**KPPA Ad Hoc Regulations Committee**
**September 16, 2026 at 10:00 a.m. Eastern Time**
**Live Video Conference/Facebook Live**

**AGENDA**

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| 1. | Call to Order | Keith Peercy |
| 2. | Opening Video Teleconference Statement | Legal Services |
| 3. | Roll Call | Sherry Rankin |
| 4. | Public Comment | Sherry Rankin |
| 5. | Approval of Minutes* - March 5, 2026 | Keith Peercy |
| 6. | Upcoming regulations overview | Nathan Goodrich |
| 7. | 105 KAR 1:365 - Hybrid cash plan balance* | Carole Catalfo<br>Nathan Goodrich |
| 8. | 105 KAR 2:270 – Federal tax withholding* | Carole Catalfo<br>Nathan Goodrich |
| 9. | 105 KAR 2:420 – 401(h) account* | Carole Catalfo<br>Nathan Goodrch |
| 10. | 105 KAR 5:200 – Retirement procedures* | Carole Catalfo<br>Nathan Goodrich |
| 11. | 105 KAR 5:202 – Notification of retirement* | Carole Catalfo<br>Nathan Goodrich |
| 12. | 105 KAR 5:390 – Employment after retirement* | Carole Catalfo<br>Nathan Goodrich |
| 13. | Certification letters for regulations that expire in January 2027*:<br>105 KAR 2:420 - 401(h) account (filing simultaneously)<br>105 KAR 3:180 – Death before retirement procedures<br>105 KAR 3:240 – Death after retirement procedures | <br>Carole Catalfo<br>Nathan Goodrich<br> |
| 14. | Adjourn | Keith Peercy |

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

# MINUTES OF MEETING
# KENTUCKY PUBLIC PENSIONS AUTHORITY
# SPECIAL CALLED AD HOC REGULATION COMMITTEE
# MARCH 5, 2026, 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 March 5, 2026, the following members were present: Keith Peercy (Chair), George Cheatham, and Lynn Hampton. Staff members present were CERS CEO Ed Owens III, Ryan Barrow, Erin Surratt, Michael Lamb, Odette Gwandi, Victoria Hale, Nathan Goodrich, Carole Catalfo, Shaun Case, Sherry Rankin, and Mary Hill

1. Mr. Peercy 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. Peercy introduced agenda item ***Approval of Minutes – November 12, 2025*** *(Video 00:07:49 to 00:08:07)*. Ms. Hampton made a motion to approve the minutes of the meeting held November 12, 2025, as presented. Mr. Peercy seconded the motion. The motion passed unanimously.

***** Mr. Cheatham entered the meeting ****

6. Mr. Peercy introduced agenda item ***Upcoming Regulations Overview.*** *(Video 00:08:37 to 00:10:23)*. Mr. Goodrich briefly stated that staff have been in communication with the Legislative Research Commission ("LRC") and KPPA executive management about how to better organize regulations. Last year, one third (1/3) of the regulations were scheduled to expire, requiring action on seventeen (17) of those. Moving forward, regulations will be divided into five (5) chapters based on common subject matter. While no action is required

by this committee, staff wanted to keep the committee informed about the upcoming changes. These changes will ensure timely and holistic review of an entire section/subject matter rather than reviewing each regulation independently before its expiration. The changes will likely take effect in the summer of 2026 and will not require an additional meeting with this committee unless there are urgent changes required by the legislative session. Additionally, the regulations discussed in today's meeting will not be moved into new chapters.

7. Mr. Peercy introduced agenda item ***Administrative Regulation 105 KAR 1:001 – Definitions for KAR Title 105.*** *(Video 00:10:25 to 00:12:06)*. Ms. Catalfo provided information on some updates to the regulations to establish definitions in anticipation of recodifying KAR Title 105 into five (5) separate chapters. This change will allow these definitions to apply to all sections of the Title. Additionally, she noted that these changes are also being made to consolidate common definitions as they go along. Ms. Hampton made a motion to approve Regulation 105 KAR 1:001 as presented, and to forward it to the full KPPA Board for approval. Mr. Cheatham seconded the motion and the motion passed unanimously.

8. Mr. Peercy introduced agenda item ***Administrative Regulation 105 KAR 1:440 – Trustee Education Programs***. *(Video 00:12:07 to 00:13:39).* Ms. Catalfo briefly explained the update in regulation language pertaining to trustee education, namely updating the Title to reflect the statutory requirement for the CERS trustee education program to be incorporated by reference into the KRS program. Ms. Hampton made a motion to approve Regulation 105 KAR 1:440 as presented, and to forward them to the full KPPA Board for its approval. Mr. Cheatham seconded the motion and the motion passed unanimously.

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

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# 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 March 5, 2026, were approved on September 16, 2026.

_____
KPPA Ad Hoc Regulation Committee Chair

_____
Executive Director

I have reviewed the Minutes of the March 5, 2026, Kentucky Public Pensions Authority Ad Hoc Regulation Committee Meeting for content, form, and legality.

_____
Executive Director, Office of Legal Services

To: Ad Hoc Regulations Review Committee
Date: September 16, 2026

**105 KAR 1:365 – Hybrid cash balance plan** - establishes the procedures and requirements for the administration of the hybrid cash balance plan tier for members with participation dates on or after January 1, 2014, or members who elect the hybrid cash balance plan pursuant to KRS 61.5955 and 78.545. Revisions include:

- Moving language defining "decompression service" and "military omitted service" to the Definitions section
- Adding that an accumulated account balance refund application from a member charged with an employment-related felony will not be processed until a final, appealable court judgement has been entered
- Removing Form 2022 (Separation of Accounts) from Materials Incorporated by Reference in favor of a citation to the regulation where the form is located
- Updating Form 2013 (Hybrid Cash Balance Plan Opt-In Election) - reformatted font and information fields, and a statement that "KPPA will update contact information for your retirement account based on the details provided below."
- Updating language to comply with drafting requirements and KRS Chapter 13A

**105 KAR 2:270 – Federal tax withholding** – establishes the procedure for informing affected members, beneficiaries, and alternate payees of their rights with regard to federal taxation rules and provides forms for members, beneficiaries, and alternate payees to indicate their preference for federal tax withholding or direct rollover of eligible distributions. This regulation also establishes a procedure to issue a check to an alternate payee of a qualified domestic relations order if the alternate payee does not file the form required for federal income tax purposes within a reasonable time, and a procedure if an alternate payee cannot be located. Revisions include:

- Updates definitions for "beneficiary" and "death benefit beneficiary" to include non-persons (such as trusts) as beneficiaries and to clarify that only beneficiaries of retired members are eligible to receive the death benefit
- Removing Form 4525, 6010, 6025 from Materials Incorporated by Reference in favor of a citation to 105 KAR 5:200 in which they are now located
- Removing Form 6028 (Fed tax withholding certificate) which is actually a federal IRS form. This enables the KPPA to send or link to the latest federal form without needing to open the regulation. Additionally, federal forms – which are developed, controlled, and regulated by a federal agency – are not appropriate for incorporation into a state regulation pursuant to KRS Chapter 13A
- Removing the "Special Tax Notice Regarding Payments" document in favor of a reference to the US Code that governs and requires the notice which will enable the KPPA to send or link to the most recent notice whenever the IRS makes changes without needing to open the regulation
- Clarifying that Section 4 establishes forms/requirements for beneficiaries, Section 5 for death benefit beneficiaries, and Section 6 for eligible beneficiaries, related to direct rollovers of distributions and withholding federal tax on distributions that aren't rolled over into an IRA or other qualified plan
- Streamlines and updates language to comply with drafting requirements and KRS Chapter 13A

**105 KAR 2:420 – 401(h) account** - establishes an account pursuant to 26 U.S.C. Section 401(h) (i.e., a "401(h)" account) for receipt of mandatory employee contributions made by members of the Kentucky Retirement Systems and the County Employees Retirement System if the employer is not eligible to participate in the insurance trust. *Note: this regulation will expire in January 2027, while it is in process. **This regulation is due to expire in January 2027. A certification letter will be filed simultaneously so that the regulation will remain in effect until the revisions below become effective(on or around May 2027).
Revisions include:

- Adding a definition for "insurance trust"
- Clarifying the use and purpose of mandatory contributions for health insurance benefits to the 401(h) account (if the employer's participation in the insurance trust conflicts with federal statutes or regulations) versus the insurance trust (if the employer's participation does not conflict with federal statutes or regulations)
- Removes the 1% mandatory contribution to comply with SB 10 of the 2025 legislative session
- Corrects statutory references
- Revises language to conform to drafting requirements

**105 KAR 5:200 – Retirement procedures** - establishes the procedures and forms required to apply for and receive retirement benefits. Revisions include:

- To comply with SB 85 of the 2026 legislative session, adding "special needs trust" as an optional beneficiary for members to choose on the Form 6030, "Death Benefit Designation"
- Removing Form 6017, which is actually the IRS Form W-4P for tax withholding for periodic pension or annuity payments, in favor of a citation to the federal tax code that requires it. This enables the KPPA to send or link to the latest federal form without needing to open the regulation. Additionally, federal forms – which are developed, controlled, and regulated by a federal agency – are not appropriate for incorporation into a state regulation pursuant to KRS Chapter 13A
- Removing Form 2035 which is incorporated into a separate regulation
- Removing a redundant definition
- Updating language to comply with drafting requirements

**105 KAR 5:202 – Notification of retirement** - establishes the use of Form 6000, "Notification of Retirement", which is required to apply for and receive retirement benefits. Revisions include:

- To comply with SB 85 of the 2026 regular legislative session, this amendment adds "special needs trust" as an optional beneficiary for members to choose on the Form 6000, "Notification of Retirement"
- Removes unnecessary citations to specific regulations to accommodate recent recodification and ease of developing or revising related regulations

**105 KAR 3:390 – Employment after retirement** – this regulation concerns the administration of KRS 61.637 and 78.5540 in conjunction with federal law regarding bona fide separation from service and changes in employment relationship if a retired member returns to employment with a participating employer in a KPPA retirement system. 26 C.F.R. 1.401-1(a)(2) requires that qualified plans expressly provide in its documents how the plan will be administered in accordance with federal law to maintain the tax qualified status of the plan. This regulation is necessary to maintain the tax qualified status of the KPPA systems under federal law. Revisions include:

- Refining definitions for “employee” and “prearranged agreement”, and adding a definition for “statutory officer”
- Including statutory language regarding prearranged agreements for elected officials and candidates for office
- Clarifying deadlines for information submission, and that failing to submit required or requested information will not prejudice a member’s ability to resubmit a request for approval of reemployment
- Adding factors (including federal Revenue Ruling 87-41) the agency considers to determine whether a reemployed member is an independent contractor or leased employee, or a volunteer.
- Adding a section to establish employer exemptions from paying employer contributions
- Adding ceased employer procedures
- Establishing employment relationships to which the administrative regulation will not apply
- Removing Form 6000 from MIRs in favor of a citation to the regulation in which the form is located, and condensing materials incorporated by reference to eliminate five related forms
- Streamlining and revising language to comply with drafting requirements

**Certification letters** (information only) – these regulations will expire in January 2027, prior to their anticipated revisions and filing around March 2027. In order to keep the regulations in effect until the revisions become effective (around November 2027), certification letters will be filed for:
105 KAR 2:420 – 401(h) account (see notes above)
105 KAR 3:180 – Death before retirement procedures
105 KAR 3:240 – Death after retirement procedures

FINANCE AND ADMINISTRATION CABINET

Kentucky Public Pensions Authority

(Amendment)

105 KAR 1:365. Hybrid cash balance plan.

RELATES TO: KRS 16.505, 16.543, 16.577, 16.578, 16.583, 61.505, 61.510, 61.542, 61.543, 61.552, 61.559, 61.565, 61.592, 61.5955, 61.597, 61.615, 61.625, 61.637, 61.640, 61.680, 61.702, 78.510, 78.545, 78.5510, 78.5512, 78.5514, 78.5516, 78.5520, 78.5528, 78.5532, 78.5536, 78.5540, 78.5542, 78.615, 78.635, 38 U.S.C. 4301-4335, 26 U.S.C. 414(u)

STATUTORY AUTHORITY: KRS 61.505(1)(g)

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

NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority on behalf of the Kentucky Retirement Systems and the County Employees Retirement System to promulgate administrative regulations that are consistent with and necessary and proper to carry out the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852. KRS 16.583, 61.597, 78.5512, and 78.5516 create a hybrid cash balance plan tier for members of the State Police Retirement System, Kentucky Employees Retirement System, and County Employees Retirement System with participation dates on or after January 1, 2014, or members making an election pursuant to KRS 61.5955 and 78.545. This administrative regulation establishes the procedures and requirements for the

administration of the hybrid cash balance plan tier.

Section 1. Definitions.

(1) "Decompression service" means service purchased by a member for a period of time not to exceed ninety (90) days between the member's discharge from active-duty military service and the member's return to employment with a participating employer, if the member returned from military leave and did not immediately return to work, in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA), 38 U.S.C. 4301-4333.

(2) "Military omitted service" means service purchased by a member with a participation date on or after January 1, 2014, who was called to active-duty military in accordance with KRS 61.552(1) and 78.545.

(3) "Nonvested member" means a member of the Systems who has less than five (5) years of service credited under KRS 16.543, 61.543, and 78.615 and who participates in the hybrid cash balance plan tier based on:

(a) A participation date on or after January 1, 2014, or

(b) Opting into the hybrid cash balance plan with a participation date between September 1, 2008 and December 31, 2013.

(4)[~~(2)~~] "Vested member" means a member of the Systems who has five (5) or more years of service credited under KRS 16.543, 61.543, and 78.615 and who participates in the hybrid cash balance plan tier based on:

(a) A participation date on or after January 1, 2014, or

(b) Opting into the hybrid cash balance plan with a participation date between September 1, 2008 and December 31, 2013.

Section 2. Military Service Credit.

(1) (a)[~~Decompression service shall mean service purchased by a member for a period of time not to exceed ninety (90) days between the member's discharge from active duty military service and the member's return to employment with a participating employer, if the member returned from military leave and did not immediately return to work, in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA), 38 U.S.C. 4301-4333.~~

~~(b)~~] Decompression service shall be credited to the member's account after the member has paid the employee contributions that would have been paid by the member for this period of time in accordance with KRS 16.543, 61.543, and 78.615.

(b)[~~(c)~~] The employer shall pay the employer contributions for the period of decompression service in accordance with KRS 61.565 and 78.635.

(2) (a)[~~Military omitted service shall mean service purchased by a member with a participation date on or after January 1, 2014, who was called to active duty military in accordance with KRS 61.552(1) and 78.545.~~

~~(b)~~] Military omitted service shall be credited to the member's account only if the member has paid the employee contributions that would have been paid by the member for this period of time in accordance with KRS 16.543, 61.543, and 78.615.

(b)[~~(c)~~] The employer shall pay the employer contributions for the period of military omitted service in accordance with KRS 61.565 and 78.635.

Section 3. Application.

(1) Systems. This administrative regulation shall apply to:

(a) The[~~the~~] hybrid cash balance plan tier within each of the Systems; and[~~.~~]

(b)[~~(2) Members.~~] Except as provided in subsections (2) and (3)[~~and (4)~~] of this

section,[~~this administrative regulation shall apply~~] solely to members who begin participating in the Systems on or after January 1, 2014, and who do not have a participation date in any other state-administered retirement system that is prior to January 1, 2014.

(2)[~~(3)~~] Irrevocable Election. This subsection shall apply only to members with a participation date in the Systems between September 1, 2008 and December 31, 2013, who have not received a retirement benefit from the Systems.

(a) Pursuant to KRS 61.5955 and 78.545, a member with a participation date in the Systems between September 1, 2008 and December 31, 2013, may make a one-time, irrevocable election to receive the benefits and rights provided under the hybrid cash balance plan tier as established[~~defined~~] in KRS 16.583, 61.597, 78.5512, and 78.5516 in lieu of benefits he or she is currently eligible to receive from the Systems.

1. A member with a participation date[~~based on service in the Systems or service~~] in another state-administered retirement system prior to September 1, 2008 shall not be eligible to make the[~~this~~] one-time, irrevocable election established in paragraph (a) of this subsection upon separation of accounts in accordance with KRS 61.680, 78.5542, and 105 KAR 1:020.

2. A member with a participation date in the Systems between September 1, 2008 and December 31, 2013 who also has service in another state-administered retirement system between September 1, 2008 and December 31, 2013 shall be eligible to make the[~~this~~] one-time, irrevocable election established in paragraph (a) of this subsection only upon separation of the member's account in the Systems from the member's account in the other state-administered retirement system as established in Section 6(6) of this administrative regulation and in accordance with KRS 61.680, 78.5542, and 105 KAR 1:020.

(b) 1. Eligible members who make the one-time, irrevocable election established[~~as~~

~~described~~] in paragraph (a) of this subsection shall only be entitled to retain purchased service that is recontribution of a refund, omitted, omitted with interest, decompression, or service purchased in accordance with the USERRA[~~Uniformed Services Employment and Reemployment Rights Act (USERRA)~~]. The[~~; the~~] agency shall remove any other purchased service from total months of service credit and refund the cost of that service[~~back~~], plus interest, to the source of the purchase.

2. Eligible members who make the one-time, irrevocable election established[~~as described~~] in paragraph (a) of this subsection shall not retain any active duty military service pursuant to KRS 61.552(1) and 78.545, unless the eligible member is currently participating in one (1) of the systems and pays the military omitted service.

(c) Members eligible to make the one-time, irrevocable election established[~~as described~~] in paragraph (a) of this subsection shall be provided information detailing the potential results of that election via Member Self Service on the agency's website[~~Web site maintained by the agency~~], which shall reflect service credit purchases retained and refunded as established[~~described~~] in paragraph (b) of this subsection, and may receive additional information from the agency[~~agency's counselors~~] upon request.

(d) The agency shall provide Form 2013, Hybrid Cash Balance Plan Opt-In Election, on which the member can make a one-time, irrevocable election as established[~~described~~] in paragraph (a) of this subsection, on the agency's website[~~available to the member via Member Self Service on the Web site maintained by the agency~~].

(e) The agency shall not process an eligible member's one-time, irrevocable election as established[~~described~~] in paragraph (a) of this subsection until a valid[~~complete and correct~~] Form 2013[~~, Hybrid Cash Balance Plan Opt-In Election,~~] is filed at the agency[~~on file at the~~

~~retirement office~~].

(f) The effective date of the eligible member's one-time, irrevocable election as established[~~described~~] in paragraph (a) of this subsection shall be the date on which the completed Form 2013[~~, Hybrid Cash Balance Plan Opt-In Election,~~] is filed[~~received~~] at the agency[~~retirement office~~].

(4) Prior Participation that has been refunded. This subsection shall apply to a member with a participation date with the Systems prior to January 1, 2014, who terminates employment, and who takes a refund of accumulated contributions pursuant to KRS 61.625 and 78.545.

(a) If the member[~~that person~~] is reemployed on or after January 1, 2014, in a regular full-time position required to participate in one of the Systems and does not have a participation date with any other state-administered retirement plan prior to January 1, 2014, he or she[~~the person~~] shall become a member of the hybrid cash balance plan tier.

(b) If the[~~that~~] member purchases[~~his or her~~] previously refunded service in accordance with KRS 61.552(3) and 78.545(7), the purchased service shall only be used to determine the member's years of service credited and shall not be used to determine the member's participation date.

(5) The agency shall not process an accumulated account balance refund application made pursuant to this administrative regulation for a vested member who has been charged with a felony related to his or her employment until a final, non-appealable judgment has been entered by a court of competent jurisdiction.

Section 4. Construction of Administrative Regulation. KRS 16.505 to 16.652, KRS 61.510 to 61.705, KRS 78.510 to 78.852, and KAR Title 105 shall apply to the hybrid cash balance plan tier except if required by or as necessary for the administration of the hybrid cash

balance plan tier pursuant to[~~under~~] KRS 16.583, 61.597, 78.5512, and 78.5516.

Section 5. Trust Assets. All contributions made with respect to each System's[~~Systems'~~] hybrid cash balance plan tier shall be held in the trust for the respective System. Assets for the hybrid cash balance plan tier shall not be segregated from the assets for other tiers for the respective System.

Section 6. Reciprocity.

(1) All service credit with other state-administered retirement systems, including the Judicial and Legislators' Plan and the Teachers' Retirement System, shall be used to determine[~~for determining~~] a member's years of service credited for purposes of eligibility for annuitization, unless the member:

(a) Has[~~The member has~~] separated the member's account with another state-administered retirement systems by filing a complete Form 2022, Separation of Accounts, incorporated by reference in 105 KAR 1:020; or

(b) Previously[~~The member previously~~] retired based on the service with the other state-administered retirement system.

