Systems]~~ may establish a periodic payment plan for the member to
4 avoid a contribution in excess of the limits under 26 U.S.C. 415(c) or 415(n).

5 (2) If payment pursuant to subsection (1) of this section will not avoid a contribution in
6 excess of the limits imposed by 26 U.S.C. 415(c) or 415(n), the agency~~[Kentucky Retirement~~
7 ~~Systems]~~ may either reduce the member's contribution to an amount within the limits of those
8 sections or refuse the member's contribution.

9 Section 18. Repayments of Cashouts. Any service purchase pursuant to KRS 61.552(3) of
10 repayment of contributions, including interest, is a repayment of a cashout under 26 U.S.C.
11 415(k)(3) and~~[(including interest thereon) to the KRS plan with respect to an amount previously~~
12 ~~refunded upon a forfeiture of service credit under the KRS plan or another governmental plan~~
13 ~~maintained by the State or a local government within the state]~~ shall not be taken into account for
14 purposes of the 415(b) or (c) limits.

105 KAR 1:400 Federal taxation limitation year 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 March 23, 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 March 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
1260 Louisville Road
Frankfort, Kentucky 40601
Phone (502) 696-8679
Fax (502) 696-8615
Email: Legal.Non-Advocacy@kyret.ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 1:400

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

Subject Headings: Boards and Commissions, Retirement and Pensions, State Employees

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation concerns the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

(b) The necessity of this administrative regulation: This administrative regulation is necessary for the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(g) authorizes the Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County Employees Retirement System to promulgate administrative regulations necessary or proper in order to carry out the provisions of KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852 and to conform to federal statutes and regulations. 26 U.S.C. 415(c) limits post-tax contributions by a member. This administrative regulation concerns the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

(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 administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

(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: The amendment to this administrative regulation is primarily technical in nature and adds definitions for “annual benefit” and “annual addition”, updates statutory references, clarifies that plans include those from KRS and CERS, and updates language to conform with KRS Chapter 1A drafting requirements.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is technical in nature and necessary to add definitions for “annual benefit” and “annual “addition”, update references to statutes, clarify that plans include those

from KRS and CERS, and update language to conform with KRS Chapter 1A drafting requirements.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(g) authorizes the Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County Employees Retirement System to promulgate administrative regulations necessary or proper in order to carry out the provisions of KRS 61.510 to 61.705, 16.505 to 16.652, and 78.510 to 78.852 and to conform to federal statutes and regulations. 26 U.S.C. 415(c) limits post-tax contributions by a member. This administrative regulation concerns the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

(d) How the amendment will assist in the effective administration of the statutes: The amendment to this administrative regulation is technical in nature and will assist in the effective administration of the statutes by adding definitions for “annual benefit” and “annual addition”, updating statutory references, clarifying that plans include those from KRS and CERS, and updating language to conform with KRS Chapter 13A drafting requirements to establish the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

(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.)

KRS 61.505 - Amended 2024 Ky. Acts ch. 55, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 28, sec. 1, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 2, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 76, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 2, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Fewer than 20 each year of approximately 433,461 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 the administrative regulation is already being implemented as written. The amendments are primarily technical in nature.

(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 because it is already being implemented as written. The amendment is primarily

technical in nature.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community will benefit from definitions of “annual benefit” and “annual addition”, updated statutory references and regulatory language, and clarification that plans include those from KRS and CERS.

(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 regulation is already being implemented as written.

(b) On a continuing basis: There will be no additional costs because 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) No, tiering is not applied. The administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415 applies to all members.

FISCAL IMPACT STATEMENT

105 KAR 1:400

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(g), 61.645(9)(e), 26 U.S.C. 415

(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(g), 61.645(9)(e)

(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: 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.

(5)(a) Identify any affected regulated entities not listed in (3)(a) or (4)(a): Approximately 433,461 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System.

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

(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 it is already being substantially implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

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

(b) The methodology and resources used to reach this conclusion: The agency analyzed costs and procedures for the administration of testing contribution and benefit limits in accordance with 26 U.S.C. Section 415.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 1:400

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

1. Federal statute or regulation constituting the federal mandate. 26 U.S.C. Section 415
2. State compliance standards. KRS 61.645(9)(e)
3. Minimum or uniform standards contained in the federal mandate. The federal standard generally limits annual additions to an individual's defined contribution plan.
4. Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements than those required by the federal mandate? No. This administrative regulation applies the federal standard.
5. Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. This administrative regulation does not impose a stricter standard, or additional or different responsibilities or requirements



Brief for Administrative Regulations

Date: November 2025

1. Regulation Number, Title, & Expiration Date: 105 KAR 1:430 General compliance with federal tax laws (expires June 2026)

☐ Emergency Regulation ☐ New Administrative Regulation ☒ Amendment
☐ Repealer ☐ Amended After Comments (w/SOC) ☐ Not Amended After Comments

2. Proposed schedule for regulation process:

File – by January 15, 2026

Public Comment period – through March 31, 2026

Public Hearing – March 23, 2026

ARRS – April 2026 (if no comments are received), May 2026 (if comments are received)

3. Statutory Authority: KRS 61.505(1)(g), 61.645(9)(e), 78.782(9)(d)

4. Major Economic Impact Exemption under KRS 13A.105(2)(a): This regulation will not have a combined implementation and compliance costs of five hundred thousand dollars (\$500,000) or more over any two-year period. The regulation is already being administered as written.