(2) Service credit in another state-administered retirement system shall not be used to determine[~~for determining~~] whether a member who is not eligible to retire in the hybrid cash balance plan tier has the five (5) years of service required in order to receive a full accumulated account balance refund pursuant to[~~of his or her accumulated account balance under~~] KRS 16.583(5)(b), 61.597(5)(b), 78.5512(5)(b), and 78.5516(5)(b).

(3) Service credit in the cash balance plan tier shall be counted as service for the other state-administered retirement systems and as service for hospital and medical insurance and managed care plan coverage pursuant to KRS 61.702 and 78.5536.

(4) The same service credit shall not be counted for benefit calculation purposes for more than one state-administered retirement system or tier under any circumstances.

(5) A member who is participating in the hybrid cash balance tier in more than one of the Systems shall[~~have to~~] retire at the same time and elect the same retirement benefit option in all applicable Systems, unless the member has requested that his or her accounts be separated in accordance with 105 KAR 1:020.

(6) (a) A member with a participation date in the Systems between September 1, 2008 and December 31, 2013 may make a one-time, irrevocable election to have each system treat[~~his or her~~] service credit in that system without regard to any other service credit, by filing a Form 2022, Separation of Accounts, incorporated by reference in 105 KAR 1:020, requesting that his or her accounts be separated in accordance with KRS 61.680 and 78.5542.

(b) Notwithstanding any restriction established in 105 KAR 1:020 regarding when a member may file a Form 2022, a member eligible to elect a separation of accounts as established in paragraph (a) of this subsection:

1. May do so at any time after his or her membership date;

2. No later than the first day of the month in which the member receives his or her first retirement allowance payment; and

3. “Final[~~If so requested, "final~~] compensation" shall then be based on the creditable compensation earned under each system separately.

(c)[~~(a)~~] The agency shall:

1. Provide members[~~Members~~] who are eligible and seeking to make the one-time, irrevocable election to separate accounts with[~~shall be provided~~] information detailing the potential results of that election;[~~from the agency's counselors.~~]

2.[~~(b)~~] Provide[~~The agency shall provide~~] Form 2022, incorporated by reference in 105 KAR 1:020[~~Separation of Accounts~~], on which the member can make the one-time, irrevocable election to separate accounts; and [~~.~~]

3.[~~(c)~~] Not[~~The agency shall not~~] process an eligible member's one-time, irrevocable election to separate accounts until the member has received the information required by subparagraph 1. of this paragraph[~~(a) of this subsection~~] and a valid[~~complete and correct~~] Form 2022[~~, Separation of Accounts,~~] is on file at the agency[~~retirement office~~].

(d) The effective date of the eligible member's one-time, irrevocable election to separate accounts shall be the date on which the valid[~~completed~~] Form 2022[~~, Separation of Accounts,~~] is received at the agency[~~retirement office~~].

Section 7. Lump-sum Distributions upon Termination of Employment or Death for Nonvested Members.

(1) Termination of Employment. A nonvested member eligible for a refund pursuant to KRS 61.625 and 78.545 shall only be refunded his or her accumulated contributions, and shall forfeit any accumulated employer credit.

(2) Death before Retirement. Upon the death of a nonvested member, the beneficiary designated by the member pursuant to KRS 61.542(1)-(2) and 78.545(2), or[~~(or~~] if no designated beneficiary, the member's estate,[~~)~~] shall only be entitled to receive a lump-sum payment of the nonvested member's accumulated contributions, and shall not be entitled to receive payment of any accumulated employer credits.

(3) Rollovers. A nonvested member or the designated beneficiary of a nonvested member who receives a refund of accumulated contributions may elect to have the refunded accumulated contributions paid directly to an eligible retirement plan in accordance with 105 KAR 2:270 and

105 KAR 2:345.

Section 8. Lump-sum Distributions upon Termination or Distributions upon Death of Vested Members.

(1) Termination of Employment.

(a) Upon termination of employment with all employers participating in the same Systems in which the member has service credit, a vested member who is not otherwise eligible to retire may elect to take a refund of his or her accumulated account balance.

(b) 1. Upon termination of employment with all employers participating in one or more of the Systems, a vested member who is eligible for retirement may elect to take a refund of his or her accumulated account balance, in lieu of other retirement payment options established[~~provided~~] in KRS 16.583(7), 61.597(7), 78.5512(7), and 78.5516(7).

2. a. The member's election to take an[~~a refund of his or her~~] accumulated account balance refund pursuant to[~~as described in~~] subparagraph 1 of this paragraph shall be treated as a retirement and the member shall be a retired member ineligible to participate or accrue additional benefits in the Systems upon subsequent reemployment with any participating employer pursuant to KRS 61.637 and 78.5540.

b. A[~~Additionally, the~~] member who has made the election established[~~described~~] in subparagraph 1 of this paragraph shall be subject to all requirements and restrictions for reemploying with a participating employer in KRS 61.637, 78.5540 and 105 KAR 5:390.

(2) Death before Retirement.

(a) Upon the death of a vested member participating in the Systems, the vested member's designated beneficiary, or[~~(or~~] if no designated beneficiary, the member's estate,[~~)~~] shall be entitled to a lump-sum distribution of the vested member's accumulated account balance in

accordance with KRS 61.625(1)(a) and 78.545(5). The designated beneficiary may also be entitled to the other payment options available for a death before retirement pursuant to KRS 16.578, 61.640, and 78.5532.

(b) Upon the death of a vested member who is not participating in the Systems at the time of death and who has not taken a refund or retirement benefit, if the vested member has:

1. Fewer[~~fewer~~] than twelve (12) years of service credited, the vested member's designated beneficiary, or[~~(or~~] if no designated beneficiary the member's estate,[~~)~~] shall be entitled to a lump-sum distribution of the member's accumulated account balance in accordance with KRS 61.625(1)(a) and 78.545(5); or[~~.~~]

2. Twelve[~~If the vested member has twelve~~] (12) or more years of service credited, the designated beneficiary may also be entitled to other payment options available for a death before retirement pursuant to KRS 16.578, 61.640, and 78.5532.

(3) Rollover. A vested member or the designated beneficiary of a vested member who takes a lump-sum distribution of the vested member's accumulated account balance under this section may elect to have the lump-sum distribution paid directly to an eligible retirement plan in accordance with 105 KAR 2:270 and 105 KAR 2:345.

Section 9. Eligibility for an Annuity.

(1) At Normal Retirement Age. Subject to Section 6 of this administrative regulation, a vested member who reaches normal retirement age under the applicable System's statutory provisions and who terminates employment with all participating employers shall be eligible to retire and may elect to annuitize[~~his or her accumulated account balance~~] or take a lump-sum distribution of his or her accumulated account balance as established[~~provided~~] in Section 8(1)(b) of this administrative regulation.

(2) Additional Eligibility for Annuitization for Members with Hazardous position Service. A member who has hazardous position service as established[~~provided~~] in KRS 16.505-16.652, 61.592 and 78.5520, who has 25 or more years of service credited under KRS 16.543(1), 61.543(1), or 78.615(1) or any other Kentucky state-administered system, and who terminates employment with all employers participating in the Systems shall be eligible to retire and may elect to annuitize[~~his or her accumulated account balance~~] or take a lump-sum distribution of his or her accumulated account balance as established[~~provided~~] in Section 8(1)(b) of this administrative regulation.

(3) Additional Eligibility for Annuitization for Members with Service Only in a Nonhazardous Position. A member with exclusively nonhazardous position service who is at least age fifty-seven (57), who has an age plus years of service total of at least eighty-seven (87) years, and who terminates employment with all employers participating in the Systems shall be eligible to retire and may elect to annuitize[~~his or her accumulated account balance~~] or take a lump-sum distribution of his or her accumulated account balance as established[~~provided~~] in Section 8(1)(b) of this administrative regulation.

(4) Annuitization. A member who elects to annuitize his or her accumulated account balance may receive a retirement benefit determined in accordance with actuarial assumptions and actuarial methods adopted under subsection (6) of this section and in effect on the member's retirement date.

(5) Return of Contributions. If the retirement benefit payment option selected by the vested member includes a guaranteed return of contributions, the[~~that retirement benefit payment option shall be interpreted to mean that~~] guarantee shall apply[~~applies~~] to the accumulated account balance.

(6) Board Action with respect to Annuitization. The Board of Trustees of the Kentucky Retirement Systems and the Board of Trustees of the County Employees Retirement System shall adopt actuarial assumptions and methods that will apply to a specific fiscal year prior to the start of that fiscal year.

(7) Eligibility for Retiree Hospital and Medical Benefit. Only members who are[~~a member who is~~] receiving a monthly annuitized benefit shall be eligible for hospital and medical insurance and managed care plan coverage. Members who take[~~A member who takes~~] a lump-sum refund or lump-sum retirement benefit shall not be eligible for hospital and medical insurance and managed care plan coverage.

Section 10. Disability retirement. A member participating in the hybrid cash balance plan tier in one or more of the Systems and whose disability retirement allowance is discontinued pursuant to KRS 61.615 and 78.5528 shall begin receiving retirement benefits, if eligible, pursuant to[~~under~~] KRS 16.583(6), 61.597(6), 78.5512(6), or 78.5516(6), but shall not be eligible for early retirement benefits pursuant to[~~under~~] KRS 61.559, 78.5510, 78.5514, or 16.577.

Section 11. Purchase of Service Credit.

(1) Members participating in the hybrid cash balance plan tier shall only be eligible to purchase service credit that is recontribution of a refund, omitted service, omitted service with interest, military omitted service, decompression service, or service pursuant to[~~under~~] the Uniformed Services Employment and Reemployment Rights Act[~~(USERRA)~~], and shall not be eligible to make any other types of service purchases.

(2) Uniformed Services Employment and Reemployment Rights Act (USERRA) Service.

(a) Years of service credited shall be determined as established in[~~required by~~] USERRA.

(b) In order to receive service credit for military omitted service, decompression service,

or service pursuant to USERRA[~~under the Uniformed Services Employment and Reemployment Rights Act (USERRA)~~], the member shall file the documentation established in 105 KAR 1:330 Section 5(2) and pay the member contributions in accordance with KRS 16.543, 61.543, and 78.615, as though the member was employed during the period of[~~his or her~~] active military duty or decompression.

(c) The employer shall pay all employer contributions owed in accordance with KRS 61.552, 61.565, 78.545, and 78.635.

(3) Repayment of Refunded Contributions Plus Interest Credits or Accumulated Account Balance.

(a) Upon reemployment with a participating employer in a regular full-time position required to participate in the Systems or participation in another state-administered retirement system, a nonvested member who took a refund of his or her member contributions plus interest credits may regain the refunded service credit by repaying, with interest at a rate determined by the board of the respective retirement system, the amount refunded with post-tax employee contributions or a rollover or transfer allowed under the Internal Revenue Code. The[~~Although the~~] repayments of refunded contributions plus interest credit shall be used to determine the member's service credited, but the repayment of the amount refunded shall not be used to determine a member's participation date.

(b) Upon reemployment with a participating employer in a regular full-time position required to participate in the Systems or participation in another state-administered retirement system, a vested member who was not eligible to retire and who took an accumulated account balance[~~a~~] refund[~~of his or her accumulated account balance~~] may regain the refunded service credit by repaying, with interest at a rate determined by the board of the respective retirement

system, the amount refunded with post-tax employee contributions or a rollover or transfer allowed under the Internal Revenue Code. The[~~Although the~~] repayments of the refunded accumulated account balance shall be used to determine the member's service credited, but the repayment of the amount refunded shall not be used to determine a member's participation date.

(4) Omitted Service. Any person who is entitled to service credit in the hybrid cash balance plan tier that was not reported in accordance with KRS 16.543, 61.543, or 78.615 may pay the amount of member contributions that would have been due for[~~on~~] that service[~~in order~~] to receive credit for the service in the hybrid cash balance plan tier. The[~~However, the~~] service shall not be credited to the member's account until employer contributions for the service are received by the Systems. Once member and employer contributions have been received, accumulated employer credits shall be reflected in the member's account.

Section 12. Incorporation by Reference.[~~(1) The following material is incorporated by reference:~~

~~(a)~~] Form 2013, "Hybrid Cash Balance Plan Opt-In Election", September 2026, is incorporated by reference[~~February 2021; and~~

~~(b) Form 2022, "Separation of Accounts", September 2022~~].

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

105 KAR 1:365 Hybrid cash plan balance is approved for filing.

_____ _____

Ryan Barrow, Date
Executive Director
Kentucky Public Pensions Authority

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

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

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

Contact person: Carole J. Catalfo
Policy Specialist
Kentucky Public Pensions Authority
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 1:365
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 establishes the procedures and requirements for the administration of the hybrid cash balance plan tier for members with participation dates on or after January 1, 2014, or members who elect the hybrid cash balance plan pursuant to KRS 61.5955 and 78.545.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the procedures and requirements for the administration of the hybrid cash balance plan tier for members with participation dates on or after January 1, 2014, or members who elect the hybrid cash balance plan pursuant to KRS 61.5955 and 78.545.

(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 the Kentucky Retirement Systems and the County Employees Retirement System to promulgate administrative regulations that are consistent with and necessary and proper to carry out the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852. KRS 16.583, 61.597, 78.5512, and 78.5516 create a hybrid cash balance plan tier for members of the State Police Retirement System, Kentucky Employees Retirement System, and County Employees Retirement System with participation dates on or after January 1, 2014, or members making an election pursuant to KRS 61.5955 and 78.545.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation assists in the effective administration of the statutes by establishing the procedures and requirements for the administration of the hybrid cash balance plan tier for members with participation dates on or after January 1, 2014, or members who elect the hybrid cash balance plan pursuant to KRS 61.5955 and 78.545.

(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 regulations moves language defining “decompression service” and “military omitted service” to the Definitions section, adds language clarifying that an accumulated account balance refund application from a member charged with an employment-

related felony will not be processed until a final, appealable court judgement is entered, removes Form 2022 (Separation of Accounts) from Materials Incorporated by Reference in favor of a citation to the regulation where the form is located, updates Form 2013 (Hybrid Cash Balance Plan Opt-In Election), and updates language to comply with the drafting requirements of KRS Chapter 13A.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to move language that defines terms to the Definitions section, add language that delays processing refund applications for members charged with an employment-related felony until a court judgement is entered, remove Form 2022 from Materials Incorporated by Reference in favor of a citation to the regulation where the form is "housed" and update Form 2013, and to bring language into compliance with the drafting requirements of KRS Chapter 13A.

(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 the Kentucky Retirement Systems and the County Employees Retirement System to promulgate administrative regulations that are consistent with and necessary and proper to carry out the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852. KRS 16.583, 61.597, 78.5512, and 78.5516 create a hybrid cash balance plan tier for members of the State Police Retirement System, Kentucky Employees Retirement System, and County Employees Retirement System with participation dates on or after January 1, 2014, or members making an election pursuant to KRS 61.5955 and 78.545.

(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 terms, adding language that delays processing refund applications for members charged with an employment-related felony until a court order is entered, reducing the number of documents incorporated by reference, and clarifying the procedures and requirements for the administration of the hybrid cash balance plan tier for members with participation dates on or after January 1, 2014, or members who elect the hybrid cash balance plan pursuant to KRS 61.5955 and 78.545.

(3) Does this administrative regulation or amendment implement legislation from the previous five years? (If yes, provide the year of the legislation and either the bill number or KY Acts chapter number being implemented). Yes.
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 61.5955 - Repealed and reenacted 2021 Ky. Acts ch. 102, sec. 44, effective April 1, 2021.
KRS 78.545 - Amended 2021 Ky. Acts ch. 102, sec. 20, effective April 1, 2021. -- Amended 2020 Ky. Acts ch. 79, sec. 40, effective April 1, 2021.

(4) List the type and number of individuals, businesses, organizations, or state and local

governments affected by this administrative regulation: Approximately 161,168 members with participation dates on or after January 1, 2014, and those eligible members who elect the hybrid cash balance plan pursuant to KRS 61.5955 and 78.545.

(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 clarified definitions, notice regarding the delay of a refund application if the member has been charged with an employment-related felony, and a reduced number of 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) No, tiering is not applied. The processes and procedures related to the hybrid cash balance plan are the same for all members who are Tier 3 state employees or those eligible members who elect the hybrid cash balance plan pursuant to KRS 61.5955 and 78.545.

FISCAL IMPACT STATEMENT

105 KAR 1:365
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), 26 U.S.C. 414(u), 38 U.S.C. 4301-4335

(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)

(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 being implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for administering the hybrid cash balance plan for state employees.

(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 administering the hybrid cash balance plan for state employees.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 1:365
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. 414(u), 38 U.S.C. 4301-4335

2. State compliance standards. KRS 61.505(g), 61.5955, and 78.545

3. Minimum or uniform standards contained in the federal mandate. 26 U.S.C. 414(u) establishes special rules relating to veterans' reemployment rights under the Uniformed Services Employment and Reemployment Right Act of 1994 (USERRA). 38 U.S.C. 4301-4335 encourage military and uniformed service by minimizing disadvantages to civilian careers and employment which can result from miliary service.

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 or requirements 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 standards, or additional or different responsibilities or requirements than those required by the federal mandate.

SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 2013, "Hybrid Cash Balance Plan Opt-In Election", 9/2026, is the one-page form that members who began participating between September 1, 2008 and December 31, 2013 and other eligible members use to elect the hybrid cash balance plan.
Changes to the previous form include:
Reformatted font and information fields, and a statement that “KPPA will update contact information for your retirement account based on the details provided below.”

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

**Form 2013**
Revised 09/2026

# Hybrid Cash Balance Plan Opt-In Election

## 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)<br>◯ Mobile ◯ Home ◯ Work | | Email: | |

## Certification of Irrevocable Election

I, _____ (print member name), in lieu of benefits I am currently eligible to receive from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System ("the Systems") based on my participation date in the Systems between September 1, 2008 and December 31, 2013, elect to receive the benefits and rights provided to members participating in the Systems on or after January 1, 2014, including participating in the hybrid cash balance plan created pursuant to KRS 61.597 for members in nonhazardous duty positions and KRS 16.583 for members in hazardous duty positions. I understand that my election to receive the benefits and rights provided to members participating in the Systems on or after January 1, 2014 pursuant to KRS 61.597 and KRS 16.583 in lieu of benefits I am currently eligible to receive will become effective immediately once this fully completed form is on file at the retirement office, and that **this election is irrevocable**. I understand that effective with my election to participate in the hybrid cash balance plan, my accumulated contributions, less any interest, shall be deposited into a hybrid cash balance account and employer pay credits shall be added to the accumulated account balance for each month I contributed to the Systems prior to my effective election date. Additionally, I understand that interest credits shall only be applied for periods occurring on or after the effective date of my election. I further understand that effective with my election to participate in the cash balance plan, I forfeit the right to keep any purchased service on my account that is not a Recontribution of a Refund, Omitted Service, Omitted Service with Interest, Military Omitted, USERRA, or Decompression. I understand that any purchased service on my account that is not a Recontribution of a Refund, Omitted Service, Omitted Service with Interest, Military Omitted, USERRA, or Decompression will be removed from my total months of service credit and the cost of that service will be refunded back to the source of the purchase.

Signature: _____ Date: _____

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

**Form 2013**
09/2026[02/2021]

# Hybrid Cash Balance Plan Opt-In Election

## Member Information

| | | | |
|---|---|---|---|
| Member Name: [redacted] | | Member ID: [redacted] | |
| KPPA will update contact information for your retirement account based on the details provided below. | | | |
| Address: [redacted] | City: [redacted] | State: [redacted] | Zip Code: [redacted] |
| Phone (select type) ○ Mobile ◉ Home ○ Work [redacted] | | Email: [redacted] | |

## Certification of Irrevocable Election

I, [redacted] (print member name), in lieu of benefits I am currently eligible to receive from the Kentucky Employees Retirement System, County Employees Retirement System, and State Police Retirement System ("the Systems") based on my participation date in the Systems between September 1, 2008 and December 31, 2013, elect to receive the benefits and rights provided to members participating in the Systems on or after January 1, 2014, including participating in the hybrid cash balance plan created pursuant to KRS 61.597 for members in nonhazardous duty positions and KRS 16.583 for members in hazardous duty positions. I understand that my election to receive the benefits and rights provided to members participating in the Systems on or after January 1, 2014 pursuant to KRS 61.597 and KRS 16.583 in lieu of benefits I am currently eligible to receive will become effective immediately once this fully completed form is on file at the retirement office, and that **this election is irrevocable**. I understand that effective with my election to participate in the hybrid cash balance plan, my accumulated contributions, less any interest, shall be deposited into a hybrid cash balance account and employer pay credits shall be added to the accumulated account balance for each month I contributed to the Systems prior to my effective election date. Additionally, I understand that interest credits shall only be applied for periods occurring on or after the effective date of my election. I further understand that effective with my election to participate in the cash balance plan, I forfeit the right to keep any purchased service on my account that is not a Recontribution of a Refund, Omitted Service, Omitted Service with Interest, Military Omitted, USERRA, or Decompression. I understand that any purchased service on my account that is not a Recontribution of a Refund, Omitted Service, Omitted Service with Interest, Military Omitted, USERRA, or Decompression will be removed from my total months of service credit and the cost of that service will be refunded back to the source of the purchase.