5. Summary of the Regulation: This administrative regulation establishes CERS and KRS compliance with 26 U.S.C. 134, 401(a), 414, and 503(b) in order for KERS, SPS, and CERS to maintain their tax qualified status as public defined benefits plans.

6. Justification for Amendment(s) or New Regulation(s): The amendment is necessary to correct and update federal and state statutory references, and amend language to comply with KRS Chapter 13A drafting requirements.

7. Affected Entities: Approximately 421,609 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System.

8. Is there a cost to or savings for the affected entities or the agency? If so, please explain and include funding source: The cost for the amendment is minimal because the administrative regulation is already being substantially implemented as written. Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

9. Is Tiering Applied? (Explain why or why not): Yes, tiering is applied to the extent that different types of service are subject to different federal requirements.

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Public Pensions Authority

3 (Amendment)

4 105 KAR 1:430. General compliance with federal tax laws.

5 RELATES TO: KRS 16.505-16.652, 61.510-61.705, 78.510-78.852, 26 U.S.C. 134,
6 401(a)(7), (8), (25), 414(d),(p),(u), 503(b)[, ~~Pub.L. 110-245~~]

7 STATUTORY AUTHORITY: KRS 61.505(1)(g), 61.645(9)(e), 78.782(9)(d)

8 CERTIFICATION STATEMENT: This is to certify that this administrative regulation
9 complies with KRS 13A.150(2) because it does not have a major economic impact.

10 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the
11 Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County
12 Employees Retirement System to promulgate administrative regulations that are consistent with
13 and necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505 to 61.705,
14 and 78.510 to 78.852. KRS 61.645(9)(e) and 78.782(9)(d) require the provisions of KRS 16.505
15 to 16.652, 61.510 to 61.705, and 78.510 to 78.852[requires the Board of Trustees of the
16 Kentucky Retirement Systems to promulgate administrative regulations necessary or proper in
17 order to carry out the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to
18 78.852 and] to conform with[to] federal statutes and regulations and meet the qualification
19 requirements under 26 U.S.C. 401(a). This administrative regulation establishes County
20 Employees Retirement System and Kentucky Retirement Systems' compliance with 26 U.S.C.

1 134, 401(a), 414, and 503(b)]~~26 U.S.C. 414, Pub.L. No. 110-245, and 26 U.S.C. 503(b)]~~ in order
2 for Kentucky Employees Retirement System, State Police Retirement System, and County
3 Employees Retirement System to maintain their tax qualified status as public defined benefits
4 plans.

5 Section 1. Compliance with 26 U.S.C. 401(a)(7) and 401(a)(8) for Vesting and
6 Forfeitures.

7 (1) A plan member shall be 100 percent vested in the member's accumulated
8 contributions at all times.

9 (2) In conformity with 26 U.S.C. 401(a)(8), any forfeitures of benefits by members or
10 former members of the plan shall:

11 (a) Not~~not~~ be used to pay benefit increases; and

12 (b) Be~~Be~~~~However, these forfeitures shall be~~ used to reduce employer contributions.

13 (3) Upon termination or partial termination of an affected retirement system, or the
14 complete discontinuance of contributions, a member shall have a nonforfeitable interest in
15 their~~his~~ accrued benefit to the extent funded except as provided by KRS 16.652, 61.692, and
16 78.852.

17 Section 2. Compliance with 26 U.S.C. 414(p) for Qualified Domestic Relations Orders. If
18 benefits are payable pursuant to a qualified domestic relations order that meets the requirements
19 of a domestic relations order as defined in 26 U.S.C. 414(p), then the agency shall follow the
20 applicable requirements of 26 U.S.C. 414(p)~~shall be followed by the retirement system~~.

21 Section 3. Compliance with 26 U.S.C. 134, 401(a)(37, and 414(u))~~26 U.S.C. 401(a)(37),~~
22 ~~and Pub.L. No. 110-245]~~ for Reemployed Veterans.

23 (1) Effective December 12, 1994, notwithstanding any other provision of the retirement

1 system law; contributions, benefits, and service credit with respect to qualified military service
 2 shall be governed by 26 U.S.C. 414(u),~~and~~ the Uniformed Services Employment and
 3 Reemployment Rights Act of 1994, and the Heroes Earnings Assistance and Relief Tax Act of
 4 2008.

5 (2) For deaths~~occurring~~ on or after January 1, 2007~~;~~ that occur while a member is
 6 performing qualified military service as defined by 38 U.S.C. 43~~(as defined in 38 U.S.C. 43)~~, to
 7 the extent required by 26 U.S.C. 401(a)(37), survivors of a member in a state or local retirement
 8 or pension system shall be~~are~~ entitled to any additional benefits that the system would provide
 9 if the member had resumed employment and then died, including~~such as~~ accelerated vesting or
 10 survivor benefits that are contingent on the member's qualified military service shall be counted
 11 for vesting purposes.

12 (3) Beginning January 1, 2009, to the extent required by 26 U.S.C. 414(u)(12), an
 13 individual receiving differential wage payments as defined in 26 U.S.C. 3401(h)(2) from an
 14 employer shall be treated as employed by that employer, and the differential wage payment shall
 15 be treated as compensation for purposes of applying the limits on annual additions under 26
 16 U.S.C. 415(c). This provision shall be applied to all similarly situated individuals in a reasonably
 17 equivalent manner.

18 Section 4. Compliance with 26 U.S.C. 503(b) for Prohibited Transactions. Effective as of
 19 July 1, 1989, the board shall not engage in a transaction prohibited by 26 U.S.C. 503(b).

20 Section 5. Compliance with 26 U.S.C. 401(a)(25) for Actuarial Assumptions.

21 (1) Kentucky Public Pensions Authority~~[Retirement Systems]~~ shall determine the amount
 22 of any benefit that is determined on the basis of actuarial assumptions using assumptions adopted
 23 by the board by rule; and

1 (2) Benefits established in this section~~[these benefits]~~ shall not be subject to employer
2 discretion.

3 Section 6. (1) In addition to any other vesting provisions under state law, except as
4 provided in KRS 61.535 and 78.540, the normal retirement benefit of a member with
5 nonhazardous service in the Kentucky Employees Retirement System or the County Employees
6 Retirement System shall be nonforfeitable upon the later of:

7 (a) Attaining the normal retirement age~~[The attainment]~~ of age sixty-five (65) years~~;~~
8 ~~which is the normal retirement age~~];

9 (b) For a member whose membership date is on or before August 31, 2008, the
10 completion of four (4) years of service; or

11 (c) For a member whose membership date is on or after September 1, 2008, five (5) years
12 of service earned pursuant to KRS 16.543(1), 61.543(1), or 78.615(1).

13 (2) In addition to any other vesting provisions under state law, except as provided in KRS
14 61.535 and 78.540, the normal retirement benefit of a member of the State Police Retirement
15 System and a member with hazardous service in the Kentucky Employees Retirement System or
16 the County Employees Retirement System shall be nonforfeitable upon the later of:

17 (a) For a member whose membership date is on or before August 31, 2008:

18 1. Attaining the normal retirement age of~~[Attainment of age]~~ fifty-five (55) years~~;~~
19 ~~is the normal retirement age~~]; or

20 2. The completion of five (5) years of service; or

21 (b) For a member whose membership date is on or after September 1, 2008:

22 1. Attaining the normal retirement age of~~[Attainment of age]~~ sixty (60) years~~;~~
23 ~~the normal retirement age~~]; or

- 1 2. The completion of five (5) years of service earned pursuant to KRS 16.543(1),
- 2 61.543(1), or 78.615(1).

105 KAR 1:430 General compliance with federal tax laws 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 March 23, 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 March 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
1260 Louisville Road
Frankfort, Kentucky 40601
Phone (502) 696-8679
Fax (502) 696-8615
Email: Legal.Non-Advocacy@kyret.ky.gov

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

105 KAR 1:430

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

Subject Headings: Boards and Commissions, Retirements and Pensions, State Employees

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes County Employees Retirement System and Kentucky Retirement Systems' compliance with 26 U.S.C. 134, 401(a), 414, and 503(b) in order for Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System to maintain their tax qualified status as public defined benefits plans.

(b) The necessity of this administrative regulation: This administrative regulation is necessary for Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System to maintain their tax qualified status as public defined benefits plans.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County Employees Retirement System to promulgate administrative regulations that are consistent with and necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. KRS 61.645(9)(e) and 78.782(9)(d) require the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852 to conform with federal statutes and regulations and meet the qualification requirements under 26 U.S.C. 401(a). This administrative regulation establishes County Employees Retirement System and Kentucky Retirement Systems' compliance with 26 U.S.C. 134, 401(a), 414, and 503(b) in order for Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System to maintain their tax qualified status as public defined benefits plans.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation establishes County Employees Retirement System and Kentucky Retirement Systems' compliance with 26 U.S.C. 134, 401(a), 414, and 503(b) in order for Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System to maintain their tax qualified status as public defined benefits plans.