Signature: [redacted] Date: [redacted]

FINANCE AND ADMINISTRATION CABINET

Kentucky Public Pensions Authority

(Amendment)

105 KAR 2:270. Federal tax withholding or direct rollover of eligible distributions.

RELATES TO: KRS 16.505, 16.578, 16.601, 16.645, 61.505(1)(g), 61.510, 61.542, 61.621, 61.625, 61.635, 61.640, 61.685, 61.690, 61.705, 78.510, 78.545, 78.5534, 78.5538, 395.455, 26 U.S.C. 72(t), 401(a), 402, 3405

STATUTORY AUTHORITY: KRS 61.505(1)(g)

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

NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with and necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505, 61.510 to 61.705, and 78.510 to 78.852. 26 U.S.C. 402 establishes the federal taxation requirements regarding direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan. 26 U.S.C. 3405 establishes requirements for federal tax withholding for periodic payments and distributions. This administrative regulation establishes the procedure for informing affected members, beneficiaries, and alternate payees of their rights with regard to federal taxation rules and

provides forms for members, beneficiaries, and alternate payees to indicate their preference for federal tax withholding or direct rollover of eligible distributions. This administrative regulation also establishes a procedure to issue a check to an alternate payee of a qualified domestic relations order if the alternate payee does not file the form required for federal income tax purposes within a reasonable time, and a procedure if an alternate payee cannot be located.

Section 1. Definitions.

(1)[~~"Beneficiary" means:~~

~~(a) A person designated by the member in accordance with KRS 61.542 and 78.545 to receive any available benefits in the event of the member's death; or~~

~~(b) A person to whom the member's assets are ordered to be transferred pursuant to KRS 395.455.~~

~~(2)~~] "Death benefit beneficiary" means:

(a) A beneficiary[~~person~~] designated by the retired member pursuant to[~~in accordance with~~] KRS 61.705 and 78.5538 to receive the $5,000 death benefit in the event of the retired member's death; or

(b) A person to whom the member's assets are ordered to be transferred pursuant to KRS 395.455.

(2)[~~(3)~~] "Eligible beneficiary" means a person who:

(a) Meets the eligibility qualifications for in-line-of-duty death benefits pursuant to[~~as provided by~~] KRS 16.601(1)-(3) and 78.5534(1)-(3) or duty-related death benefits pursuant to[~~as provided by~~] KRS 61.621(3) and 78.545; and

(b) Elects, or has a parent or guardian elect[~~who elects~~] on his or her behalf, the payment option for benefits that includes the one-time payment of $10,000 pursuant to[~~in accordance~~

~~with~~]:

1. KRS 16.601(1)(b) or (3) and 78.5534(1)(b) or (3); or

2. KRS 61.621(3)(b) and 78.545.

Section 2. Application for Refund of Accumulated Account Balance.

(1) (a) To apply for[~~a refund of~~] an accumulated account balance refund in accordance with KRS 61.625 and 78.545, a member shall complete and file a valid Form 4525, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection, incorporated by reference in 105 KAR 1:170, selecting the option for payment.

(b) If the member intends to have the funds from the refund of an accumulated account balance rolled over directly into an IRA or other qualified plan, the member shall have the trustee or institution relevant to the IRA or other qualified plan complete the applicable section of the Form 4525[~~, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection,~~] certifying that the rollover will be accepted.

(c) The employer or employers may complete the applicable portion of the Form 4525[~~, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection,~~] verifying termination of employment.

(2) Upon request by the member, the agency shall provide the Form 4525[~~, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection,~~] and[~~a copy of~~] the special tax notice regarding payments required by 26 U.S.C. 402(f)[~~Special Tax Notice Regarding Payments,~~] to the member.

(3)[~~(a)~~] The[~~refund of the~~] accumulated account balance refund shall not be processed:

(a) Unless[~~unless~~] the member is eligible to receive a refund pursuant to KRS 61.625 and 78.545 and the valid Form 4525[~~, Application for Refund of Member Contributions and Direct~~

~~Rollover/Direct Payment Selection,~~] is filed;[~~.~~]

(b) Earlier[~~The refund of the accumulated account balance shall not be processed earlier~~] than forty-five (45) calendar days from the date of the member's termination of employment with the participating employer or employers that previously employed the member; or[~~.~~]

(c) 1. If,[~~The member's refund of the accumulated account balance shall not be processed if~~] within forty-five (45) calendar days of the date of the member's termination of employment with the employer or employers, the member:

a. Reemploys[~~The member reemploys~~] in any position, including a full-time, part-time, seasonal, temporary, emergency, interim, probationary, or intermittent position with one (1) or more employers through which he or she has participated; or

b. Participates[~~The member participates~~] in the system or systems from which his or her accumulated account balance refund has been requested.

2. A member whose accumulated account balance refund is not processed pursuant to subparagraph 1. of this paragraph may reapply for a refund in accordance with subsection (1) of this section if the member again becomes eligible for an[~~to receive a refund of his or her~~] accumulated account balance refund pursuant to KRS 61.625 and 78.545.

(4) The member shall be required to repay the accumulated account balance refund to the systems in compliance with KRS 61.685(1) and 78.545 if, at the time of the member's receipt of the accumulated account balance refund, the member is:

(a) Reemployed in any position, including a full-time, part-time, seasonal, temporary, emergency, interim, probationary, or intermittent position, with one (1) or more employers through which he or she participated; or

(b) Participating in the system from which the accumulated account balance refund has

been requested.

Section 3. Required Form for Member Selection of an Actuarial Refund Retirement Payment Option, Lump-sum Refund of the Accumulated Account Balance[~~accumulated account balance~~], or Partial Lump-sum Retirement Payment Option.

(1) Along with each Form 6010, Estimated Retirement Allowance, incorporated by reference in 105 KAR 5:200, the agency shall provide the member with the Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, incorporated by reference in 105 KAR 5:200, and the special tax notice regarding payments required by 26 U.S.C. 402(f)[~~Special Tax Notice Regarding Payments~~].

(2) (a) If the member files a valid Form 6010[~~, Estimated Retirement Allowance,~~] on which an actuarial refund retirement payment option, lump-sum refund of the accumulated account balance, or partial lump-sum retirement payment option is selected, the member shall also file a valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, selecting the option for payment~~].

(b) If the member intends to have the funds rolled over directly into an IRA or other qualified plan, the member shall have the trustee or institution relevant to the IRA or other qualified plan complete the applicable section of the Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] certifying that the rollover will be accepted.

(3) The agency shall not process payment of an actuarial refund retirement payment option, lump-sum refund of the accumulated account balance, or partial lump-sum retirement

payment option to the member unless it has[~~the following are~~] on file:

(a) A valid Form 6010[~~, Estimated Retirement Allowance,~~] with the actuarial refund retirement payment option, lump-sum refund of the accumulated account balance, or partial lump-sum retirement option for payment selected; and

(b) A valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution~~].

Section 4. Required Form for Beneficiary Selection of Lump-sum Payment Option or Sixty (60) Months Certain Payment Option, or if Beneficiary Eligible for Lump-sum Refund of the Accumulated Account Balance Only. This section solely establishes the forms and requirements for beneficiaries related to direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan. Beneficiaries subject to this section may also be subject to additional requirements pursuant to 105 KAR 3:180 and 105 KAR 3:240.

(1) Single beneficiary.

(a) 1. With[~~Along with~~] each Form 6010, Estimated Retirement Allowance, the agency shall provide the beneficiary with the Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, and the special tax notice regarding payments required by 26 U.S.C. 402(f)[~~Special Tax Notice Regarding Payments~~].

2. If the beneficiary is only eligible for a lump-sum refund of the deceased member's accumulated account balance, the agency shall provide the Form 6025[~~, Direct Rollover, Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding Eligible Rollover Distribution, and the Special Tax Notice Regarding Payments,~~] to the beneficiary.

(b) 1. If the beneficiary files a valid Form 6010[~~, Estimated Retirement Allowance,~~] on which a lump-sum actuarial refund, lump-sum refund of the deceased member's accumulated account balance, or sixty (60) months certain payment option is selected, or if the beneficiary is only eligible for a lump-sum refund of the deceased member's accumulated account balance, the beneficiary shall also file a valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, selecting the option for payment~~].

2. If the beneficiary intends to have the funds rolled over directly into an IRA or other qualified plan, the beneficiary shall have the trustee or institution relevant to the IRA or other qualified plan complete the applicable section of the Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] certifying that the rollover will be accepted.

(c) The agency shall not process payment to the beneficiary of a lump-sum actuarial refund, lump-sum refund of the deceased member's accumulated account balance, or sixty (60) months certain payment option unless it has[~~the following are~~] on file a valid:

1.[~~A valid~~] Form 6010[~~, Estimated Retirement Allowance,~~] with the actuarial refund retirement payment option, lump-sum refund of the accumulated account balance, or partial lump-sum retirement payment option selected; and

2.[~~A valid~~] Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution~~].

(2) Multiple beneficiaries.

(a) If[~~there are~~] multiple beneficiaries[~~and the beneficiaries~~] have elected a lump-sum actuarial refund, lump-sum refund of the deceased member's accumulated account balance, or

sixty (60) months certain payment option, all beneficiaries shall indicate his or her agreement[~~agree~~] to the payment option, sign,[~~for payment selected~~] and file a single valid Form 6010[~~, Estimated Retirement Allowance, indicating the selection agreed upon, and signed by all beneficiaries~~]. Each beneficiary shall also file a valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution~~].

(b) If[~~there are~~] multiple beneficiaries[~~and the beneficiaries~~] are only eligible for a lump-sum refund of the deceased member's accumulated account balance, each beneficiary shall file a valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution~~].

(c) Any beneficiary who[~~that~~] intends to have[~~his or her portion of the~~] funds rolled over directly into an IRA or other qualified plan shall have the trustee or institution relevant to the IRA or other qualified plan complete the applicable section of the Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] certifying that the rollover will be accepted.

(d) The agency shall not process payment of a lump-sum actuarial refund, lump-sum refund of the deceased member's accumulated account balance, or sixty (60) months certain payment option to a beneficiary unless it has[~~the following are~~] on file for all beneficiaries:

1. A single valid Form 6010[~~, Estimated Retirement Allowance,~~] completed in accordance with paragraph (a) of this subsection, if applicable; and

2. A valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] for each beneficiary completed in accordance with paragraphs (b) and (c) of this subsection.

[~~(3) This section solely establishes the forms and requirements for beneficiaries related to direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan. Beneficiaries subject to this section may also be subject to additional requirements under 105 KAR 1:180 and 105 KAR 1:240.~~]

Section 5. Required Form for Death Benefit Beneficiaries. This section solely establishes the forms and requirements for death benefit beneficiaries related to direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan. Death benefit beneficiaries subject to this section may also be subject to additional requirements under 105 KAR 3:240.

(1) Upon a member's death, the agency shall provide the Form 6025, Direct Rollover, Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding Eligible Rollover Distribution, and the special tax notice regarding payments required by 26 U.S.C. 402(f)[~~Special Tax Notice Regarding Payments~~], to the death benefit beneficiary who shall file a valid Form 6025 with the agency.

(2)[~~(a) The death benefit beneficiary shall file a valid Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution.~~

~~(b)~~] A[~~If the~~] death benefit beneficiary who intends to have the funds rolled over directly into an IRA or other qualified plan[~~, the death benefit beneficiary~~] shall have the trustee or institution relevant to the IRA or other qualified plan complete the applicable section of the Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] certifying that the rollover will be accepted.

(3) Payment to the death benefit beneficiary shall not be processed unless the member is

deceased and the valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] is filed.

[~~(4) This section solely establishes the forms and requirements for death benefit beneficiaries related to direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan. Death benefit beneficiaries subject to this section may also be subject to additional requirements under 105 KAR 1:240.~~]

Section 6. Required Form for Eligible Beneficiaries. This section solely establishes the forms and requirements for eligible beneficiaries related to direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan. Eligible beneficiaries subject to this section may also be subject to additional requirements under 105 KAR 3:457.

(1) The agency shall provide the Form 6025, Direct Rollover, Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding Eligible Rollover Distribution, and the special tax notice regarding payments required by 26 U.S.C. 402(f)[~~Special Tax Notice Regarding Payments~~], to the eligible beneficiary who shall file a valid Form 6025 with the agency.

(2)[~~(a) The eligible beneficiary shall file a valid Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution.~~

~~(b)~~] If the eligible beneficiary intends to have the funds rolled over directly into an IRA or other qualified plan, the eligible beneficiary shall have the trustee or institution relevant to the IRA or other qualified plan complete the applicable section of the Form 6025[~~, Direct~~

~~Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] certifying that the rollover will be accepted.

(3) Payment to the eligible beneficiary shall not be processed unless the member is deceased and the valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] is filed.

[~~(4) This section solely establishes the forms and requirements for eligible beneficiaries related to direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan. Eligible beneficiaries subject to this section may also be subject to additional requirements under 105 KAR 1:457.~~]

Section 7. Required Form for Alternate Payee who is Eligible for Actuarial Refund or Partial Lump-sum Payment Option, or Eligible for a Portion of the Lump-sum Refund, Partial Lump-sum, or Actuarial Refund Retirement Payment Option selected by the Member.

(1) If the alternate payee is eligible for a lump-sum portion of the member's accumulated account balance, actuarial refund, or partial lump-sum payment option pursuant to a qualified domestic relations order, or an actuarial refund or partial lump-sum payment option pursuant to a qualified domestic relations order, the agency shall provide the Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, and the special tax notice regarding payments required by 26 U.S.C. 402(f)[~~Special Tax Notice Regarding Payments~~], to the alternate payee.

(2) (a) To receive a lump-sum portion of the member's accumulated account balance, actuarial refund, or partial lump-sum payment option pursuant to a qualified domestic relations order, or to receive an actuarial refund or partial lump-sum payment pursuant to a qualified domestic relations order, the alternate payee shall file a valid Form 6025[~~, Direct Rollover/Direct~~

~~Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution~~].

(b) If the alternate payee intends to have the funds described in paragraph (a) of this subsection rolled over directly into an IRA or other qualified plan, the alternate payee shall have the trustee or institution relevant to the IRA or other qualified plan complete the applicable section of the Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] certifying that the rollover will be accepted.

(3) The payment to an alternate payee of an actuarial refund or lump-sum refund pursuant to a qualified domestic relations order, or a portion of the member's accumulated account balance, actuarial refund, or partial lump-sum payment option pursuant to the qualified domestic relations order shall not be processed until the valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] is filed.

(4) (a) If the alternate payee does not file the valid Form 6025[~~, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution,~~] by the end of the thirtieth (30th) calendar day[~~thirty (30) calendar days~~] from the date the form and the special tax notice regarding payments[~~Special Tax Notice Regarding Payments~~] were provided to the alternate payee, the alternate payee's payment shall be processed and treated for federal income tax purposes as if the alternate payee had made an election to directly receive the funds instead of rolling over the payment to an IRA or other qualified plan.

(b) 1. The agency shall:

a. Hold[~~hold~~] the amount payable to the alternate payee under this section for at least 180 calendar days after the payment becomes payable;[~~.~~]

b.[~~2.~~] Make[~~The agency shall make~~] all reasonable efforts to locate the alternate payee during the 180 calendar days;[~~,~~] and

c. Shall pay[~~shall make payment to~~] the alternate payee if he or she is located within the 180 day[~~that~~] period.

2.[~~3.~~] If the alternate payee has not been located during the time period established[~~described~~] in subparagraph 1. of this paragraph and the agency has exhausted all reasonable efforts to locate the alternate payee:[~~,~~]

a. The[~~the~~] agency shall pay the payment held to the member and shall assign the federal tax liability for the[~~this~~] payment to the member;[~~.~~]

b. Interest shall not accrue on the[~~this~~] lump-sum payment during the 180 calendar day period or thereafter; and[.]

c. If the alternate payee is subsequently located, any amounts already paid to the member shall no longer be payable to the alternate payee.

Section 8. Optional Form for Qualified Public Safety Employee Electing[~~electing~~] to Receive[~~receive~~] an Actuarial Refund Retirement Payment Option, Lump-sum Refund, Partial Lump-sum Refund, or Ten (10) Year Certain Retirement Payment Option.

[~~(1)~~] A member who was last employed as a "qualified public safety employee" as defined by[~~in~~] 26 U.S.C.[~~Internal Revenue Code,~~] Section 72(t), and who elects[~~is electing~~] to receive an actuarial refund, lump-sum refund of the accumulated account balance, partial lump-sum refund, or the ten (10) years certain option, shall not be subject to the ten (10) percent early distribution tax penalty if the member files a valid[~~the following valid forms:~~

~~(a) The~~] Form 4527, Certification by a "Qualified Public Safety Employee" and Request for an Exception to the 10% Early Distribution Penalty in IRC 72(t) which the agency shall provide upon request[~~; and~~

~~(b) The Form 4525, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection, or the Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution.~~

~~(2) Upon request by the member, the agency shall provide the Form 4527, Certification by a "Qualified Public Safety Employee" and Request for an Exception to the 10% Early Distribution Penalty in IRC 72(t), to the member~~].

Section 9. Optional Form for Greater Federal Tax Withholding.

(1) (a) If the member does not elect to have the refund of the accumulated account balance rolled over directly into an IRA or other qualified plan, except as established[~~provided~~] in paragraph (b) of this subsection, twenty (20) percent for federal taxes shall be withheld from funds paid to a member who files a valid Form 4525, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection, in accordance with Section 2 of this administrative regulation.

(b) If the member wants to withhold more than the mandatory twenty (20) percent of the funds for federal taxes, the member shall file a valid withholding certificate for the applicable tax year required by 26 U.S.C. Section 3405[~~Form 6028, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions~~].

(2) (a) If the member, beneficiary, death benefit beneficiary, eligible beneficiary, or alternate payee does not elect to have the funds rolled over directly into an IRA or other qualified

plan, except as provided in paragraph (b) of this subsection, twenty (20) percent for federal taxes shall be withheld from funds paid to the member, beneficiary, or alternate payee who files a valid Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, in accordance with Sections 3 through 7 of this administrative regulation.

(b) If the member, beneficiary, death benefit beneficiary, eligible beneficiary, or alternate payee wants to withhold more than the mandatory twenty (20) percent of the funds for federal taxes, the member, beneficiary, or alternate payee shall file a valid withholding certificate for the applicable tax year as required by 26 U.S.C. Section 3405[~~Form 6028, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions~~].

(c) The[~~If an invalid, incomplete, or incorrect Form 6028, Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions, is filed, the~~] agency shall notify a[~~the~~] person who files an[~~filed the~~] incomplete or incorrect withholding certificate[~~Form 6028~~] that he or she has until the end of the forty-fifth (45th) calendar[~~day forty-five (45) calendar days~~] from the date of notification to file a corrected valid withholding certificate[~~Form 6028,~~] or the funds will be paid with the regular twenty (20) percent withholding for federal taxes.

Section 10. Incorporation by Reference.

(1)[~~The following material is incorporated by reference:~~

~~(a) "Special Tax Notice Regarding Payments", July 2023;~~

~~(b) Form 4525, "Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection", April 2021;~~

~~(c)~~] Form 4527, "Certification by a "Qualified Public Safety Employee" and Request for an Exception to the 10% Early Distribution Penalty in IRC 72(t)", September 2023, is

incorporated by reference[~~;~~

~~(d) Form 6010, "Estimated Retirement Allowance", April 2021;~~

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

~~(f) Form 6028, "Withholding Certificate for Nonperiodic Payments and Eligible Rollover Distributions", November 2022~~].

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

105 KAR 2:270 Federal tax withholding or direct rollover of eligible distributions is approved for filing.

_____ _____

Ryan Barrow, Date
Executive Director
Kentucky Public Pensions Authority

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

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through May 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 2:270
Contact Person: Carole J. Catalfo
Phone: (502) 696-8679
Email: Legal.Non-Advocacy@kyret.ky.gov

Subject Headings: Retirement and Pensions, State Employees, Taxation

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the procedure for informing affected members, beneficiaries, and alternate payees of their rights with regard to federal taxation rules and provides forms for members, beneficiaries, and alternate payees to indicate their preference for federal tax withholding or direct rollover of eligible distributions. This administrative regulation also establishes a procedure to issue a check to an alternate payee of a qualified domestic relations order (QDRO) if the alternate payee does not file the form required for federal income tax purposes within a reasonable time, and a procedure if an alternate payee cannot be located.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the procedure for informing affected members, beneficiaries, and alternate payees of their rights with regard to federal taxation rules and provide forms for members, beneficiaries, and alternate payees to indicate their preference for federal tax withholding or direct rollover of eligible distributions. This administrative regulation is also necessary to establish a procedure to issue a check to an alternate payee of a QDRO if the alternate payee does not file the form required for federal income tax purposes within a reasonable time, and a procedure if an alternate payee cannot be located.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with and necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505, 61.510 to 61.705, and 78.510 to 78.852. 26 U.S.C. 402 establishes the federal taxation requirements regarding direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan.