(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: The amendment to this administrative regulation is primarily technical in nature. It corrects and updates federal and state statutory references, and amends language to comply with KRS Chapter 13A drafting requirements.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to correct and update federal and state statutory references, and amend language to comply with KRS Chapter 13A drafting requirements so that Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System maintain their tax qualified status as public defined benefits plans.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County Employees Retirement System to promulgate administrative regulations that are consistent with and necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. KRS 61.645(9)(e) and 78.782(9)(d) require the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852 to conform with federal statutes and regulations and meet the qualification requirements under 26 U.S.C. 401(a). This administrative regulation establishes County Employees Retirement System and Kentucky Retirement Systems' compliance with 26 U.S.C. 134, 401(a), 414, and 503(b) in order for Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System to maintain their tax qualified status as public defined benefits plans.

(d) How the amendment will assist in the effective administration of the statutes: The amendment to this administrative regulation will assist in the effective administration of the statutes by correcting and updating federal and state statutory references, and amending language to comply with KRS Chapter 13A drafting requirements, so that Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System maintain their tax qualified status as public defined benefits plans.

(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.)

KRS 61.505 - Amended 2024 Ky. Acts ch. 55, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 28, sec. 1, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 2, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 76, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 2, effective April 1, 2021.

KRS 61.645 - Amended 2024 Ky. Acts ch. 55, sec. 13, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 94, sec. 3, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 12, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 66, effective April 1, 2021. -- Amended 2020 Ky. Acts ch. 79, sec. 4, effective April 1, 2021.

KRS 78.782 - Amended 2024 Ky. Acts ch. 55, sec. 26, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 94, sec. 5, effective June 29, 2023. -- Amended 2022 Ky. Acts ch.

216, sec. 25, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 29, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 3, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation affects approximately 433,461 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 the administrative regulation is already being implemented as written. The amendments are primarily technical in nature.

(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 because it is already being implemented as written. The amendment is primarily technical in nature.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community benefit from Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System maintaining their tax qualified status as public defined benefits plans.

(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 regulation is already being implemented as written.

(b) On a continuing basis: There will be no additional costs because 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 to the extent that different types of service are subject to different federal requirements.

FISCAL IMPACT STATEMENT

105 KAR 1:430

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), 61.645(9)(e), and 78.782(9)(d), 26 U.S.C. 134, 401(a), 414, and 503(b)

(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), 61.645(9)(e), and 78.782(9)(d)

(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. It is already being implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for conforming with federal statutes and regulations and meeting the qualification requirements under 26 U.S.C. 401(a).

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

(b) The methodology and resources used to reach this conclusion: The agency analyzed costs and procedures for conforming with federal statutes and regulations and meeting the qualification requirements under 26 U.S.C. 401(a).

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 1:430

Contact Person: Carole J. Catalfo

Phone: (502) 696-8679

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

1. Federal statute or regulation constituting the federal mandate. 26 U.S.C. 134, 401(a), 414, and 503(b)
2. State compliance standards. KRS 61.645(9)(e) and 78.782(9)(d)
3. Minimum or uniform standards contained in the federal mandate. Compliance with 26 U.S.C. 134, 401(a), 414, and 503(b) regarding vesting and forfeitures of benefits, Qualified Domestic Relations Orders, reemployed veterans, actuarial assumptions, and prohibited transactions in order for Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System to maintain their tax qualified status as public defined benefits plans.
4. Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements than those required by the federal mandate? No, this administrative regulation does not impose stricter requirements or additional or different responsibilities than those required by the federal mandate.
5. Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements. this administrative regulation does not impose stricter requirements or additional or different responsibilities than those required by the federal mandate.



KENTUCKY PUBLIC PENSIONS AUTHORITY

Ryan Barrow, Executive Director

1260 Louisville Road • Frankfort, Kentucky 40601
kyret.ky.gov • Phone: 502-696-8800 • Fax: 502-696-8822



October 1, 2025

Ms. Emily Caudill, Regulations Compiler
Legislative Research Commission
083, Capitol Annex
702 Capitol Avenue
Frankfort, KY 4601

RE: 105 KAR 1:190 – Qualified Domestic Relations Orders
Technical amendment to Materials Incorporated by Reference (Form 6437)

Dear Ms. Caudill,

As you recall from email communications with this agency, 105 KAR 1:190 (Qualified Domestic Relations Orders) incorporates by reference Form 6437, QDRO for Payment of Child Support by an Administrative, which specifically refers to the Cabinet for Health and Family Services (CHFS) because previously CHFS was the only administrative agency with the authority to issue an order related to child support.