(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 procedure for informing affected members, beneficiaries, and alternate payees of their rights with regard to federal taxation rules and provide forms for members, beneficiaries, and alternate payees to indicate their preference for federal tax withholding or direct rollover of eligible distributions. This administrative regulation also assists in the administration of the statutes by establishing a procedure to issue a check to an alternate

payee of a qualified domestic relations order if the alternate payee does not file the form required for federal income tax purposes within a reasonable time, and a procedure if an alternate payee cannot be located.

(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 updates definitions for "beneficiary" and "death benefit beneficiary" to include non-persons (such as trusts) as beneficiaries and to clarify that only beneficiaries of retired members are eligible to receive the death benefit; removes Forms 4525, 6010, and 6025 from being incorporated by reference in favor of a citation to 105 KAR 5:200 where the forms are "housed" for efficiency; removes the Special Tax Notice required by, and inserts a citation to, 26 U.S.C. 402(f) from being incorporated by reference because it is already governed by the federal Internal Revenue Code and enables the KPPA to revise the notice when required by the federal government; and streamlines and revises language to comply with the drafting requirements of KRS Chapter 13A.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to update definitions for "beneficiary" and "death benefit beneficiary" to include non-persons, such as trusts, as beneficiaries and to clarify that only beneficiaries of retired members are eligible to receive the death benefit; remove Forms 4525, 6010, and 6025 from being incorporated by reference in favor of a citation to 105 KAR 5:200 where the forms are "housed" for efficiency; removes the Special Tax Notice required by, and inserts a citation to, 26 U.S.C. 402(f), from being incorporated by reference because it is already governed by the federal Internal Revenue Code and enables the KPPA to revise the notice when required by the federal government; and to streamline and revise language to comply with the drafting requirements of KRS Chapter 13A.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with and necessary or proper to carry out the provisions of KRS 16.505 to 16.652, 61.505, 61.510 to 61.705, and 78.510 to 78.852. 26 U.S.C. 402 establishes the federal taxation requirements regarding direct rollovers of distributions and the withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan.

(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 and clarifying definitions, streamlining materials incorporated by reference, and revising and clarifying language that also complies with KRS Chapter 13A.

(3) Does this administrative regulation or amendment implement legislation from the previous five years? (If yes, provide the year of the legislation and either the bill number or KY

Acts chapter number being implemented). Yes. KRS 61.505(1)(g). 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: Those members, of approximately 433,461 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System, who are affected by the federal taxation requirements regarding direct rollovers of distributions and withholding of federal income tax on distributions that are not rolled over to an IRA or other qualified plan.

(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 have the benefit of updated and clarified definitions for “beneficiary” and “death benefit beneficiary”, fewer incorporated forms in favor of citing to 105 KAR 5:200 where the forms are “housed” for efficiency; up-to-date Special Tax Notice information; and streamlined language that should make the regulation easier to read and use.

(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 forms and processes are required for different beneficiaries and whether they choose federal tax withholding or direct rollover of eligible distributions.

FISCAL IMPACT STATEMENT

105 KAR 2:270
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 U.S.C. 402)f)

(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 administrative regulation has minimal fiscal impact. It is being implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for its processes and procedures for informing affected members, beneficiaries, and alternate payees of their rights regarding federal tax withholding and direct rollover of eligible distributions, issuing checks to alternate payees of a QDRO if the payee does not file the federal income tax form within a reasonable time, and when an alternate payee cannot be located.

(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 its processes and procedures for informing affected members, beneficiaries, and alternate payees of their rights regarding federal tax withholding and direct rollover of eligible distributions, issuing checks to alternate payees of a QDRO if the payee does not file the federal income tax form within a reasonable time, and when an alternate payee cannot be located.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 2:270
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. 402(f)

2. State compliance standards. KRS 61.505(1)(g)

3. Minimum or uniform standards contained in the federal mandate. 26 U.S.C. 402(f) requires plan administrators to provide recipients of eligible rollover distributions with written "Special Tax Notice" information that explains direct rollovers, mandatory withholding for cash payments, 60-day rollover rules, and tax treatment of non-rolled over amounts, which must be provided 30–180 days before distribution.

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 mandate.

## SUMMARY OF MATERIALS INCORPORATED BY REFERENCE

Form 4527, "Certification by a "Qualified Public Safety Employee" and Request for an Exception to the 10% Early Distribution Penalty in IRC 72(t)", September 2023, is the one-page form used by qualified members to request an exception to the 10% early distribution penalty established in 26 U.S.C. Section 72(t).

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

**Form 4527**
Revised 09/2023

# Certification by a "Qualified Public Safety Employee" and Request for an Exception to the 10% Early Distribution Penalty in IRC Section 72(t)

| **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: |

You may complete this form and avoid a 10% early distribution tax penalty if you meet all of the following criteria:

- You were last employed as a "qualified public safety employee" (For purposes of meeting the exception to the tax penalty, the term "qualified public safety employee" generally means an employee whose principal duties include services requiring specialized training in the area of police protection, firefighting services, Corrections Officers, or emergency medical services); and
- You elected to receive an early distribution of an Actuarial Refund, Lump Sum Refund, Partial Lump Sum Refund,or the 10-year Certain Option from the Kentucky Retirement Systems or the County Employees Retirement System since August 18, 2006; and
- You were age fifty (50) or older, or you have at least twenty-five (25) years of service, during the year of separation from service.

If you do not complete this form and file it at the retirement office, your Form 1099-R may indicate that you received a payment subject to a 10% early distribution penalty. Section 72(t) of the Internal Revenue Code provides for an additional 10% early distribution tax penalty of an early distribution from the Kentucky Retirement Systems or the County Employees Retirement System. There is an exception to the additional tax for public safety employees set forth in Section 72(t)(10) of the Internal Revenue Code. The exception provides that the early distribution penalty will not apply to a "qualified public safety employee" who received an early distribution on or after August 18, 2006, and who was age fifty (50) or older, or had at least twenty-five (25) years of service, during the year of separation from service.

**Certification of Status as a "Qualified Public Safety Employee"**

I, _____, certify that immediately prior to my retirement or my most recent separation from service, I was an employee participating in the (check all that are applicable):

- ☐ Kentucky Employees Retirement System
- ☐ County Employees Retirement System
- ☐ State Police Retirement System

I also certify that my principal duties included services requiring specialized training in the area of (check all that are applicable):

- ☐ Police protection,
- ☐ Firefighting services,
- ☐ Corrections officer,
- ☐ Emergency medical services

I am making this certification under penalty of perjury in order that the Kentucky Public Pensions Authority may properly code my Form 1099-R with respect to a benefit payment that I have received or will receive from the Kentucky Retirement Systems or the County Employees Retirement System. I certify that the information provided 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 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 not only be liable for repayment of benefits I was not entitled to receive, but also liable for civil payments, legal fees, and costs.

Signature: _____ Date: _____

FINANCE AND ADMINISTRATION CABINET

Kentucky Public Pensions Authority

(Amendment)

105 KAR 2:420. 401(h) account established under 26 U.S.C. 401(h).

RELATES TO: KRS 61.701, 61.702, 61.645(9)(e); 26 U.S.C. 401(h)

STATUTORY AUTHORITY: KRS 61.702, 61.645(9)(e)

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

NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g)[~~61.645(9)(e)~~] authorizes the Kentucky Public Pensions Authority on behalf of Kentucky Retirement Systems and County Employees Retirement System[~~requires the Board of Trustees of Kentucky Retirement Systems~~] to promulgate[~~all~~] administrative regulations that are consistent with and necessary or proper[~~in order~~] to carry out the provisions of KRS 61.505[~~61.510~~] to 61.705, 16.505 to 16.652, and 78.510 to 78.852 and to conform to federal statutes and regulations. Pursuant to KRS 61.701, 61.702(3) and (4),[~~the provisions of KRS 61.702(2)(b)(5), as amended by 2008 Extra Sess. Ky. Acts ch. 1, sec. 24 and of KRS~~] 61.645, and 78.5536, this administrative regulation establishes[~~, effective September 1, 2008,~~] a separate 401(h) account under 26 U.S.C. 401(h) within[~~each of the following:~~] the Kentucky Employees Retirement System Trust Fund, the State Police Retirement System Trust Fund, and the County Employees Retirement Trust Fund.

Section 1. Definitions.

(1) "Dependent" is defined by[~~the Internal Revenue Code,~~] 26 U.S.C. 152, excluding subsections (b)(1), (b)(2), and (d)(1)(B).

(2) "Insurance trust" means the Kentucky Retirement Systems insurance trust fund established in KRS 61.701.

(3) "Medical expense" means expense for medical care as defined by 26 U.S.C. Section 213(d)(1)[~~213(e)(1) of the Internal Revenue Code~~].

(4)[~~(3)~~] "Retired", for purposes of eligibility to receive the medical benefits established[~~described~~] in 26 U.S.C. 401(h), means an employee who:

(a) Is[~~An employee is~~] eligible to receive benefits under the Kentucky Retirement Systems or County Employee Retirement System;

(b) Is[~~The employee is~~] not still employed by the employer; and

(c) Has separated from employment[~~A separation from employment has occurred~~].

[~~(4) "Systems" means the retirement systems administered by Kentucky Retirement Systems.~~]

Section 2. The purpose of the 401(h) account established pursuant to[u~~nder~~] 26 U.S.C. 401(h) in each of the systems shall be to pay part of the subsidy for health benefits that are otherwise payable from the insurance trust[~~health insurance fund~~]. The 401(h) account shall be used only to the extent that funds are not available from the insurance trust or if the Board determines that an employer's participation in the insurance trust conflicts with federal statute or regulations and risks disqualification of a plan or the insurance trust pursuant to 26 U.S.C. 115 or 401(a)[~~health insurance fund~~].

Section 3. (1) The[~~one (1) percent~~] mandatory contribution established in KRS 61.702(3)

and KRS 78.5536(3)[~~by KRS 61.702(2)(b)~~] shall be deposited in the insurance trust if the employer is eligible to participate in the insurance trust[~~separate account of each system trust fund, respectively~~].

(2) The mandatory contribution established in KRS 61.702(3) or 78.5536(3) shall be deposited in the 401(h) account of the respective system trust fund if the employer is not eligible to participate in the insurance trust.

(3) These contributions are[~~reasonable~~] to pay medical expenses as required by 26 C.F.R. 1.401-14(c)(3).

Section 4. The health benefits shall be subordinate to the retirement benefits provided by the systems.[~~(No life insurance protection is provided by any system.)~~] This requirement shall not be satisfied unless the actual contributions to the 401(h) accounts established under 26 U.S.C. 401(h) do not exceed twenty-five (25) percent of the total actual contributions to the systems excluding contributions to fund past service credit[~~(other than contributions to fund past service credits),~~] determined on an aggregate basis since the inception of the 401(h) accounts established under 26 U.S.C. 401(h).

Section 5. Amounts in the 401(h) accounts established under 26 U.S.C. 401(h) shall:

(a) Be[~~be~~] for the exclusive purpose of paying medical expenses for retirees, their spouses, and dependents;

(b) Not[~~. Amounts in the 401(h) accounts established under 26 U.S.C. shall not~~] be diverted for other purposes; and

(c) Upon dissolution of the 401(h) account[~~.~~

~~Section 6. Any amounts in the 401(h) accounts established under 26 U.S.C. 401(h) shall~~] revert to the employers upon satisfaction of all liabilities for medical benefits.

Section 6[~~7~~]. Employees shall not have an individual interest in the 401(h) accounts established under 26 U.S.C. 401(h).

Section 7[~~8~~]. The 401(h) accounts established under 26 U.S.C. 401(h) may be commingled with the pension assets of the trust funds for investment purposes. Investment earnings shall be credited to the 401(h) accounts established under 26 U.S.C. 401(h) on a reasonable basis.

Section 8[~~9~~]. Administrative and other expenses shall be charged to the 401(h) accounts established under 26 U.S.C. 401(h) on a reasonable basis.

105 KAR 2:420 401(h) account established under 26 U.S.C. 401(h) is approved for filing.

_____ _____

Ryan Barrow, Date
Executive Director
Kentucky Public Pensions Authority

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

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

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

Contact person: Carole J. Catalfo
Policy Specialist
Kentucky Public Pensions Authority
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 2:420
Contact Person: Carole J. Catalfo
Phone: (502) 696-8679
Email: Legal.Non-Advocacy@kyret.ky.gov

Subject Headings: Retirement and Pensions, State Employees

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes an account pursuant to 26 U.S.C. Section 401(h) (i.e., a "401(h)" account) for receipt of mandatory employee contributions made by members of the Kentucky Retirement Systems and the County Employees Retirement System if the employer is not eligible to participate in the insurance trust.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish and maintain the 401h) account for receipt of a mandatory employee contribution made by members of the Kentucky Retirement Systems and members of the County Employees Retirement System to pay part of the health benefit subsidy if the Board determines an employer's participation in the insurance trust conflicts with federal statute or regulations, and risks disqualification of a plan or the insurance trust pursuant to 26 U.S.C. 115 or 26 U.S.C. 401(a).

(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 61.505 to 61.705, 16.505 to 16.652, and 78.510 to 78.852 and to conform to federal statutes and regulations. Pursuant to KRS 61.701, 61.702(3) and (4), 61.645, and 78.5536, this administrative regulation establishes a separate 401(h) account under 26 U.S.C. 401(h) within the Kentucky Employees Retirement System Trust Fund, the State Police Retirement System Trust Fund, and the County Employees Retirement Trust Fund for receipt of mandatory employee contributions if the employer's participation in the insurance trust conflicts with federal statutes or regulations.

(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 and maintaining a separate 401(h) account within the KERS, SPRS, and CERS Trust Funds for receipt of mandatory employee contributions if the employer's participation in the insurance trust conflicts with federal statutes or regulations.

(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 includes the addition of a definition for "insurance trust", clarifying the use and purpose of mandatory contributions for health insurance benefits to the 401(h) account versus the insurance trust, removes the one (1) percent mandatory contribution to comply with SB 10 of the 2025 legislative session, corrects statutory references, and revises language to conform to drafting requirements.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to add a definition for "insurance trust", clarify the use and purpose of mandatory contributions for health insurance benefits to the 401(h) account versus the insurance trust, remove the one (1) percent mandatory contribution to comply with SB 10 of the 2025 legislative session, correct statutory references, and revise language to conform to drafting requirements. This regulation was originally adopted before the creation of the Kentucky Retirement Systems insurance trust fund in KRS 61.701. KRS 61.702(3)(b) provides that the board has discretion to deposit contributions in either the 401(h) account or the insurance trust. The amendment clarifies that all health insurance contributions required by KRS 61.702 are being placed in the insurance trust fund and the 401(h) account is not being used for new contributions unless federal law would prohibit the insurance trust from accepting the funds. In order to participate in the insurance trust, the employer must be exempt from taxation under 26 USC 115. State agencies and political subdivisions of a state all meet this requirement. The amendment clarifies that in the event an employer is determined not to meet this requirement, contributions from that employer would be deposited into the 401(h) account in order to avoid disqualification of the insurance trust by the Internal Revenue Service.

(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 61.505 to 61.705, 16.505 to 16.652, and 78.510 to 78.852 and to conform to federal statutes and regulations. Pursuant to KRS 61.701, 61.702(3) and (4), 61.645, and 78.5536, this administrative regulation establishes a separate 401(h) account under 26 U.S.C. 401(h) within the Kentucky Employees Retirement System Trust Fund, the State Police Retirement System Trust Fund, and the County Employees Retirement Trust Fund for receipt of mandatory employee contributions if the employer's participation in the insurance trust conflicts with federal statutes or regulations.

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statutes by adding a definition for "insurance trust", clarifying the use and purpose of mandatory contributions for health insurance benefits to the 401(h) account for receipt of mandatory employee contributions if the employer's participation in the insurance trust conflicts with federal statutes or regulations, removing the one (1) percent mandatory contribution to comply with SB 10 of the 2025 legislative session, correcting statutory references, and revising language to conform to 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). Yes. Senate Bill 10 of the 2025 regular legislative session.

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

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

(a) List the actions that each of the regulated entities identified in question (4) will have to take to comply with this administrative regulation or amendment: The regulated community will be minimally impacted and will not have to take any additional actions 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 health benefit contributions being properly allocated between the insurance trust and 401(h) account, and the addition of a definition for “insurance trust”. The regulated community will also benefit from continued qualification with federal law and the deferred tax benefits that come with maintaining a retirement plan’s deferred tax qualification status under federal law.

(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 only to the extent that mandatory member contributions will be directed to the 401(h) account if the employer's participation in the insurance trust would conflict with federal law.

FISCAL IMPACT STATEMENT

105 KAR 2:420
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 61.702, 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 61.702, 61.645(9)(e); SB 10 of the 2025 regular legislative session.

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

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

1. Expenditures:
   For the first year: None.
   For subsequent years: None.
2. Revenues:
   For the first year: None.
   For subsequent years: None.
3. Cost Savings:
   For the first year: None.
   For subsequent years: None.

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

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

1. Expenditures:
   For the first year: N/A
   For subsequent years: N/A
2. Revenues:
   For the first year: N/A
   For subsequent years: N/A
3. Cost Savings:
   For the first year: N/A
   For subsequent years: N/A

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

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

1. Expenditures:
   For the first year: N/A
   For subsequent years: N/A
2. Revenues:
   For the first year: N/A
   For subsequent years: N/A
3. Cost Savings:
   For the first year: N/A
   For subsequent years: N/A

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

(a) Fiscal impact of this administrative regulation: This administrative regulation has minimal fiscal impact. It is being implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for collecting and allocating mandatory member contributions to the insurance trust and the 401(h) account.

(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 collecting and allocating mandatory member contributions to the insurance trust and the 401(h) account.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 2:420
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(h)

2. State compliance standards. KRS 61.645, 61.701, 61.702, 78.5536

3. Minimum or uniform standards contained in the federal mandate. 26 U.S.C. 401(h) requires a separate, exclusive account to fund medical benefits for retired employees and their spouses and dependents under certain circumstances.

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 or requirements than those in 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 standards or additional or different responsibilities or requirements than the federal mandate.

FINANCE AND ADMINISTRATION CABINET

Kentucky Public Pensions Authority

(Amendment)

105 KAR 5:200. Retirement procedures.

RELATES TO: KRS 16.505-16.652, 61.505–61.705[~~61.505, 61.510-61.705~~], 78.510-78.852

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

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

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

Section 1. Definitions.

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

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

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

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

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

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

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

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

(7) "Unsubstantiated service" means:

(a) For school board employees, that:

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

2. Service is incomplete; or

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

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

2. Service is incomplete.

Section 2. Retirement Eligibility Requirements.

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

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

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

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

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

Section 3. Application for Retirement.

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

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

1. Is incomplete;

2. Does not include all indicated required documentation;

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

4. Is not signed by the applicant and a witness on the indicated place in the Member's

Statement of Disability section if the applicant is applying for disability retirement unless submitted through the Self-service website with a PIN.

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

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

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

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

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

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

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

(b) Once the applicant begins receiving a retirement allowance, he or she may designate or change the beneficiary of the $5,000 death benefit through the Self-service website[~~Self~~

~~Service Web site~~] or by filing a valid Form 6030, Death Benefit Designation.

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

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

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

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

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

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

of this subsection.

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

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

Section 4. Verification of Date of Birth.

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

1. Prior to the agency processing the application; and

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

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

1. Age record from the Social Security Administration;

2. Immigration and naturalization service records;

3. Birth certificate;

4. Military ID or discharge;

5. U.S. passport;

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

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

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

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

Section 5. Additional Requirements.

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

(a) The payment options and amounts available to the applicant;

(b) A place to designate the applicant's choice of payment option;

(c) A place for the applicant to sign and date; and

(d) A place for the spouse or other witness' signature.

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

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

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

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

a. Signed by a spouse or other witness; or

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

(b) 1. If the applicant for retirement at an early retirement date fails to comply with

paragraph (2)(a)2. of this subsection, the Form 6000, shall be void.

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

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

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

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

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

Section 6. Voiding the Form 6000.

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

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

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

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

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

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

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

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

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

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

Section 7. Administration of the Retirement Allowance.

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

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

(2) The agency shall not process an actuarial equivalent refund or lump sum refund until

the applicant has complied with all requirements of this administrative regulation, the applicant's employer has submitted proof of the applicant's employment termination, and the applicant's employer has reported all creditable compensation and accumulated sick leave.