Effective July 1, 2025, and pursuant to SB 48 from the 2023 regular session, and SB 244 from the 2025 regular session, of the Kentucky General Assembly, the Division of Child Support Enforcement under CHFS was reorganized under the Office of the Attorney General and became the Department of Child Support Services (DCSS). The KPPA requests that the Regulations Compiler make the following technical changes to Form 6437 incorporated by reference in 105 KAR 1:190:

p. 2 – In the header below and after “Commonwealth of Kentucky”, insert “Office of the Attorney General”
Delete “Cabinet for Health and Family Services”

p. 2 - In the first sentence after “Qualified Domestic Relations Order For Payment of Child Support by an Administrative Agency” and “The” insert “Office of the Attorney General”
Delete “Cabinet for Health and Family Services”

p. 3 – After “6. The”, insert “Office of the Attorney General”
Delete “Cabinet for Health and Family Services”

p. 3 – After “15.c. Subsequent QDRO from the”, insert “Office of the Attorney General”

Delete "Cabinet for Health and Family Services"

p. 4 – Beneath the Signature Line after "Agency Head," insert "Office of the Attorney General"

Delete "Cabinet for Health and Family Services"

Attached please find a marked-up copy of the previous Form 6437, and a "clean" version with the changes reflected, for your convenience.

Sincerely,



Ryan Barrow
Executive Director
Kentucky Public Pensions Authority

RB/cjc
Attachments

Member ID: 575417
Letter: G-004
BDS

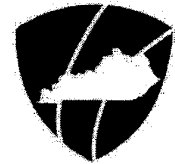
MIR attached
to Tech Amend
Printout.



KENTUCKY PUBLIC PENSIONS AUTHORITY

Ryan Barrow, Executive Director

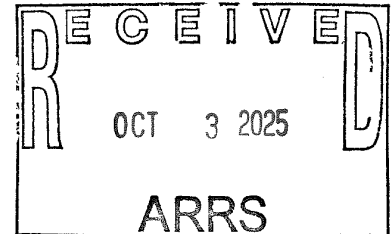
1260 Louisville Road • Frankfort, Kentucky 40601
kyret.ky.gov • Phone: 502-696-8800 • Fax: 502-696-8822



Kentucky Public
Pensions Authority

October 1, 2025

Ms. Emily Caudill, Regulations Compiler
Legislative Research Commission
083, Capitol Annex
702 Capitol Avenue
Frankfort, KY 4601



RE: 105 KAR 1:190 – Qualified Domestic Relations Orders
Technical amendment to Materials Incorporated by Reference (Form 6437)

Dear Ms. Caudill,

As you recall from email communications with this agency, 105 KAR 1:190 (Qualified Domestic Relations Orders) incorporates by reference Form 6437, QDRO for Payment of Child Support by an Administrative, which specifically refers to the Cabinet for Health and Family Services (CHFS) because previously CHFS was the only administrative agency with the authority to issue an order related to child support.

Effective July 1, 2025, and pursuant to SB 48 from the 2023 regular session, and SB 244 from the 2025 regular session, of the Kentucky General Assembly, the Division of Child Support Enforcement under CHFS was reorganized under the Office of the Attorney General and became the Department of Child Support Services (DCSS). The KPPA requests that the Regulations Compiler make the following technical changes to Form 6437 incorporated by reference in 105 KAR 1:190:

p. 2 – In the header below and after “Commonwealth of Kentucky”, insert “Office of the Attorney General”

Delete “Cabinet for Health and Family Services”

p. 2 - In the first sentence after “Qualified Domestic Relations Order For Payment of Child Support by an Administrative Agency” and “The” insert “Office of the Attorney General”

Delete “Cabinet for Health and Family Services”

p. 3 – After “6. The”, insert “Office of the Attorney General”

Delete “Cabinet for Health and Family Services”

p. 3 – After “15.c. Subsequent QDRO from the”, insert “Office of the Attorney General”

**KENTUCKY PUBLIC PENSIONS AUTHORITY**

1260 Louisville Road • Frankfort, KY 40601

Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

Print

Form 6437

Revised

10/2025[03/2024]

Qualified Domestic Relations Order for Child Support by an Administrative Agency**INSTRUCTIONS FOR COMPLETION****GENERAL INFORMATION**

- The printed language on the Form 6437, "Qualified Domestic Relations Order for Child Support by an Administrative Agency" (QDRO) cannot be altered. The QDRO will be rejected by Kentucky Public Pensions Authority (KPPA) if the printed language is altered in any manner. (See KRS 16.645, 61.690, 78.545, and 105 KAR 1:190).
- Participants are active, inactive, and retired members.
- All participants are strongly advised to seek financial, legal, or other expert advice. KPPA is not rendering legal, financial, or any other type of professional advice in these instructions and nothing in these instructions should be construed as providing legal, financial, or any other type of professional advice.
- This form can only be used if the participant is retired and is receiving a monthly retirement benefit.

SECTION BY SECTION INSTRUCTIONS

These instructions will only cover sections that require completion by the Agency.

Section 2. The Agency shall enter the Participant's name, the Participant's KPPA member identification number (or social security number), and current mailing address.

Section 3. The Agency shall enter the Alternate Payee's name.

Section 4. The Agency shall mark all retirement systems to which this order applies. If a Participant has service credit in multiple retirement systems, the Agency should mark only the systems affected by the QDRO.