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

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

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

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

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

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

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

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

Section 9. Death During the Retirement Application Process.

(1) Except as provided in subsection (2) of this section, if the applicant dies prior to the first day of the month in which the applicant would have received his or her first retirement payment, any benefits payable to a beneficiary or estate shall be determined pursuant to KRS 16.578, 61.621, 61.640, 78.5532, and 105 KAR 3:180.

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

Section 10. Exceptions to Changing the Beneficiary After Retirement.

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

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

1. The basic payment option;

2. A period certain option as provided by KRS 61.635(5) through (7) and 78.545; or

3. The Social Security adjustment option without survivor rights as provided by KRS 61.635(8)(a) and 78.545.

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

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

(3) (a) In accordance with KRS 61.542(5)(b) and 78.545, a beneficiary may be changed

only once by the end of the 120th calendar day[~~120 calendar days~~] following the date of a recipient's marriage or remarriage.

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

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

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

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

(c) Once a valid Form 6035[~~, Beneficiary and Payment Option Change,~~] is on file, the agency shall provide the recipient with a Form 6050 Payment Option Change Designation. The recipient shall complete the requirements of subsection 3(b) of this section and file a valid Form 6050 selecting his or her new payment option as established in KRS 61.542(5)(b)2. and 78.545[~~by the end of day 120 calendar days] following the date of his or her marriage or remarriage~~].

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

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

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

Section 11. Incorporation by Reference.

(1) The following material is incorporated by reference:

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

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

(b)[~~(c) Form 6017, "[Tax] Withholding Certificate for Periodic Pension or Annuity Payments", January 2024;~~

~~(d)~~] Form 6025, "Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution ", September 2026[~~June 2023~~];

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

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

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

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

(g)[~~(i)~~] Form 6130, "Authorization for Deposit of Retirement Payment", September 2026[~~November 2024~~]; and

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

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

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

_____ _____

Ryan Barrow, Date
Executive Director
Kentucky Public Pensions Authority

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

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

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

Contact person: Carole J. Catalfo
Policy Specialist
Kentucky Public Pensions Authority
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 5:200
Contact Person: Carole J. Catalfo
Phone: (502) 696-8679
Email: Legal.Non-Advocacy@kyret.ky.gov

Subject Headings:

(1) Provide a brief summary of:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

FISCAL IMPACT STATEMENT

105 KAR 5:200
Contact Person: Carole J. Catalfo
Phone: (502) 696-8679
Email: Legal.Non-Advocacy@kyret.ky.gov

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

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

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

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

1. Expenditures:
   For the first year: None.
   For subsequent years: None.
2. Revenues:
   For the first year: None.
   For subsequent years: None.
3. Cost Savings:
   For the first year: None.
   For subsequent years: None.

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

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

1. Expenditures:
   For the first year: N/A
   For subsequent years: N/A
2. Revenues:
   For the first year: N/A
   For subsequent years: N/A
3. Cost Savings:
   For the first year: N/A
   For subsequent years: N/A

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

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

1. Expenditures:
   For the first year: N/A
   For subsequent years: N/A
2. Revenues:
   For the first year: N/A
   For subsequent years: N/A
3. Cost Savings:
   For the first year: N/A
   For subsequent years: N/A

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

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

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

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

(a) Whether this administrative regulation will have a “major economic impact”, as defined by KRS 13A.010(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 beneficiary selection and implementation.

## SUMMARY OF MATERIALS INCORPORATED BY REFERENCE

Form 6010, "Estimated Retirement Allowance", September 2026, is the six (6) page form that members complete to elect a payment option for their retirement benefits.

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

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

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

## SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 6025, "Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution ", September 2026, is a two (2) page form members use to direct their eligible rollover distribution payments to various recipients.
Changes to the previous form include removing the special tax notice.

Form 6030, "Death Benefit Designation, $5000 Death Benefit from Kentucky Public Pensions Authority", September 2026, is the one (1) page form members use to designate a beneficiary for the one-time KPPA $5000 Death Benefit.
Changes to the previous form include:
Revision date change to 9/2026
"Living trust" field amended to include Living Trust, Special Needs Trust, and Testamentary Trust as beneficiary options.
"Trust Tax ID" field replaced with "Trust Tax EIN or special needs trust beneficiary Social Security Number"
"Date of Trust" eliminated.
"Trustee Contact Information" includes the statement: "Our office will contact the trustee listed below following your death".
"Testamentary Trust" field eliminated and replaced with "If the trust is a special needs trust:" with fields for the Trust's beneficiary and the beneficiary's birthdate.

Form 6035, "Beneficiary and Payment Option Change", September 2026, is a one (1) page form members can complete to change their beneficiary designation or payment option after retirement if they meet certain criteria.
Changes to the previous form include:

Clarifying language in the Notice and Marital Status fields that the form must be submitted with attached birthdate documentation within 120 days of marriage or remarriage.
Clarifying language in the Certification and Authorization field that the form must be valid and received within the statutory 120-day period to proceed with payment option changes, or the previous retirement payment option will remain in effect.

Form 6130, "Authorization for Deposit of Retirement Payment", September 2026, is a one (1) page form that members can complete to authorize direct deposit of their payments to their financial institution.
Changes to the previous form include removing one page of instructions.

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



## FORM 6010 ESTIMATED RETIREMENT ALLOWANCE

Retirement Plan: _____ **Retirement Date:** _____ Retirement Type: _____

Member: _____ Beneficiary: _____

Member Date of Birth: _____ Beneficiary Date of Birth: _____

| Please Select ONE payment option by checking one box below | Payment to member while living | Payment to beneficiary after member's death |
|---|---|---|
| ☐ Basic/Annuity | $_____ | $0.00 |
| ☐ Life with 10 Years Certain | $_____ | $_____or $0.00 |
| ☐ Life with 15 Years Certain | $_____ | $_____or $0.00 |
| ☐ Life with 20 Years Certain | $_____ | $_____or $0.00 |
| ☐ Survivorship 100% | $_____ | $_____ |
| ☐ Survivorship 66 2/3% | $_____ | $_____ |
| ☐ Survivorship 50% | $_____ | $_____ |
| ☐ Pop-Up | $_____ | $_____ |
| ☐ Life with 10 Years Certain | $_____ | $_____or $0.00 |

PARTIAL LUMP SUM WITHOUT SURVIVOR RIGHTS (*See Note)

☐ One Time Payment = $_____ PLUS $_____ $0.00

PARTIAL LUMP SUM WITH SURVIVOR RIGHTS (*See Note)

☐ One Time Payment = $_____ PLUS $_____ $_____

SOCIAL SECURITY ADJUSTMENT OPTION (*See Note)

☐ Without Survivor Rights Until Age 62 $_____ Age 62 and After $_____
☐ With Survivor Rights Until Age 62 $_____ Age 62 and After $_____

☐ I reject all monthly payment options and request an ACTUARIAL refund of approximately $_____. I am also forfeiting any health insurance and death benefits provided by the Kentucky Public Pensions Authority. *See Note

☐ I reject all monthly payment options and request a LUMP SUM refund of approximately $_____. I am also forfeiting any health insurance and death benefits provided by the Kentucky Public Pensions Authority. *See Note

* NOTE: If you select the Partial Lump Sum or Refund Option, you must also complete and return the enclosed Form 6025, Direct Rollover/Direct Payment Election Form. The Form 6025 is located in the Special Tax Notice.

(*QDRO*)

☐ Initial Here

I understand that the amounts listed above have not been reduced by the amount that is payable to the alternate payee as directed by the Qualified Domestic Relations Order currently in effect on my retirement account. I understand that if I choose a monthly payment option the alternate payee will receive $_____ of the BASIC payment option listed above. If I choose a PLSO option, the alternate payee will receive $_____ of the one-time lump sum payment and $_____of the correlating Without Survivor Rights monthly payment. If I choose an actuarial refund or lump sum the alternate payee will receive $_____ of that payment amount.

**Certification**

I certify that I have selected the option of my choice. I understand that after the first day of the month in which I receive my first retirement check, I will not have the right to change my payment option or beneficiary except under limited circumstances as outlined in KRS 61.542.

Signature of Recipient: _____ Date: _____

Signature of Spouse _____ Date: _____

**OR** Signature of Witness _____ Date: _____

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

## FORM 6010 - CB ESTIMATED RETIREMENT ALLOWANCE

Retirement Plan: _____ **Retirement Date:** _____ Retirement Type: _____

Beneficiary: _____ Member: _____
Beneficiary Date of Birth: _____ Member ID: _____
Beneficiary Address: _____
_____

**The payment options available to the Trust are listed below.**

| **Please select ONE payment option by checking one box below.** | **Payment to Trust** |
|---|---|

☐ I reject all monthly payment options and request a(n) LUMP SUM refund of approximately $_____. *See Note

---

**Certification**
I certify that I have selected the option of my choice. I understand that after the first day of the month in which I receive my first retirement check, I will not have the right to change my payment option except under limited circumstances as outlined in KRS 61.542.

Signature of Trustee(s): _____ Date: _____

Witnessed by: _____ Date: _____

Signature of Co-Trustee(s)
(if applicable): _____ Date: _____

Witnessed by: _____ Date: _____

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## FORM 6010 - ESTIMATED RETIREMENT ALLOWANCE

Retirement Plan: _____ **Retirement Date:** _____ Retirement Type: _____

Beneficiary: _____ Member: _____
Beneficiary Date of Birth: _____ Member ID: _____
Beneficiary Address: _____
_____

**The payment options available to the Estate are listed below.**

| **Please select ONE payment option by checking one box below.** | **Payment To Estate** |
|---|---|
| LUMP SUM REFUND | |
| ☐ One Time Payment = | $_____ |

* NOTE: If you select the Refund Option, you must also complete and return the enclosed Form 6016, Federal Income Tax Withholding Preference for Non-Periodic Payments to Estates.

---

**Certification**
I certify that I have selected the option of my choice. I understand that after the first day of the month in which I receive my first retirement check, I will not have the right to change my payment option except under limited circumstances as outlined in KRS 61.542.

Signature of Executor/Administrator: _____ Date: _____

Witnessed by: _____ Date: _____

Signature of Co-Executor / Co-Administrator (if applicable): _____ Date: _____

Witnessed by: _____ Date: _____

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## FORM 6010 - ESTIMATED RETIREMENT ALLOWANCE

Retirement Plan: _____ **Retirement Date:** _____ Retirement Type: _____

**Member Information**

MEMBER NAME Member ID: _____

This account has multiple beneficiaries.

| **Beneficiary Information** | **Percentage of the Benefit Listed Below** |
|---|---|
| BENE NAME 1<br>ADDRESS LINE 1<br>ADDRESS LINE 2, ZIP | _____% |
| BENE NAME 2<br>ADDRESS LINE 1<br>ADDRESS LINE 2, ZIP | _____% |
| BENE NAME 3<br>ADDRESS LINE 1<br>ADDRESS LINE 2, ZIP | _____% |

The payment options available to beneficiaries of this account are listed below. Please note that the total payment amount is provided for each payment option. The percentages shown above reflect the percentage of the total payment each beneficiary will receive. All beneficiaries must select the same payment option and sign the same Form 6010 (see signature section below).

| **Please select ONE payment option by checking one box below.** | **Payment to Beneficiary** |
|---|---|
| ☐ 60 Months Certain (See Note*) | $_____ per month for only 60 months |
| ☐ 120 Months Certain (See Note*) | $_____ per month for only 120 months |

☐ We reject all monthly payment options and request a(n) LUMP SUM refund of approximately $_____.
We are also forfeiting any health insurance provided by the Kentucky Public Pensions Authority. **See Note

*NOTE: By selecting this option, I will forfeit health insurance benefits when my monthly payments end.

**NOTE: If the actuarial refund, lump sum refund, or 60 months certain option is selected, each beneficiary must complete and return a Form 6025, Direct Rollover/Direct Payment Election Form. The Form 6025 is located in the Special Tax Notice.

**Certification**

I certify that I have selected the option of my choice. I understand that after the first day of the month in which I receive my first retirement check, I will not have the right to change my payment option except under limited circumstances as outlined in KRS 61.542.

Signature of Recipient: _____ Date: _____

Signature of Witness _____ Date: _____

Signature of Recipient: _____ Date: _____

Signature of Witness _____ Date: _____

Signature of Recipient: _____ Date: _____

Signature of Witness _____ Date: _____

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## FORM 6010 - ESTIMATED RETIREMENT ALLOWANCE

Retirement Plan: _____ **Retirement Date:** _____ Retirement Type: _____

Beneficiary: _____ Member: _____
Beneficiary Date of Birth: _____ Member ID: _____
Beneficiary Address: _____
_____

| **Please select ONE payment option by checking one box below.** | **Payment to Beneficiary** |
|---|---|
| ☐ Life Annuity | $_____per month for your lifetime |
| ☐ 60 Months Certain (*See Note) | $_____per month for only 60 months |
| ☐ 120 Months Certain (*See Note) | $_____per month for only 120 months |

☐ I reject all monthly payment options and request a(n) ACTUARIAL refund of approximately $_____. I am also forfeiting any health insurance provided by the Kentucky Public Pensions Authority. **See Note

* NOTE: By selecting this option, I will forfeit health insurance benefits when my monthly payments end.

**NOTE: If you select the actuarial refund, lump sum refund or 60 months certain you must also complete and return the enclosed Form 6025, Direct Rollover/Direct Payment Election Form. The Form 6025 is located in the Special Tax Notice.

---

**Certification**
I certify that I have selected the option of my choice. I understand that after the first day of the month in which I receive my first retirement check, I will not have the right to change my payment option except under limited circumstances as outlined in KRS 61.542.

Signature of Recipient: _____ Date: _____

Signature of Witness _____ Date: _____

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## FORM 6010 - ESTIMATED RETIREMENT ALLOWANCE

Retirement Plan: _____ **Retirement Date:** _____ Retirement Type: _____

Beneficiary: _____ Member: _____
Beneficiary Date of Birth: _____ Member ID: _____
Beneficiary Address: _____
_____

| **Please select ONE payment option by checking one box below.** | **Payment To Beneficiary** |
|---|---|
| LUMP SUM REFUND OF MEMBER'S ACCUMULATED ACCOUNT BALANCE (*See Note) | |
| ☐ One Time Payment = | $_____ |

*NOTE: If you select the actuarial refund or lump sum refund you must also complete and return the enclosed Form 6025, Direct Rollover/Direct Payment Election Form. The Form 6025 is located in the Special Tax Notice.

---

**Certification**
I certify that I have selected the option of my choice. I understand that after the first day of the month in which I receive my first retirement check, I will not have the right to change my payment option except under limited circumstances as outlined in KRS 61.542.

Signature of Recipient: _____ Date: _____
Signature of Spouse _____ Date: _____
**OR** Signature of Witness _____ Date: _____

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**Form 6025**
Revised
09/2026[06/2023]

# Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution

**Required Information: Failure to complete all items and sign this form could delay the processing of your lump sum/ monthly benefit.**

**Recipient Information**

| | | | |
|---|---|---|---|
| Member Name: | | Member ID: | |
| If you are not the member, please provide your name and Social Security Number (SSN) below. | | | |
| Name: | | SSN: | |
| Address: | City: | State: | Zip Code: |
| Is this a new address? ○ Yes ○ No | | | |

This form must be completed if you are electing to receive an "eligible rollover distribution." **Failure to complete this form could delay the processing of your lump sum/monthly benefit.** If you are the member, the following payment options are "eligible rollover distributions": Actuarial Refund, Partial Lump Sum, and Refund of Contributions. If you are a beneficiary, the following payment options are "eligible rollover distributions": Actuarial Refund, Refund of Contributions, $5,000 Death Benefit, $10,000 Lump Sum pursuant to KRS 16.601 and 78.5534, and 60 Months Certain.

Please read the enclosed SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS. **If you have questions about the SPECIAL TAX NOTICE, please contact a qualified tax advisor. Kentucky Public Pensions Authority employees are not qualified to answer questions concerning your tax status or the effects of the federal tax laws and regulations.** After you have read the SPECIAL TAX NOTICE, you must complete the following form to certify that you have read the SPECIAL TAX NOTICE and to make your selections with regard to treatment of your payment.

**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 distribution will include a taxable portion, you must select one option from this column. Taxable Portion (Monies have not yet been taxed) | If your distribution will include a non-taxable portion, you must select one option from this column. Non-Taxable Portion (Monies have already been taxed) |
|---|---|
| ☐ Direct Rollover | ☐ Direct Rollover |
| ☐ Paid Directly to me (less 20% withholding*) | ☐ Paid Directly to me |
| ☐ Partial Rollover in the amount of $_____, balance (less 20% withholding*) paid to me. | ☐ Partial Rollover in the amount of $_____, balance paid to me. |

**Complete page 2 only if you select a rollover**

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. If I elect to have any or all of the payment rolled over, I will have the Trustee receiving the rollover complete the back of this form. I understand that in the case of monthly payments, my selection will remain in effect for each monthly payment until I change my election. 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 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 (personally) may be liable for restitution of the benefits for which I or a minor recipient was not eligible to receive, civil payments, legal fees, and costs.

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

Signature:_____ Date: _____

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

**Recipient 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: _____

*** If you are a non-spouse beneficiary, you may only rollover your payment to an "inherited" individual retirement account/annuity. The "inherited" IRA may be either a traditional IRA or a Roth IRA.**

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# Special Tax Notice
# Application for Direct Rollover or Direct Payment

You are receiving this notice because all or a portion of a payment you are receiving from the Kentucky Employees Retirement System, County Employees Retirement System, or State Police Retirement System (the "Plan") is eligible to be rolled over to an IRA or an employer plan. This notice is intended to help you decide whether to do such a rollover. If you have additional questions after reading this notice, you can contact your Plan Administrator at 1-502-696-8800 or 1-800-928-4646.

Rules that apply to most payments from a plan are described in the "General Information About Rollovers" section. Special rules that only apply in certain circumstances are described in the "Special Rules and Options" section.

## General Information About Rollovers

### How can a rollover affect my taxes?

You will be taxed on a payment from the Plan if you do not roll it over. If you are under age 59½ and do not do a rollover, you will also have to pay a 10% additional income tax on early distributions (generally, distributions made before age 59½), unless an exception applies. However, if you do a rollover, you will not have to pay tax until you receive payments later and the 10% additional income tax will not apply if those payments are made after you are age 59½ (or if an exception to the 10% additional income tax applies).

### What types of retirement accounts and plans may accept my rollover?

You may roll over the payment to either an IRA (an individual retirement account or individual retirement annuity) or an employer plan (a tax-qualified plan, section 403(b) plan, or governmental section 457(b) plan) that will accept the rollover. The rules of the IRA or employer plan that holds the rollover will determine your investment options, fees, and rights to payment from the IRA or employer plan. Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan (for example, IRAs are not subject to spousal consent rules and IRAs may not provide loans). Further, the amount rolled over will become subject to the tax rules that apply to the IRA or employer plan.

### How do I do a rollover?

There are two ways to do a rollover. You can do either a direct rollover or a 60-day rollover.

If you do a direct rollover, the Plan will make the payment directly to your IRA or an employer plan. You should contact the IRA sponsor or the administrator of the employer plan for information on how to do a direct rollover.

If you do not do a direct rollover, you may still do a rollover by making a deposit into an IRA or eligible employer plan that will accept it. Generally, you will have 60 days after you receive the payment to make the deposit. If you do not do a direct rollover, the Plan is required to withhold 20% of the payment for federal income taxes (up to the amount of cash and property received other than employer stock). This means that, in order to roll over the entire payment in a 60-day rollover, you must use other funds to make up for the 20% withheld.

If you do not roll over the entire amount of the payment, the portion not rolled over will be taxed and will be subject to the 10% additional income tax on early distributions if you are under age 59 ½ (unless an exception applies).

### How much may I roll over?

If you wish to do a rollover, you may roll over all or part of the amount eligible for rollover. Any payment from the Plan is eligible for rollover, except:

- Certain a period of at least 10 years or over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Required minimum distributions after age 70½ (if you were born before July 1, 1949), after age 72 (if you were born after June 30, 1949), after age 73 (if you were born on or after January 1, 1951), or after death;
- Corrective distributions of contributions that exceed tax law limitations; and
- Distributions of certain premiums for health and accident insurance.

KPPA can tell you what portion of a payment is eligible for rollover.

**If I don't do a rollover, will I have to pay the 10% additional income tax on early distributions?**

If you are under age 59½, you will have to pay the 10% additional income tax on early distributions for any payment from the Plan (including amounts withheld for income tax) that you do not roll over, unless one of the exceptions listed below applies. This tax applies to the part of the distribution that you must include in income and is in addition to the regular income tax on the payment not rolled over.