NOTE: If the participant is not certain which retirement system the service credit is in, it is vital that the participant contact KPPA or access his/her Member Self-Service Portal to obtain the accurate retirement system information to provide to the Agency.

Section 6. The Agency shall list the child(ren) for which the child support has been ordered. If there are more than three children, please attach an additional page.

Section 7. The Agency shall enter the monthly dollar amount child support payment to be withheld from the Participant's monthly retirement benefit.

Section 8. The Agency shall decide how the cost-of-living increase provided in KRS 61.691 and 78.5518 is to be divided. The Agency may order that all of the cost-of-living adjustment be made to the Participant's monthly payment or that it be divided as provided in KRS 16.645, 61.690(9), and 78.545.

Kentucky Public Pensions Authority**Form 6437**

Revised

1202025[03/2024]

This Order is: ☐ New ☐ Corrected ☐ Amended ☐ Corrected Amended

COMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL ~~[CABINET
FOR HEALTH AND FAMILY SERVICES]~~
ADMINISTRATIVE ACTION NUMBER/IV-D NUMBER

PETITIONER

Name _____

vs.

RESPONDENT

Name _____

**QUALIFIED DOMESTIC RELATIONS ORDER FOR PAYMENT OF CHILD SUPPORT
BY AN ADMINISTRATIVE AGENCY**

The ~~Office of the Attorney General [Cabinet for Health and Family Services]~~ finds the following facts and issues the following Order pursuant to KRS 16.645, 61.690, KRS 78.545, KRS 403.212, KRS 403.213, KRS 405.430, KRS 405.465, 105 KAR 1:190, and 921 KAR 1:400:

1. This Order is intended to comply with and be administered and interpreted in conformity with 26 U.S.C. Sections 401(a) and 414(p), KRS 16.645, 61.690, KRS 78.545, and KRS Chapter 403. For child support purposes, Alternate Payee, as defined at 26 U.S.C. Section 414(p), may be a spouse, former spouse, child, or other dependent of a Participant.

2. The following information is provided for the Participant:

Name: _____

Kentucky Public Pensions Authority Member ID or SSN: _____

Current Mailing Address: _____

City, State, Zip Code

3. The following information is provided for the Alternate Payee/Custodial Parent:

Name: _____

Current Mailing Address: Centralized Collection Unit
P.O. Box 14059
Lexington, KY 40512-4059

4. The "Retirement System(s)" affected by the Order are (check the box below for each retirement system to which this Order applies):

This Order shall be processed only using the System indicated, and shall not be valid or processed if the participant does not have service credit in the System indicated.

State Police Retirement System☐ (Kentucky State Police)**County Employees Retirement System**☐ (City/county local governments, eligible local agencies, school boards)**Kentucky Employees Retirement System**☐ (State departments, boards, state colleges and universities, Employers directed by Executive Order of the Governor to participate in KERS, and quasi-governmental agencies)

5. **Obligation of Participant and Alternate Payee:** The Participant and the Alternate Payee are ordered to notify the Kentucky Public Pensions Authority (KPPA) in writing of any change in circumstance regarding this Order. KPPA shall not be responsible for any failure of communication or receipt of payment caused by the failure of the Participant or the Alternate Payee to provide necessary information. KPPA is under no statutory or regulatory duty to attempt to find any party who does not inform KPPA of his/her current address and shall not attempt to locate any party who does not inform KPPA of his/her current address.

6. The Office of the Attorney General~~[Cabinet for Health and Family Services]~~ has ordered the Participant to pay child support to support the following child(ren):

Name: _____	Date of Birth: _____
Name: _____	Date of Birth: _____
Name: _____	Date of Birth: _____

7. Pursuant to the laws governing the calculation of child support, KPPA shall withhold \$ _____ per month from the Participant's monthly retirement allowance and pay that amount as child support by check paid to "Kentucky Child Support Enforcement". KPPA is ordered to include the Participant's name and Social Security Number on the payment.

8. Any cost-of-living increase provided in KRS 61.691 and 78.5518 shall be administered as follows:

☐ All to the Participant.

OR

☐ Divided between the Participant and the Alternate Payee pursuant to KRS 16.645, 61.690(9), and 78.545.

9. Payments under this Order shall continue until the Order is amended or terminated as provided in 105 KAR 1:190.

10. This Order applies to payments to be made after the approval of the Order for enforcement by KPPA under KRS 16.645, 61.690, 78.545, and 105 KAR 1:190.

11. The Participant is ordered to notify KPPA of any event which terminates his or her obligations under this Order as provided in 105 KAR 1:190 Section 18.

12. KPPA shall not be liable to the Participant for payments made to the Alternate Payee after an event which terminates his or her obligations under this Order as provided in 105 KAR 1:190, or for other payments made to the Alternate Payee to which the Alternate Payee was not entitled.

13. The Alternate Payee is ordered to immediately return any payments made pursuant to this Order that are received by the Alternate Payee after the death of the Participant.