The 10% additional income tax does not apply to the following payments from the Plan:

- Payments made after you separate from service if you will be at least age 55 in the year of the separation;
- Payments that start after you separate from service if paid at least annually in equal or close to equal amounts over your life or life expectancy (or the joint lives or joint life expectancies of you and your beneficiary);
- Payments from a governmental plan made after you separate from service if you are a qualified public safety employee and you will be at least age 50 or have 25 or more years of service in the plan in the year of the separation;
- Payments made due to disability;
- Payments after your death;
- Corrective distributions of contributions that exceed tax law limitations;
- Payments made directly to the government to satisfy a federal tax levy;
- Payments made under a qualified domestic relations order (QDRO);
- Payments up to the amount of your deductible medical expenses (without regard to whether you itemize deductions for the taxable year);
- Certain payments made while you are on active duty if you were a member of a reserve component called to duty after September 11, 2001, for more than 179 days
- Payments of up to $22,000 made to you if the payment is a qualified disaster recovery distribution;
- Payments made to you if you are terminally ill, as determined by applicable federal requirements or guidance; and
- Phased retirement payments made to federal employees.

**If I do a rollover to an IRA, will the 10% additional income tax apply to early distributions from the IRA?**

If you receive a payment from an IRA when you are under age 59 ½, you will have to pay the 10% additional income tax on early distributions on the part of the distribution that you must include in income, unless an exception applies. In general, the exceptions to the 10% additional income tax for early distributions from an IRA are the same as the exceptions listed above for early distributions from a plan. However, there are a few differences for payments from an IRA, including:

- The exception for payments made after you separate from service if you will be at least age 55 in the year of the separation (or age 50 or have 25 or more years of service in the Plan for qualified public safety employees) does not apply;
- The exception for qualified domestic relations orders (QDROs) does not apply (although a special rule applies under which, as part of a divorce or separation agreement, a tax-free transfer may be made directly to an IRA of a spouse or former spouse); and
- The exception for payments made at least annually in equal or close to equal amounts over a specified period applies without regard to whether you have had a separation from service.

If you are a "qualified public safety employee," in order not to be subject to the additional 10% early distribution tax on this payment, you must submit a fully completed "Form 4527, Certification by a Qualified Public Safety Employee and Request for an Exception to the ten (10) percent Early Distribution Penalty in IRC 72(t)" to the retirement office. Upon request, Kentucky Public Pensions Authority can provide a copy of the Form 4527 to you. The Form 4527 is also available on the Authority's website, kyret.ky.gov.

Additional exceptions apply for payments from an IRA, including:

- Payments for qualified higher education expenses;
- Payments up to $10,000 used in a qualified first-time home purchase; and
- Payments for health insurance premiums after you have received unemployment compensation for 12 consecutive weeks (or would have been eligible to receive unemployment compensation but for self-employed status).

**Will I owe State income taxes?**

This notice does not address any State or local income tax rules (including withholding rules).

**Special Rules and Options**

**If your payment includes after-tax contributions**

After-tax contributions included in a payment are not taxed. If you receive a partial payment of your total benefit, an allocable portion of your after-tax contributions is included in the payment, so you cannot take a payment of only after-tax contributions. However, if you have pre-1987 after-tax contributions maintained in a separate account, a special rule may apply to determine whether the after-tax contributions are included in the payment. In addition, special rules apply when you do a rollover, as described below.

You may roll over to an IRA a payment that includes after-tax contributions through either a direct rollover or a 60-day rollover. You must keep track of the aggregate amount of the after-tax contributions in all of your IRAs (in order to determine your taxable income for later payments from the IRAs). Using the Form 4525, Application for Refund of Member Contributions and Direct Rollover/Direct Payment Selection, or the Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, you will elect how your after-tax contributions will be distributed separately from how your pre-tax contributions will be distributed. The Plan will distribute your after-tax contributions and pre-tax contributions in accordance with your elections for each.

You may roll over to an employer plan all of a payment that includes after-tax contributions, but only through a direct rollover (and only if the receiving plan separately accounts for after-tax contributions and is not a governmental section 457(b) plan). You can do a 60-day rollover to an employer plan of part of a payment that includes after-tax contributions, but only up to the amount of the payment that would be taxable if not rolled over.

**If you miss the 60-day rollover deadline**

Generally, the 60-day rollover deadline cannot be extended. However, the IRS has the limited authority to waive the deadline under certain extraordinary circumstances, such as when external events prevented you from completing the rollover by the 60-day rollover deadline. Under certain circumstances, you may claim eligibility for a waiver of the 60-day rollover deadline by making a written self-certification. Otherwise, to apply for a waiver from the IRS, you must file a private letter ruling request with the IRS. Private letter ruling requests require the payment of a nonrefundable user fee. For more information, see IRS Publication 590-A, Contributions to Individual Retirement Arrangements (IRAs).

**If you were born on or before January 1, 1936**

If you were born on or before January 1, 1936 and receive a lump sum distribution that you do not roll over, special rules for calculating the amount of the tax on the payment might apply to you. For more information, see IRS Publication 575, *Pension and Annuity Income*.

**If you roll over your payment to a Roth IRA**

If you roll over a payment from the Plan to a Roth IRA, a special rule applies under which the amount of the payment rolled over (reduced by any after-tax amounts) will be taxed. In general, the 10% additional income tax on early distributions will not apply (unless you take the amount rolled over out of the Roth IRA within the 5 years year period that begins on January 1 of the year of the rollover).

If you roll over the payment to a Roth IRA, later payments from the Roth IRA that are qualified distributions will not be taxed (including earnings after the rollover). A qualified distribution from a Roth IRA is a payment made after you are age 59½ (or after your death or disability, or as a qualified first-time homebuyer distribution of up to $10,000) and after you have had a Roth IRA for at least 5 years. In applying this 5-year rule, you count from January 1 of the year for which your first contribution was made to a Roth IRA. Payments from the Roth IRA that are not qualified distributions will be taxed to the extent of earnings after the rollover, including the 10% additional income tax on early distributions (unless an exception applies). You do not have to take required minimum distributions from a Roth IRA during your lifetime.

For more IRS information, see IRS Publication 590-A, *Contributions to Individual Retirement Arrangements (IRAs)*, and Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*.

You cannot roll over a distribution to a designated Roth account in another employer's plan.

**If you are not a Plan member**

Payments after death of the member. If you receive a distribution after the member's death that you do not roll over, the distribution generally will be taxed in the same manner described elsewhere in this notice. However, the 10% additional income tax on early distributions and the special rules for public safety officers do not apply, and the special rule described under the section "If you were born on or before January 1, 1936" applies only if the deceased member was born on or before January 1, 1936.

**If you are a surviving spouse**

If you receive a payment from the Plan as the surviving spouse of a deceased member, you have the same rollover options that the member would have had, as described elsewhere in this notice. In addition, if you choose to do a rollover to an IRA, you may treat the IRA as your own or as an inherited IRA.

An IRA you treat as your own is treated like any other IRA of yours, so that payments made to you before you are age 59½ will be subject to the 10% additional income tax on early distributions (unless an exception applies) and required minimum distributions from your IRA do not have to start until after you are age 70½ (if you were born before July 1, 1949) or age 72 (if you were born after June 30, 1949), or after age 73 (if you were born on or after January 1, 1951).

If you treat the IRA as an inherited IRA, payments from the IRA will not be subject to the 10% additional income tax on early distributions. However, if the member had started taking required minimum distributions, you will have to receive required minimum distributions from the inherited IRA. If the member had not started taking required minimum distributions from the Plan, you will not have to start receiving required minimum distributions from the inherited IRA until the year the member would have been age 70½ (if the member was born before July 1, 1949) or age 72 (if the member was born after June 30, 1949), or after age 73 (if the member was born on or after January 1, 1951).

**If you are a surviving beneficiary other than a spouse.** If you receive a payment from the Plan because of the member's death and you are a designated beneficiary other than a surviving spouse, the only rollover option you have is to do a direct rollover to an inherited IRA. Payments from the inherited IRA will not be subject to the 10% additional income tax on early distributions. You will have to receive required minimum distributions from the inherited IRA.

**Payments under a QDRO**

If you are the spouse or former spouse of the member who receives a lump-sum payment from the Plan under a QDRO ("alternate payee"), you generally have the same options and the same tax treatment that the member would have (for example, you may roll over the payment to your own IRA or an eligible employer plan that will accept it). However, payments under the QDRO will not be subject to the 10% additional income tax on early distributions.

If the alternate payee does not return the Form 6025, Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution, within thirty (30) days of receipt of the form and this notice, the lump-sum payment shall be processed and treated for federal income tax purposes as if the alternate payee had made an election to directly receive the funds instead of rolling over the payment to an IRA or an eligible employer plan.

In the event that the Plan cannot locate an alternate payee when a lump-sum payment from the Plan pursuant to a QDRO becomes payable, the Plan shall hold the amount payable to the alternate payee and shall make payment to the alternate payee if he or she is located within one hundred eighty (180) days after the payment becomes payable. If the alternate payee has not been located within one hundred eighty (180) days after the alternate payee's payment becomes payable, the Plan shall pay the payment held to the member and shall assign the federal tax liability for this payment to the member. No interest shall accrue on this lump-sum payment during the one hundred and eighty (180) day period or thereafter. If the alternate payee is subsequently located, any amounts already paid to the member shall no longer be payable to the alternate payee.

**If you are a nonresident alien**

If you are a nonresident alien and you do not do a direct rollover to a U.S. IRA or U.S. employer plan, instead of withholding 20%, the Plan is generally required to withhold 30% of the payment for federal income taxes. If the amount withheld exceeds the amount of tax you owe (as may happen if you do a 60- day rollover), you may request an income tax refund by filing Form 1040NR and attaching your Form 1042-S. See Form W-8BEN for claiming that you are entitled to a reduced rate of withholding under an income tax treaty. For more information, see also IRS Publication 519, *U.S. Tax Guide for Aliens*, and IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Entities.*

**Other Special Rules**

If a payment is one in a series of payments for less than 10 years, your choice whether to do a direct rollover will apply to all later payments in the series (unless you make a different choice for later payments).

If your payments for the year are less than $200 (not including payments from a designated Roth account in the Plan), the Plan is not required to allow you to do a direct rollover. However, you may do a 60-day rollover.

You may have special rollover rights if you recently served in the U.S. Armed Forces. For more information on special rollover rights related to the U.S. Armed Forces, see IRS Publication 3, Armed Forces' Tax Guide. You also may have special rollover rights if you were affected by a federally declared disaster (or similar event), or if you received a distribution on account of a disaster. For more information on special rollover rights related to disaster relief, see the IRS website at www.irs.gov.

**For More Information**

You may wish to consult with the Plan administrator or payor, or a professional tax advisor, before taking a payment from the Plan. Also, you can find more detailed information on the federal tax treatment of payments from employer plans in: IRS Publication 575, *Pension and Annuity Income*; IRS Publication 590- A, *Contributions to Individual Retirement Arrangements (IRAs)*; IRS Publication 590-B, *Distributions from Individual Retirement Arrangements (IRAs)*; and IRS Publication 571, *Tax-Sheltered Annuity Plans (403(b) Plans)*. These publications are available from a local IRS office, on the web at www.irs.gov, or by calling 1-800-TAX-FORM

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

**Form 6025**
Revised 09/2026

# Direct Rollover/Direct Payment Election Form for a Member, Beneficiary, or Alternate Payee Regarding an Eligible Rollover Distribution

**Required Information: Failure to complete all items and sign this form could delay the processing of your lump sum/ monthly benefit.**

## Recipient Information

| | | | |
|---|---|---|---|
| Member Name: | | Member ID: | |
| If you are not the member, please provide your name and Social Security Number (SSN) below. | | | |
| Name: | | SSN: | |
| Address: | City: | State: | Zip Code: |
| Is this a new address? ○ Yes ○ No | | | |

This form must be completed if you are electing to receive an "eligible rollover distribution." **Failure to complete this form could delay the processing of your lump sum/monthly benefit.** If you are the member, the following payment options are "eligible rollover distributions": Actuarial Refund, Partial Lump Sum, and Refund of Contributions. If you are a beneficiary, the following payment options are "eligible rollover distributions": Actuarial Refund, Refund of Contributions, $5,000 Death Benefit, $10,000 Lump Sum pursuant to KRS 16.601 and 78.5534, and 60 Months Certain.

Please read the enclosed SPECIAL TAX NOTICE REGARDING PLAN PAYMENTS. **If you have questions about the SPECIAL TAX NOTICE, please contact a qualified tax advisor. Kentucky Public Pensions Authority employees are not qualified to answer questions concerning your tax status or the effects of the federal tax laws and regulations.** After you have read the SPECIAL TAX NOTICE, you must complete the following form to certify that you have read the SPECIAL TAX NOTICE and to make your selections with regard to treatment of your payment.

## 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 distribution will include a taxable portion, you must select one option from this column. | If your distribution will include a non-taxable portion, you must select one option from this column. |
|---|---|
| Taxable Portion (Monies have not yet been taxed) | Non-Taxable Portion (Monies have already been taxed) |
| ☐ Direct Rollover | ☐ Direct Rollover |
| ☐ Paid Directly to me (less 20% withholding*) | ☐ Paid Directly to me |
| ☐ Partial Rollover in the amount of $_____, balance (less 20% withholding*) paid to me. | ☐ Partial Rollover in the amount of $_____, balance paid to me. |

**Complete page 2 only if you select a rollover**

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. If I elect to have any or all of the payment rolled over, I will have the Trustee receiving the rollover complete the back of this form. I understand that in the case of monthly payments, my selection will remain in effect for each monthly payment until I change my election. 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 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 (personally) may be liable for restitution of the benefits for which I or a minor recipient was not eligible to receive, civil payments, legal fees, and costs.

Signature:_____ Date: _____

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

**Recipient 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: _____

*** If you are a non-spouse beneficiary, you may only rollover your payment to an "inherited" individual retirement account/annuity. The "inherited" IRA may be either a traditional IRA or a Roth I**

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Form 6030
Revised 9/2026 ~~11/2024~~

# Death Benefit Designation
## $5000 Death Benefit from Kentucky Public Pensions Authority

**Notice: This properly completed form must be received at Kentucky Public Pensions Authority before your death to be valid.**

To be eligible for this benefit, you must be a retired member receiving a monthly benefit on the date of your death from Kentucky Public Pensions Authority based on a minimum of 48 months of service.

**Member Information** **Please provide your Member ID or Social Security Number in the Member ID box below.**

| 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: |
|---|---|

**You may name one death benefit beneficiary. Please check only one box below.**

Please complete the necessary information and provide the requested documentation with this form. Failure to complete this form properly or provide the requested documentation may invalidate the form. If the form is deemed to be invalid, the previous beneficiary designation on file shall remain in effect. If no beneficiary designation is on file, your Estate will become your beneficiary.

### Person

You may only name one person as your death benefit beneficiary.

| Beneficiary Name: | Beneficiary Social Security Number: |
|---|---|

| Beneficiary Date of Birth: | Relationship to Member: ◯Male ◯Female |
|---|---|

| Address: | City: | State: | Zip Code: |
|---|---|---|---|

### My Estate

No additional information required.

### ☐ ~~Living~~ Trust (select one): Living Trust Special Needs Trust Testamentary Trust (no additional information or trust document is required)

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~~ EIN or special needs trust beneficiary Social Security Number: |
|---|---|

Trustee ~~or Successor Trustee~~ Contact Information: Our office will contact the trustee listed below following your death.

| Name ~~of Trustee~~: | ~~Successor Trustee (if applicable)~~ Phone: | | |
|---|---|---|---|
| ~~Trustee~~ Address: | City: | State: | Zip Code: |

~~A testamentary trust is established by the member's will and takes effect following the member's death. No additional information required.~~ If the trust is a special needs trust:

| Trust's Beneficiary: | Beneficiary's Date of Birth: |
|---|---|

### ☐ Funeral Home

Please enclose a copy of the Funeral Home License.

| Funeral Home Legal Name: | Funeral Home License Number: |
|---|---|

| Funeral Home Tax ID: | Contact Name: | Phone: |
|---|---|---|

| Address: | City: | State: | Zip Code: |
|---|---|---|---|

**You may only designate ONE beneficiary. This form is not valid if you designate more than one beneficiary. This form is not valid unless signed by the member and witnessed. Please initial all corrections you have made to the form. Failure to initial changes may cause the form to be invalid.**

| Your Signature: | Member ID: |
|---|---|
| Spouse Signature: (Not Required) | Date: |

| | |
|---|---|
| Witness Signature:<br>(Required if Spouse does not sign) | Date: |

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Form 6035
Revised 9/2026[04/2024]

# Beneficiary and Payment Option Change

**NOTICE: Retired members may be eligible to make changes to their account beneficiary and/or payment option under certain conditions. This form is not valid unless it is completed correctly, with required date of birth documentation attached, and is received in the retirement office no later than 120 days after the date of marriage, remarriage, or prior to the member's death, whichever occurs first.**

| **Member Information Please provide your Member ID or Social Security Number in the Member ID box below.** | | | |
|---|---|---|---|
| Member Name: | Member ID: | | |
| 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: | Email: | | |

**Retirement Account Beneficiary Designation: If you have multiple retirement dates, please complete a form for each retirement date.**

- ☐ Kentucky Employees Retirement System (KERS)
- ☐ County Employees Retirement System (CERS)
- ☐ State Police Retirement System (SPRS)

Retirement Date:

**Marital Status**

Is this beneficiary change due to your recent (within 120 days) marriage or remarriage? ☐ Yes ☐ No

A retired member receiving a monthly retirement allowance who marries or remarries after retiring may make a one-time election within 120 days of marriage or remarriage to provide monthly survivorship benefits to his/her new spouse by designating the new spouse as beneficiary. The member must submit this form within 120 days of marriage or remarriage. Upon receipt of a valid Form 6035, the retirement office will mail additional forms for you to complete and return. All forms must be received in the retirement office by the end of the month to be effective with the following month's retirement payment; changes to a member's retirement payment option will not be retroactive.

Any new survivorship payment option shall be actuarially equivalent to the monthly payment option the member was receiving prior to the change and shall not impact any other benefits otherwise payable to an alternate payee under a valid Qualified Domestic Relations Order already on file at the retirement office.

**You must provide date of birth verification and a copy of your marriage certificate with this form.** Acceptable forms of date of birth verification include a copy of any of the following: birth certificate, state issued driver's license that requires date of birth verification, U.S. Passport, Military ID or Discharge, Immigration and Naturalization records.

| | | | |
|---|---|---|---|
| Spouse Name: | Date of Marriage or Remarriage: | | |
| Spouse Social Security Number: | Date of Birth: | Gender: | |
| Address: | City: | State: | Zip Code: |

**CERTIFICATION AND AUTHORIZATION**

**If you are eligible and you choose to submit changes using this form, the change made to your account beneficiary is irrevocable.**

In lieu of benefits I am currently eligible to receive from the Kentucky Employees Retirement System, County Employees Retirement System and/or State Police Retirement System ("the Systems"), I elect to change my retirement account beneficiary, and to have my monthly retirement payment options recalculated. I understand that this election is irrevocable.

If changing my payment option, I understand that, if this form is valid, I will be sent Form 6050, Payment Option Change Designation, to select a survivorship payment option for my spouse. I understand that the Form 6050, Payment Option Change Designation, must be received by the retirement office within 120 days of the date of marriage or remarriage. If the Form 6050 is not received by the retirement office by the deadline, or is deemed invalid, I understand my current monthly retirement payment option will remain in effect and my designation of my spouse as beneficiary shall be void. I understand that my election to change my monthly retirement payment option will be effective the month following the Systems' receipt of my valid Form 6050 and will not be made retroactive.

Your Signature: _____ Member ID: _____

Date: _____

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Form 6035
Revised 09/2026

# Beneficiary and Payment Option Change

**NOTICE: Retired members may be eligible to make changes to their account beneficiary and/or payment option under certain conditions. This form is not valid unless it is completed correctly, with required date of birth documentation attached, and is received in the retirement office no later than 120 days after the date of marriage, remarriage, or prior to the member's death, whichever occurs first.**

| **Member Information Please provide your Member ID or Social Security Number in the Member ID box below.** | | | |
|---|---|---|---|
| Member Name: | Member ID: | | |
| 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: | Email: | | |

**Retirement Account Beneficiary Designation: If you have multiple retirement dates, please complete a form for each retirement date.**

- ☐ Kentucky Employees Retirement System (KERS)
- ☐ County Employees Retirement System (CERS)
- ☐ State Police Retirement System (SPRS)

Retirement Date:

**Marital Status**

Is this beneficiary change due to your recent (within 120 days) marriage or remarriage? ☐ Yes ☐ No

A retired member receiving a monthly retirement allowance who marries or remarries after retiring may make a one-time election within 120 days of marriage or remarriage to provide monthly survivorship benefits to his/her new spouse by designating the new spouse as beneficiary. The member must submit this form within 120 days of marriage or remarriage. Upon receipt of a valid Form 6035, the retirement office will mail additional forms for you to complete and return. All forms must be received in the retirement office by the end of the month to be effective with the following month's retirement payment; changes to a member's retirement payment option will not be retroactive.

Any new survivorship payment option shall be actuarially equivalent to the monthly payment option the member was receiving prior to the change and shall not impact any other benefits otherwise payable to an alternate payee under a valid Qualified Domestic Relations Order already on file at the retirement office.

**You must provide date of birth verification and a copy of your marriage certificate with this form.** Acceptable forms of date of birth verification include a copy of any of the following: birth certificate, state issued driver's license that requires date of birth verification, U.S. Passport, Military ID or Discharge, Immigration and Naturalization records.

| Spouse Name: | Date of Marriage or Remarriage: | | |
|---|---|---|---|
| Spouse Social Security Number: | Date of Birth: | Gender: | |
| Address: | City: | State: | Zip Code: |

**CERTIFICATION AND AUTHORIZATION**

**If you are eligible and you choose to submit changes using this form, the change made to your account beneficiary is irrevocable.**

In lieu of benefits I am currently eligible to receive from the Kentucky Employees Retirement System, County Employees Retirement System and/or State Police Retirement System ("the Systems"), I elect to change my retirement account beneficiary, and to have my monthly retirement payment options recalculated. I understand that this election is irrevocable.

If changing my payment option, I understand that, if this form is valid, I will be sent Form 6050, Payment Option Change Designation, to select a survivorship payment option for my spouse. I understand that the Form 6050, Payment Option Change Designation, must be received by the retirement office within 120 days of the date of marriage or remarriage. If the Form 6050 is not received by the retirement office by the deadline, or is deemed invalid, I understand my current monthly retirement payment option will remain in effect and my designation of my spouse as beneficiary shall be void. I understand that my election to change my monthly retirement payment option will be effective the month following the Systems' receipt of my valid Form 6050 and will not be made retroactive.

Your Signature: _____ Member ID: _____

Date: _____

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Form 6036
Revised 04/2024

# Beneficiary Designation Change

**NOTICE: Retired members may be eligible to make changes to their account beneficiary under certain conditions. This form is not valid unless it is completed correctly and received in the retirement office prior to the member's death.**

**Member Information Please provide your Member ID or Social Security Number in the Member ID box below.**

| Member Name: | Member ID: |
|---|---|

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: | Email: | | |

**Retirement Account Beneficiary Designation: If you have multiple retirement dates, please complete a form for each retirement date.**

- ☐ Kentucky Employees Retirement System (KERS)
- ☐ County Employees Retirement System (CERS)
- ☐ State Police Retirement System (SPRS)

Retirement Date:

**Please select one of the beneficiary types below by checking the appropriate box and provide the required information.**

Retired members receiving a monthly retirement allowance under the Basic, Social Security Adjustment Option without Survivor Rights, or a life with period certain payment option may elect to change his/her beneficiary by filing this form with the retirement office. Please note that making this beneficiary change does not change the payment option selected at retirement. You cannot name yourself as beneficiary.

☐ **Person**

| Name: | Social Security Number: | | |
|---|---|---|---|
| Date of Birth: | Relationship: | Gender: | |
| Address: | 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<br>Tax ID: |
|---|---|

Trustee or Successor Trustee Contact Information: Our office will contact the trustee listed below following your death.

| Name: | | | |
|---|---|---|---|
| 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.

**CERTIFICATION AND AUTHORIZATION**

**If you are eligible and you choose to submit changes using this form, the change made to your account beneficiary is irrevocable.**

In lieu of benefits I am currently eligible to receive from the Kentucky Employees Retirement System, County Employees Retirement System and/or State Police Retirement System ("the Systems"), I elect to change my retirement account beneficiary, and to have my monthly retirement payment options recalculated, if applicable. I understand that this election is irrevocable.

Your Signature: _____ Member ID: _____

Date: _____

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**FORM 6050**

****DATE**

**FORM 6050 ESTIMATED RETIREMENT ALLOWANCE**

Retirement Date:
Retirement Plan:
Retirement Type:

**Member Information**

Member Date of Birth:
Member ID:

**Beneficiary Information**

Beneficiary:
Beneficiary Date of Birth:

| **Mark [X] in one payment option** | **Payment to member while living** | **Payment to beneficiary after member's death** |
|---|---|---|
| ☐ SURVIVORSHIP 100% | $_____ | $_____ |
| ☐ SURVIVORSHIP 66 2/3% | $_____ | $_____ |
| ☐ SURVIVORSHIP 50% | $_____ | $_____ |
| SOCIAL SECURITY ADJUSTMENT OPTION: | UNTIL AGE 62 | AGE 62 AND AFTER |
| ☐ WITH SURVIVORSHIP | $_____ | $_____ |

Signature of Recipient: _____ Date: _____

I certify that I have selected the option of my choice. I understand that after the first day of the month in which I receive my first retirement check, I will not have the right to change my payment option or beneficiary except under limited circumstances as outlined in KRS 61.542. I understand that my payment option and beneficiary will not change unless I return this form to KPPA and changes will be effective the month following receipt of the Form 6050.This form is due by_____ .

KENTUCKY PUBLIC PENSIONS AUTHORITY
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**Form 6130**
Revised
09/2026[~~11/2024~~]

# Authorization for Deposit of Retirement Payment

**Recipient Information: The recipient is the person who is receiving a monthly benefit from the Kentucky Public Pensions Authority. Please provide your Member ID or Social Security Number in the Recipient ID box below.**

| Recipient Name: | Recipient ID: | | |
|---|---|---|---|
| KPPA will update contact information for your retirement account based on the details provided below. | | | |
| Address: | City: | State: | Zip Code: |
| Phone (select type)<br>◯ Mobile ◯ Home ◯ Work | Email: | | |
| If you are beneficiary of the account, please provide the member's name and Member ID below. | | | |
| Member Name: | Member ID: | | |

**Financial Institution Information: Enter the complete information where you want your retirement check to be deposited.**

| Financial Institution Name: | Account Type: ◯ Checking ◯ Savings |
|---|---|
| Depositor Account Number: | Depositor Routing Number: |

**Required Documents: Please indicate the documentation you are submitting with this form.**

| | |
|---|---|
| For deposits to a Checking Account: I have attached to this form | ◯ a VOIDED personalized check ◯ verification from my financial institution |
| For deposits to a Savings Account: I have attached to this form | ◯ verification from my financial institution |

**Prior Financial Institution Information: This section must be completed if you are making a change to a new financial institution, account number, or routing number. Enter the complete information where your retirement check currently is deposited.**

| Financial Institution Name: | Account Type: ◯ Checking ◯ Savings |
|---|---|
| Depositor Account Number: | Depositor Routing Number: |

**Authorization for Direct Deposit and International Transactions:**

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 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, the employer I represent, and I (personally) may be liable for restitution of the benefits for which I was not eligible to receive, civil payments, legal fees, and costs.

I authorize and request the Kentucky Public Pensions authority to directly deposit the net amount of my monthly retirement payment to my account at the financial institution designated above. I have attached to this form the documentation indicated above.

I understand that failure to sign this authorization and provide one of the documents listed above will cause a delay in setting up or changing account information.

I acknowledge that electronic payments to the designated account must comply with the provisions of U.S. law, as well as the requirements of the Office of Foreign Assets Control (OFAC) and National Automated Clearing House Association (NACHA) regulations.

I certify that the entire payment that Kentucky Public Pensions Authority sends electronically to the financial institution I have designated, is not subject to being transferred to a foreign bank. I agree to notify Kentucky Public Pensions Authority in writing immediately if the payment becomes subject to transfer to a foreign bank in the future.

Signature: _____ Date: _____

## Instructions for Completing Form 6130 - Authorization for Deposit of Retirement Payment

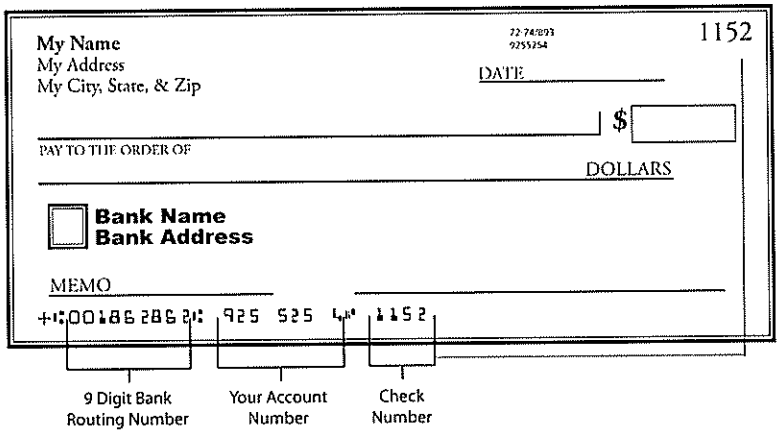
You may initiate or update authorization to deposit your retirement allowance directly into your account at a financial institution by either completing this Form 6130, Authorization for Deposit of Retirement Payment, or by designating an account online through Retiree Self Service. The financial institution may be a bank, savings bank, savings and loan association, credit union, or similar institution that is a member of the Automated Clearing House (ACH). The North American Clearing House Association (NACHA) regulations require certification to identify any direct deposit payment made where the payment amount is subsequently transferred to a foreign bank account.

This form is to be used ONLY for the deposit of monthly benefit payments from the Kentucky Public Pensions Authority (KPPA). This form does not authorize withdrawals from your financial institution.

Please provide the necessary information about the financial institution.

- You must sign and date the authorization form.
- You are required to provide a VOIDED personalized check or verification from the financial institution for deposit to a checking account.
- For deposit to a savings account you must provide a verification from the financial institution.
- Your failure to sign and date the authorization form and provide the required documentation will cause a delay in setting up or changing the account information.

**For your convenience:**
The sample check shows where to locate the required bank information to complete your Direct Deposit.




Your monthly benefit payments will be deposited into your indicated account on the 14th unless that day is a weekend or holiday, then it will be deposited into your account on the last business day prior to the 14th. If you are a current recipient of a monthly benefit and request a change to the account number or financial institution to which your monthly benefit is deposited, the completed form must be received at the KPPA office by the 20th of the month prior to the month you wish the change to be effective. If your form is received after the 20th of the month, the next monthly payment will be issued as a paper check mailed to your listed address; and the requested change for the direct deposit will be effective the following month.

Once the authorization form has been processed by the KPPA, this authorization for deposit may be cancelled for any of the following reasons:

1. A new authorization for deposit of retirement payment form is submitted and processed at KPPA. This new Form 6130 will supersede your previous authorization form.
2. Your designated account information is updated online through Retiree Self Service.
3. The financial institution no longer accepts direct deposit, which requires you to notify KPPA.
4. Your financial institution rejects your direct deposit indicating your account is closed. In this case, KPPA will notify you of the cancellation.
5. Your monthly benefit no longer covers the cost of your health insurance premium and you must submit payment to our office for your health insurance premium.
6. Notice of your death is received at KPPA.

You may reach the KPPA at (800) 928-4646 or (502) 696-8800 if you have any questions. Written inquiries can be addressed to Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky 40601. For general information or to obtain additional forms, visit the Kentucky Public Pensions Authority's website: kyret.ky.gov.

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**Form 6130**
Revised 09/2026

# Authorization for Deposit of Retirement Payment

**Recipient Information: The recipient is the person who is receiving a monthly benefit from the Kentucky Public Pensions Authority. Please provide your Member ID or Social Security Number in the Recipient ID box below.**

| Recipient Name: | Recipient 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: |
|---|---|

If you are beneficiary of the account, please provide the member's name and Member ID below.

| Member Name: | Member ID: |
|---|---|

**Financial Institution Information: Enter the complete information where you want your retirement check to be deposited.**

| Financial Institution Name: | Account Type: ◯ Checking ◯ Savings |
|---|---|

| Depositor Account Number: | Depositor Routing Number: |
|---|---|

**Required Documents: Please indicate the documentation you are submitting with this form.**

| | |
|---|---|
| For deposits to a Checking Account: I have attached to this form | ◯ a VOIDED personalized check ◯ verification from my financial institution |
| For deposits to a Savings Account: I have attached to this form | ◯ verification from my financial institution |

**Prior Financial Institution Information: This section must be completed if you are making a change to a new financial institution, account number, or routing number. Enter the complete information where your retirement check currently is deposited.**

| Financial Institution Name: | Account Type: ◯ Checking ◯ Savings |
|---|---|

| Depositor Account Number: | Depositor Routing Number: |
|---|---|

**Authorization for Direct Deposit and International Transactions:**

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 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, the employer I represent, and I (personally) may be liable for restitution of the benefits for which I was not eligible to receive, civil payments, legal fees, and costs.

I authorize and request the Kentucky Public Pensions authority to directly deposit the net amount of my monthly retirement payment to my account at the financial institution designated above. I have attached to this form the documentation indicated above.

I understand that failure to sign this authorization and provide one of the documents listed above will cause a delay in setting up or changing account information.

I acknowledge that electronic payments to the designated account must comply with the provisions of U.S. law, as well as the requirements of the Office of Foreign Assets Control (OFAC) and National Automated Clearing House Association (NACHA) regulations.

I certify that the entire payment that Kentucky Public Pensions Authority sends electronically to the financial institution I have designated, is not subject to being transferred to a foreign bank. I agree to notify Kentucky Public Pensions Authority in writing immediately if the payment becomes subject to transfer to a foreign bank in the future.

Signature: _____ Date: _____

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

**Form 6135**
Revised 04/2024

# Request for Payment By Check

**Recipient Information**

The recipient is the person who is receiving the monthly benefit from the retirement system. Please provide your Member ID or Social Security Number in the Recipient ID box below.

| Recipient Name: | Recipient ID: |
|---|---|

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

| Address: | City: | State: | Zip Code: |
|---|---|---|---|

Is this a new address? ◯ Yes ◯ No

| Phone (Select Type) ◯ Mobile ◯ Home ◯ Work | Phone Number: | Email Address: |
|---|---|---|

## Reason for Receiving Retirement Allowance by Check

◯ I do not currently have an account with a financial institution. I will contact the retirement office when I have opened an account to which my benefit may be deposited.

◯ My financial institution does not participate in the Electronic Funds Transfer (EFT) program. The following must be completed by your financial institution:

Name of Institution: _____ Phone: _____

This recipient has an account in our institution, but we do not currently participate in the EFT program.

Authorized Signature of Financial Institution Officer: _____ Title: _____

## Certification

I certify that the information provided 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 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.

I understand that I must contact the retirement office if the above situation changes so that I may have my retirement allowance electronically transferred to my account. The retirement office may require me to verify the above information.

Signature: _____ Date: _____

FINANCE AND ADMINISTRATION CABINET

Kentucky Public Pensions Authority

(Amendment)

105 KAR 5:202. Notification of Retirement.

RELATES TO: KRS 16.505 - 16.652, 61.505[~~, 61.610~~] - 61.705, 78.510 - 78.852

STATUTORY AUTHORITY: KRS 61.505

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

NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with, and are necessary or proper in order to carry out the provisions of, KRS 16.505 to 16.652, 61.505[~~, 61.510~~] to 61.705, and 78.510 to 78.852. This administrative regulation establishes the use of the Form 6000, Notification of Retirement.

Section 1. Uses.

[~~(1)~~] The Form 6000, Notification of Retirement, shall be used by participants to apply for:

(a) Retirement based on service as established in KRS 16.576, 16.577, 16.583, 61.559, 61.595(2), 61.597(6), 78.5510(2) through (3), 78.5512(6), 78.5514, and 78.5516; or

(b) Disability retirement as established in KRS 16.582, 61.600, 61.621, 61.665, 78.545,

78.5522, and 78.5524.

[~~(2) The Form 6000, Notification of Retirement, shall be used as established by:~~

~~(a) 105 KAR 1:020;~~

~~(b) 105 KAR 5:200;~~

~~(c) 105 KAR 3:210;~~

~~(d) 105 KAR 3:310;~~

~~(e) 105 KAR 5:390; and~~

~~(f) 105 KAR 3:455;~~]

Section 2. Incorporation by Reference.

(1) The Form 6000, "Notification of Retirement", September 2026[~~November 2024~~], is incorporated by reference.

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

105 KAR 5:202 Notification of Retirement is approved for filing.

_____ _____

Ryan Barrow, Date
Executive Director
Kentucky Public Pensions Authority

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

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

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

Contact person: Carole J. Catalfo
Policy Specialist
Kentucky Public Pensions Authority
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 5:202
Contact Person: Carole J. Catalfo
Phone: (502) 696-8679
Email: Legal.Non-Advocacy@kyret.ky.gov

Subject Headings:

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the use of Form 6000 which is required to apply for and receive retirement benefits.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the use of Form 6000, "Notification of Retirement", which is required to apply for and receive retirement benefits.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with, and are necessary or proper in order to carry out the provisions of, KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. This administrative regulation establishes the use of the Form 6000, Notification of Retirement.

(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 use of Form 6000 which is required to apply for and receive retirement benefits.

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

(a) How the amendment will change this existing administrative regulation: To comply with SB 85 of the 2026 regular legislative session, this amendment adds "special needs trust" as an optional beneficiary for members to choose on the Form 6000, "Notification of Retirement", which is incorporated by reference. The amendment to this administrative regulation also removes unnecessary citations to specific regulations and accommodates recent recodification and ease of developing or revising related regulations.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to comply with SB 85 of the 2026 regular legislative session by adding "special needs trust" as an optional beneficiary for members to choose on the Form 6000, to remove unnecessary citations to specific regulations that cite to this administrative regulation, and to accommodate recent recodification and ease of developing or revising related

regulations.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with, and are necessary or proper in order to carry out the provisions of, KRS 16.505 to 16.652, 61.505 to 61.705, and 78.510 to 78.852. This administrative regulation establishes the use of the Form 6000, Notification of Retirement.

(d) How the amendment will assist in the effective administration of the statutes: The amendment to this administrative regulation will assist in the administration of the statutes, and comply with SB 85 of the 2026 regular legislative session, by adding "special needs trust" as an optional beneficiary for members to choose on the Form 6000, by removing unnecessary citations to specific regulations that cite to this administrative regulation, and by accomodating recent recodification and ease of developing or revising related regulations.

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

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Approximately 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 only those members who wish to choose a special needs trust for their beneficiary will need to check the appropriate box on the amended form and provide certain information to implement their choice.

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

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

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

this administrative regulation:

(a) Initially: There will be no additional costs because the amendment primarily revises a form allowing the selection of a special needs trust as a beneficiary.

(b) On a continuing basis: There will be no additional costs because the amendment primarily revises a form allowing the selection of a special needs trust as a beneficiary.

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

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

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

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

FISCAL IMPACT STATEMENT

105 KAR 5:202
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; Senate Bill 85 of the 2026 regular legislative session.

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

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

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

1. Expenditures:
   For the first year: None.
   For subsequent years: None.
2. Revenues:
   For the first year: None.
   For subsequent years: None.
3. Cost Savings:
   For the first year: None.
   For subsequent years: None.

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

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

1. Expenditures:
   For the first year: N/A
   For subsequent years: N/A
2. Revenues:
   For the first year: N/A
   For subsequent years: N/A
3. Cost Savings:
   For the first year: N/A
   For subsequent years: N/A

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

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

1. Expenditures:
   For the first year: N/A
   For subsequent years: N/A
2. Revenues:
   For the first year: N/A
   For subsequent years: N/A
3. Cost Savings:
   For the first year: N/A
   For subsequent years: N/A

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

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

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

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

(a) Whether this administrative regulation will have a “major economic impact”, as defined by KRS 13A.010(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 beneficiary selection and implementation.

SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 6000, Notification of Retirement, September 2026, is the ten (10) page form members use to provide notice to the agency of their retirement and provide certain information regarding retirement type, beneficiaries, payments, etc.

Changes to the previous form include:

Removing four (4) pages of guidance/instructions.

Page 1:

Revision date changed to 9/2026

Pages 2 and 3:

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

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

"Date of Trust" eliminated.

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

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

Page 5:

Removed the federal W-4P form.

KENTUCKY PUBLIC PENSIONS AUTHORITY
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Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov



# Notification of Retirement Instructions

Ready to retire? Completing this form is your first step. Please call our office at 1-800-928-4646 if you have questions or if you need assistance completing forms. Members are encouraged to visit our website at kyret.ky.gov for additional information.

## Form 6000 - Notification of Retirement

You should submit your Form 6000 at least one month prior to your effective retirement date. Please note that you cannot file your Form 6000 more than 6 months prior to termination of employment. Disability Retirement applicants must complete Section I.

The Form 6000 contains several sections. Please review this form carefully and refer to the instructions for each section. Additional instructions for completing Section F - Tax Withholding are provided on page 3.