14. If the Participant's monthly retirement benefit payment is subject to more than one Order under KRS 16.645, 61.690, and 78.545, the amount paid to the Alternate Payee under this Order may be reduced based on the priority of the other Orders.

15. The Alternate Payee's right to receive an amount from the Participant's monthly retirement benefit payment shall terminate upon:

a. The death of the Participant, the Alternate Payee, or all the children named in this Order; or

b. The termination of a benefit paid to the Participant; or

c. Subsequent QDRO from the Office of the Attorney General~~[Cabinet for Health and Family Services]~~ or Order from a court of competent jurisdiction.

16. Payments under this Order shall commence as provided by KRS 16.645, 61.690, and 78.545.

17. As provided in KRS 16.645, 61.690(4)(a), and 78.545, this Order does not and shall not be construed to require KPPA to take any action not authorized under state or federal law.

18. As provided in KRS 16.645, 61.690(4)(b), and 78.545, this Order does not and shall not be construed to require KPPA to provide any benefit, allowance, or other payment not authorized under state or federal law.

19. As provided in KRS 16.645, 61.690(4)(c) and (d), and 78.545, this Order does not and shall not be construed to grant the Alternate Payee any separate right, title, interest, or to any retirement benefit other than to the payment from the Participant's account provided under this Order.

SO ORDERED this ____ day of _____, 20 ____

Agency Head, Office of the Attorney General[Cabinet for
Health and Family Services]

HAVE SEEN AND AGREED: (Not Required)

Signature of the Participant

Signature of the Alternate Payee

Signature of Attorney for Participant

Signature of Attorney for Alternate Payee

Printed Name
of Participant:

Printed Name
of Alternate Payee:

Address: _____

Address: _____

City, State, Zip: _____

City, State, Zip: _____

Phone: _____

Phone: _____

Fax: _____

Fax: _____

**KENTUCKY PUBLIC PENSIONS AUTHORITY**

1260 Louisville Road • Frankfort, KY 40601

Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

Print

Form 6437

Revised 10/2025

Qualified Domestic Relations Order for Child Support by an Administrative Agency**INSTRUCTIONS FOR COMPLETION****GENERAL INFORMATION**

- The printed language on the Form 6437, "Qualified Domestic Relations Order for Child Support by an Administrative Agency" (QDRO) cannot be altered. The QDRO will be rejected by Kentucky Public Pensions Authority (KPPA) if the printed language is altered in any manner. (See KRS 16.645, 61.690, 78.545, and 105 KAR 1:190).
- Participants are active, inactive, and retired members.
- All participants are strongly advised to seek financial, legal, or other expert advice. KPPA is not rendering legal, financial, or any other type of professional advice in these instructions and nothing in these instructions should be construed as providing legal, financial, or any other type of professional advice.
- This form can only be used if the participant is retired and is receiving a monthly retirement benefit.

SECTION BY SECTION INSTRUCTIONS

These instructions will only cover sections that require completion by the Agency.

Section 2. The Agency shall enter the Participant's name, the Participant's KPPA member identification number (or social security number), and current mailing address.

Section 3. The Agency shall enter the Alternate Payee's name.

Section 4. The Agency shall mark all retirement systems to which this order applies. If a Participant has service credit in multiple retirement systems, the Agency should mark only the systems affected by the QDRO.

NOTE: If the participant is not certain which retirement system the service credit is in, it is vital that the participant contact KPPA or access his/her Member Self-Service Portal to obtain the accurate retirement system information to provide to the Agency.

Section 6. The Agency shall list the child(ren) for which the child support has been ordered. If there are more than three children, please attach an additional page.

Section 7. The Agency shall enter the monthly dollar amount child support payment to be withheld from the Participant's monthly retirement benefit.

Section 8. The Agency shall decide how the cost-of-living increase provided in KRS 61.691 and 78.5518 is to be divided. The Agency may order that all of the cost-of-living adjustment be made to the Participant's monthly payment or that it be divided as provided in KRS 16.645, 61.690(9), and 78.545.

Kentucky Public Pensions Authority**Form 6437**

Revised 10/2025

This Order is: ☐ New ☐ Corrected ☐ Amended ☐ Corrected AmendedCOMMONWEALTH OF KENTUCKY
OFFICE OF THE ATTORNEY GENERAL
ADMINISTRATIVE ACTION NUMBER/IV-D NUMBER

PETITIONER

Name _____

vs.

RESPONDENT

Name _____

**QUALIFIED DOMESTIC RELATIONS ORDER FOR PAYMENT OF CHILD SUPPORT
BY AN ADMINISTRATIVE AGENCY**

The Office of the Attorney General finds the following facts and issues the following Order pursuant to KRS 16.645, 61.690, KRS 78.545, KRS 403.212, KRS 403.213, KRS 405.430, KRS 405.465, 105 KAR 1:190, and 921 KAR 1:400:

1. This Order is intended to comply with and be administered and interpreted in conformity with 26 U.S.C. Sections 401(a) and 414(p), KRS 16.645, 61.690, KRS 78.545, and KRS Chapter 403. For child support purposes, Alternate Payee, as defined at 26 U.S.C. Section 414(p), may be a spouse, former spouse, child, or other dependent of a Participant.

2. The following information is provided for the Participant:

Name: _____

Kentucky Public Pensions Authority Member ID or SSN: _____

Current Mailing Address: _____

City, State, Zip Code

3. The following information is provided for the Alternate Payee/Custodial Parent:

Name: _____

Current Mailing Address: Centralized Collection Unit
P.O. Box 14059
Lexington, KY 40512-4059

4. The "Retirement System(s)" affected by the Order are (check the box below for each retirement system to which this Order applies):

This Order shall be processed only using the System indicated, and shall not be valid or processed if the participant does not have service credit in the System indicated.

State Police Retirement System☐ (Kentucky State Police)**County Employees Retirement System**☐ (City/county local governments, eligible local agencies, school boards)**Kentucky Employees Retirement System**☐ (State departments, boards, state colleges and universities, Employers directed by Executive Order of the Governor to participate in KERS, and quasi-governmental agencies)

5. Obligation of Participant and Alternate Payee: The Participant and the Alternate Payee are ordered to notify the Kentucky Public Pensions Authority (KPPA) in writing of any change in circumstance regarding this Order. KPPA shall not be responsible for any failure of communication or receipt of payment caused by the failure of the Participant or the Alternate Payee to provide necessary information. KPPA is under no statutory or regulatory duty to attempt to find any party who does not inform KPPA of his/her current address and shall not attempt to locate any party who does not inform KPPA of his/her current address.

6. The Office of the Attorney General has ordered the Participant to pay child support to support the following child(ren):

Name: _____	Date of Birth: _____
Name: _____	Date of Birth: _____
Name: _____	Date of Birth: _____

7. Pursuant to the laws governing the calculation of child support, KPPA shall withhold \$ _____ per month from the Participant's monthly retirement allowance and pay that amount as child support by check paid to "Kentucky Child Support Enforcement". KPPA is ordered to include the Participant's name and Social Security Number on the payment.

8. Any cost-of-living increase provided in KRS 61.691 and 78.5518 shall be administered as follows:

☐ All to the Participant.

OR

☐ Divided between the Participant and the Alternate Payee pursuant to KRS 16.645, 61.690(9), and 78.545.

9. Payments under this Order shall continue until the Order is amended or terminated as provided in 105 KAR 1:190.

10. This Order applies to payments to be made after the approval of the Order for enforcement by KPPA under KRS 16.645, 61.690, 78.545, and 105 KAR 1:190.

11. The Participant is ordered to notify KPPA of any event which terminates his or her obligations under this Order as provided in 105 KAR 1:190 Section 18.

12. KPPA shall not be liable to the Participant for payments made to the Alternate Payee after an event which terminates his or her obligations under this Order as provided in 105 KAR 1:190, or for other payments made to the Alternate Payee to which the Alternate Payee was not entitled.

13. The Alternate Payee is ordered to immediately return any payments made pursuant to this Order that are received by the Alternate Payee after the death of the Participant.

14. If the Participant's monthly retirement benefit payment is subject to more than one Order under KRS 16.645, 61.690, and 78.545, the amount paid to the Alternate Payee under this Order may be reduced based on the priority of the other Orders.

15. The Alternate Payee's right to receive an amount from the Participant's monthly retirement benefit payment shall terminate upon:

- The death of the Participant, the Alternate Payee, or all the children named in this Order; or
- The termination of a benefit paid to the Participant; or
- Subsequent QDRO from the Office of the Attorney General or Order from a court of competent jurisdiction.

16. Payments under this Order shall commence as provided by KRS 16.645, 61.690, and 78.545.

17. As provided in KRS 16.645, 61.690(4)(a), and 78.545, this Order does not and shall not be construed to require KPPA to take any action not authorized under state or federal law.

18. As provided in KRS 16.645, 61.690(4)(b), and 78.545, this Order does not and shall not be construed to require KPPA to provide any benefit, allowance, or other payment not authorized under state or federal law.

19. As provided in KRS 16.645, 61.690(4)(c) and (d), and 78.545, this Order does not and shall not be construed to grant the Alternate Payee any separate right, title, interest, or to any retirement benefit other than to the payment from the Participant's account provided under this Order.

SO ORDERED this ____ day of _____, 20 ____

Agency Head, Office of the Attorney General

HAVE SEEN AND AGREED: (Not Required)

Signature of the Participant

Signature of the Alternate Payee

Signature of Attorney for Participant

Signature of Attorney for Alternate Payee

Printed Name
of Participant:

Printed Name
of Alternate Payee:

Address: _____

Address: _____

City, State, Zip: _____

City, State, Zip: _____

Phone: _____

Phone: _____

Fax: _____

Fax: _____