**Date of Birth Verification for Member and Beneficiary is required.**

***Please write your Member ID on all copies you submit.***

**Acceptable forms of date of birth verification include the following:**

- State Issued Driver's License or State Issued ID
- Birth Certificate
- U.S. Passport
- Military Discharge
- Immigration and Naturalization Records
- Age record of the Social Security Administration

## Your Member ID

Your Member ID is a unique account number for your KPPA account. If you received this form from our office, your Member ID is provided. If you access this form from our website and don't know your Member ID, you can contact our office at 1-800-928-4646. You will need to provide your Social Security Number and your four-digit KPPA PIN to obtain your Member ID.

## Form 6200 - Insurance Application

If you will be receiving a monthly payment, you may be eligible for health insurance coverage for you, your spouse, and eligible dependents. KPPA offers Medicare and non-Medicare plans. You may access insurance applications and enrollment booklets by visiting our website at kyret.ky.gov. Please call our office to request a printed copy.

**You must return an insurance application by the deadlines described below, even if you wish to waive coverage. If you fail to return a completed application, you will be enrolled automatically into a default plan for the current plan year**. If you choose not to participate in the coverage, you will need to complete the Form 6200 to waive your coverage; otherwise, you will be enrolled automatically into a default plan as described above.

## Insurance Application Deadlines

**For insurance coverage to begin the same month as your retirement payment, you must file a Form 6200 with our office by the last day of the month *prior* to the month you retire. For example:**

| Retirement Date | Application Due By | Insurance Effective Date |
|---|---|---|
| May 1 | April 30 | May 1 |

**If you miss the above deadline, you can still submit an application. Your Form 6200 must be filed with our office within 30 days of the first day of the month in which you retire. For example:**

| Retirement Date | Application Due By | Insurance Effective Date |
|---|---|---|
| May 1 | May 30 | June 1 |

***Additional instructions are provided on the following page. Keep reading to find out your deadline for returning retirement forms.***

**Your Next Step: Check your mailbox.**

Once we process your Form 6000, we will send you additional forms for completion. The checklists below will help you decide which forms you need to return to our office.

**If you elect to receive a monthly benefit, complete and return the following:**

- ☐ Form 6010, Estimated Retirement Allowance
- ☐ Form 6200, Insurance Application *(refer to insurance application and deadlines on page 1)*

**If you elect to receive a Partial Lump Sum or a refund** complete and return the following:**

- ☐ Form 6010, Estimated Retirement Allowance
- ☐ Form 6025, Direct Rollover/Direct Payment Election

***We require additional verification from your employer before we can process a refund which may delay your check. Upon receipt of the above forms, we will mail required forms to you and your employer for completion.*

***All required forms and documentation must be filed with our office by the last day of the month prior to your effective retirement date. You are responsible for filing your insurance application prior to the deadlines noted on page 1 or you will be enrolled automatically into a default plan.***

| Retirement Date | Due Date |
|---|---|
| January 1 | December 31 |
| February 1 | January 31 |
| March 1 | February 28 |
| April 1 | March 31 |
| May 1 | April 30 |
| June 1 | May 31 |
| July 1 | June 30 |
| August 1 | July 31 |
| September 1 | August 31 |
| October 1 | September 30 |
| November 1 | October 31 |
| December 1 | November 30 |

**If you have any questions, please contact our office at (502) 696-8800 or (800) 928-4646.**
**Our office is open from 8:00 am to 4:30 pm Monday through Friday.**

**KENTUCKY PUBLIC PENSIONS AUTHORITY**
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## Form W4-P Instructions

Your monthly retirement benefit is subject to federal taxes. **You may choose your federal tax withholding preference by completing Section F of your Form 6000, Notification of Retirement. *If you do not complete Section F, KPPA will automatically withhold federal income tax as single with no adjustments.*** You may find the worksheets below helpful when completing Section F.

Additional information is available on the Internal Revenue Service website at www.irs.gov.

**Purpose.** Form W4-P is for U.S. citizens, resident aliens, or their estates who are recipients of pensions, annuities (including commercial annuities), and certain other deferred compensation. Use Form W4-P to tell payers the correct amount of federal income tax to withhold from your payment(s). You also may use Form W4-P to choose (a) not to have any federal tax withheld from the payment (except for eligible rollover distributions or payments to U.S. citizens delivered outside the United States or its possessions) or (b) to have an additional amount of tax withheld.

**What do I need to do?** Use the worksheets on the following page to further adjust your withholding allowances for itemized deductions, adjustments to income, any additional standard deduction, certain credits, or multiple pensions/more-than-one-income situations. If you do not want any federal income tax withheld (see Purpose, earlier), you can skip the worksheets and go directly to the Form W4-P, Section F of the Form 6000.

**Future developments.** For the latest information about any future developments affecting Form W-4P, such as legislation enacted after we release it go to www.irs.gov/w4p.

---

Filing Status: ☐ **Single** or **Married filing separately** ☐ **Married filing jointly** or **Qualifying widow(er)**

☐ **Head of household (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)**

### Step 1: Multiple Pensions/More-Than-One-Income Worksheet (Keep for your records.)

Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity.

Do **only one** of the following.

(a) Reserved for future use.

(b) Complete the items below.

(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter "-0-" . . $

(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this one, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter "-0-" . . . . . $

(iii) Add the amounts from items (i) and (ii) and enter the **total** here . . . . . $

TIP: To be accurate, submit a 2022 Form W-4P for all other pensions/annuities. Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019.

If (b)(i) is blank and this pension/annuity pays the most annually, complete Steps 2–3(b) on this form. Otherwise, do not complete Steps 3–4(b) on this form.

### Step 2. Claim Dependents and Other Credits (Keep for your records)

If your total income will be $200,000 or less ($400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by $2,000 . . . . . $

Multiply the number of other dependents by $500 . . . . . $

Add other credits, such as foreign tax credit and education tax credits . . . . . $

Add the amounts for qualifying children, other dependents, and other credits and enter the total here $

**Step 4. Other Adjustments** (Keep for your records)

a) **Other income (not from jobs or pension/annuity payments).** If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends $

b) **Deductions.** If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here . . . . . $

c) **Extra withholding.** Enter any additional tax you want withheld from **each payment** $

**Step 4. Deductions, Adjustments, and Additional Income Worksheet**

| | | |
|---|---|---|
| 1 | Enter an estimate of your 2022 itemized deductions (from Schedule A (Form 1040)). Such deductions may include qualifying home mortgage interest, charitable contributions, state and local taxes (up to $10,000), and medical expenses in excess of 7.5% of your income . . . . . | 1 $ |
| 2 | Enter: • $25,900 if you're married filing jointly or qualifying widow(er) . . . . . • $19,400 if you're head of household • $12,950 if you're single or married filing separately . . . . . | 2 $ |
| 3 | If line 1 is greater than line 2, subtract line 2 from line 1 and enter the result here. If line 2 is greater than line 1, enter "-0-" . . . . . | 3 $ |
| 4 | If line 3 equals zero, and you (or your spouse) are 65 or older, enter: • $1,750 if you're single or head of household. • $1,400 if you're a qualifying widow(er) or you're married and one of you is under age 65. • $2,800 if you're married and both of you are age 65 or older Otherwise, enter "-0-". See Pub. 505 for more information . . . . . | 4 $ |
| 5 | Enter an estimate of your student loan interest, deductible IRA contributions, and certain other adjustments (from Part II of Schedule 1 (Form 1040)). See Pub. 505 for more information . . . . | 5 $ |
| 6 | Add lines 3 through 5. Enter the result here and in Step 3(b) on Form W-4P . . . . . | 6 $ |

KENTUCKY PUBLIC PENSIONS AUTHORITY
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Form 6000
Revised 9/2026 ~~04/2024~~

# Notification of Retirement

**Please read the instructions for each section and complete all information requested in Sections A-G. Section H must be completed by your current employer. Section I must also be completed if applying for disability retirement.**

## Section A: Member Information

**You must attach a copy of your birth verification.**

| Member Name: | Member ID: |
|---|---|

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

| Address: | City: | State: | Zip Code: |
|---|---|---|---|
| Personal Email Address: | | Phone: | |
| Date of Birth: | Sex: ☐ Male ☐ Female | | |

**Please note:** *If your current legal name or your beneficiary's current legal name is not the same as the name on the date of birth verification you have submitted we will also require verification of name change.* Acceptable name change verification includes:

- State Issued Driver's License or State Issued ID
- Marriage Certificate
- Court Order
- U.S. Passport
- Immigration and/or Naturalization Documents
- Social Security Card

**You must provide a termination date and retirement date below.**

**Termination Date:** _____ (Month) ____ (Day) _____ (Year)
(YOUR TERMINATION DATE MUST BE PRIOR TO YOUR RETIREMENT DATE.)

**Retirement Date:** _____ (Month) 1, _____ (Year)
(YOUR RETIREMENT DATE MUST BE THE FIRST DAY OF THE MONTH.)

## Section B - Type of Retirement and Retirement Systems

**Check the appropriate box or boxes to indicate the types of retirement and retirement systems from which you intend to retire. (Check all that apply). If applying for normal or early retirement, you may not submit this form more than 6 months prior to your retirement date. You must terminate employment to be eligible for early or normal retirement benefits.**

**Disability Retirement applicants must complete Section I.**

☐ **NORMAL OR EARLY RETIREMENT** ☐ **DISABILITY RETIREMENT**

☐ **Kentucky Employees Retirement System - KERS** (state employees, health departments, universities)

☐ **County Employees Retirement System - CERS** (city, county, local governments, classified employees of boards of education)

☐ **State Police Retirement System - SPRS** (full-time officers of Kentucky State Police)

### Other State Administered Retirement Systems

If you have an account in one of the systems administered by the Kentucky Public Pensions Authority (KERS, CERS, or SPRS) and in one of the other state administered retirement systems (listed below), you will need to complete the retirement application for the other system in order to be eligible for reciprocal benefits from all systems.

☐ **Teachers' Retirement System - (certified employees of boards of education)**

☐ **Legislators' Retirement Plan - LRP (State Senators and Representatives)**

☐ **Judicial Retirement Plan - JRP (Judges)**

## Section C - Retirement Account Beneficiary Designation

**Your account beneficiary can only be one person, a trust or your estate. Indicate your beneficiary by checking one of the beneficiary types below and providing the necessary information. This designation will become invalid if you file a new Form 6000 prior to your effective retirement date or if this form is voided.**

| Member Name: | Member ID: |
|---|---|

☐ **Person** Attach a copy of this person's birth verification to this form with your Member ID written on it.

| Name: | | Social Security Number: | |
|---|---|---|---|
| Date of Birth: | | ◯ Male | ◯ Female |
| Relationship: | ☐ Check this box if this person is also your legal spouse. | | |
| Address: | City: | State: | Zip Code: |

☐ **My Estate** No additional information required.

☐ ~~Living~~ **Trust (select one): Living Trust Special Needs Trust Testamentary Trust (no additional information or trust document is required)** 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~~ EIN or special needs trust beneficiary Social Security Number | |

Trustee Contact Information: Our office will contact the Trustee listed below following your death.

Trustee ~~or Successor Trustee~~ Contact Information: Our office will contact the trustee listed below following your death.

| ~~Trustee~~ Name: | ~~Successor Trustee (if applicable)~~ Phone: | | |
|---|---|---|---|
| Address: | City: | State: | Zip Code: |

If the trust is a special needs trust, submit a copy of the trust beneficiary's birth verification with this form with your Member ID written on it and complete the section below.

| Trust's Beneficiary: | Beneficiary's Date of Birth: |
|---|---|

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

## Section D - $5000 Death Benefit from Kentucky Public Pensions Authority - Complete only if eligible

**To be eligible for this benefit, you must be a retired member receiving a monthly benefit on the date of your death from Kentucky Public Pensions Authority based on a minimum of 48 months of service.**

If eligible for this benefit, you may name one death benefit beneficiary. This designation is not valid if you designate more than one beneficiary. Your estate will become your default beneficiary if this designation is deemed to be invalid. This designation may be changed at any time prior to your death by filing a properly completed Form 6030, Death Benefit Designation.

| Member Name: | Member ID: |
|---|---|

☐ **Person** You may only name one person as your death benefit beneficiary.

| Name: | | Social Security Number: | |
|---|---|---|---|
| Date of Birth: | Relationship: | ◯Male ◯Female | |
| Address: | City: | State: | Zip Code: |

☐ **My Estate** No additional information required.

☐ ~~**Living**~~ **Trust (select one): Living Trust Special Needs Trust Testamentary Trust (no additional information or trust document is required)** 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~~ EIN or special needs trust beneficiary Social Security Number | |

Trustee Contact Information: Our office will contact the Trustee listed below following your death.

Trustee ~~or Successor Trustee~~ Contact Information: Our office will contact the trustee listed below following your death.

| ~~Trustee~~ Name: | ~~Successor Trustee (if applicable)~~ Phone: | | |
|---|---|---|---|
| Address: | City: | State: | Zip Code: |

If the trust is a special needs trust, submit a copy of the trust beneficiary's birth verification with this form with your Member ID written on it and complete the section below.

| Trust's Beneficiary: | Beneficiary's Date of Birth: |
|---|---|

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

| ☐ **Funeral Home** | Please enclose a copy of the Funeral Home License with your Member ID written on it. | | |
|---|---|---|---|
| Funeral Home Legal Name: | | Funeral Home License Number: | |
| Funeral Home Tax ID: | Contact Name: | | Phone: |
| Address: | City: | State: | Zip Code: |

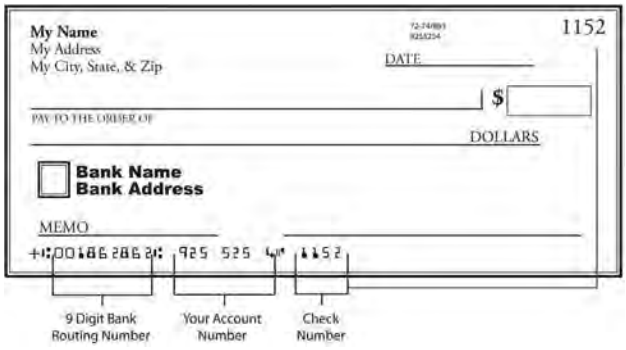
## Section E - Authorization for Deposit of Retirement Payment

**Complete this section to authorize deposit of your retirement benefit directly into your account at a financial institution.**

Financial Institution Information: The financial institution may be a bank, savings bank, savings and loan association, credit union, or similar institution that is a member of the Automated Clearing House (ACH). Your direct deposit institution may be changed at any time by filing a properly completed Form 6130, Authorization for Deposit of Retirement Payment.

| | |
|---|---|
| Financial Institution Name: | |
| Depositor Routing Number: | |
| Depositor Account Number: | |
| Account Type: | ◯ Checking ◯ Savings |

**For your convenience:**
The sample check shows where to locate the required bank information to complete your Direct Deposit.




Required Documents: Please indicate the documentation you are submitting with this form.

| | |
|---|---|
| For deposits to a Checking Account: I have attached to this form | ◯ a VOIDED personalized check ◯ verification from my financial institution |
| For deposits to a Savings Account: I have attached to this form | ◯ verification from my financial institution |

**Attach Voided Check Here:**

(Attach Voided Check Here)

I acknowledge that electronic payments to the designated account must comply with the provisions of U.S. law, as well as the requirements of the Office of Foreign Assets Control (OFAC) and National Automated Clearing House Association (NACHA) regulations. I certify that the entire payment that the Kentucky Public Pensions Authority sends electronically to the financial institution I have designated, is not subject to being transferred to a foreign bank. I agree to notify the Kentucky Public Pensions Authority in writing immediately if the payment becomes subject to transfer to a foreign bank in the future.

If all required forms have been completed properly and returned by the end of the month prior to your retirement date, the first check will be deposited or mailed on the *14th* of the first month of retirement. **Due to deadlines required to establish a direct deposit, your first benefit payment is not guaranteed to be deposited to your account.** Many benefit payments for the first month of retirement are mailed. After the initial payment, the monthly benefit will be deposited to the retired member's account on the *14th* of each month. If the*14th* of the month is a weekend or holiday, the benefit will be mailed or deposited the business day prior. Members are required to have the monthly retirement benefit deposited directly to their bank accounts, unless their bank does not participate in the Automated Clearing House or the member does not have an account with a financial institution.

## Section F - Tax Withholding

Your monthly retirement benefit is subject to federal taxes. You may choose your federal tax withholding preference below. If you do not complete this section correctly, KPPA will automatically withhold federal income tax based on Single with no adjustments. You may refer to the instructions for Form W4-P provided with your retirement application. You may change your tax withholding at any time by filing a properly completed Form 6017, W-4P, Tax Withholding.

Form **W-4P** **Withholding Certificate for Pension or Annuity Payments**

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0074

FOR TAX YEAR IN WHICH MEMBER RETIRES

| Type or print your full name. | | |
|---|---|---|
| | | Member ID: |
| Address: | | Claim or identification number (if any) of your pension or annuity contract |
| City: | State: | Zip Code: |

- ☐ **No Taxes Withheld**
- ☐ **Single** or **Married filing separately**
- ☐ **Married filing jointly** or **Qualifying widow(er)**
- ☐ **Head of household** (Check only if you're unmarried and pay more than half the costs of keeping up a home for yourself and a qualifying individual.)

**Complete Steps 2–4 ONLY if they apply to you.**

**Step 2: Income From a Job and/or Multiple Pensions/ Annuities (Including a Spouse's Job/ Pension/ Annuity)**

Complete this step if you (1) have income from a job or more than one pension/annuity, or (2) are married filing jointly and your spouse receives income from a job or a pension/annuity.
Do **only one** of the following.
(a) Reserved for future use.
(b) Complete the items below.

(i) If you (and/or your spouse) have one or more jobs, then enter the total taxable annual pay from all jobs, plus any income entered on Form W-4, Step 4(a), for the jobs less the deductions entered on Form W-4, Step 4(b), for the jobs. Otherwise, enter "-0-" . . . . . ▶ $ _____

(ii) If you (and/or your spouse) have any other pensions/annuities that pay less annually than this one, then enter the total annual taxable payments from all lower-paying pensions/annuities. Otherwise, enter "-0-") ..... ▶ $ _____

(iii) Add the amounts from items (i) and (ii) and enter the **total** here . . . . . ▶ $ _____

**TIP:** To be accurate, submit a 2022 Form W-4P for all other pensions/annuities. Submit a new Form W-4 for your job(s) if you have not updated your withholding since 2019. If you have self-employment income, see page 2.

If (b)(i) is blank and this pension/annuity pays the most annually, complete Steps 3–4(b) on this form. Otherwise, do not complete Steps 3–4(b) on this form.

**Step 3: Claim Dependent and Other Credits**

If your total income will be $200,000 or less ($400,000 or less if married filing jointly):

Multiply the number of qualifying children under age 17 by $2,000 . . . . . ▶ $ _____

Multiply the number of other dependents by $500 . . . . . ▶ $ _____

Add other credits, such as foreign tax credit and education tax credits . . . . . ▶ $ _____

Add the amounts for qualifying children, other dependents, and other credits and enter the total here . . . . . 3 $ _____

**Step 4: (optional): Other Adjustments**

**(a) Other income (not from jobs or pension/annuity payments).** If you want tax withheld on other income you expect this year that won't have withholding, enter the amount of other income here. This may include interest, taxable social security, and dividends — 4(a) $ _____

**(b) Deductions.** If you expect to claim deductions other than the basic standard deduction and want to reduce your withholding, use the Deductions Worksheet on page 3 and enter the result here — 4(b) $ _____

**(c) Extra withholding.** Enter any additional tax you want withheld from **each payment** — 4(c) $ _____

## Section G - Certification of Bona Fide Separation from Service and Notification of Retirement

Subject to penalty of KRS 523.100: I acknowledge that federal and state law both require a bona fide separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies in order for the Kentucky Public Pensions Authority to pay a retirement benefit or to pay a refund of a retirement account.

If I am retiring, I affirm that I have had a separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies, or that I will have a separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies prior to my retirement date. I also affirm that I do not have a prearranged agreement to return to a participating agency or entities affiliated with participating agencies after my separation from service.

If I am taking a refund of my retirement account, I affirm that I have had a separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies. I also affirm that I do not have a prearranged agreement to return to a participating agency or entities affiliated with participating agencies after my separation from service.

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 a relationship as an independent contractor or leased employee) with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies.

I understand that the term “prearranged agreement” as used in this affidavit means any contemplation of return to employment with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies.

I understand that the terms “agencies participating in the Kentucky Public Pensions Authority” and “participating agency” as used in this affidavit are to be construed in a broad manner, and include not only the agency itself, but also any entities affiliated with participating agencies, regardless of whether such entities are holding themselves out as legally separate entities.

I acknowledge that prior to accepting employment within twelve (12) months of my retirement date with an agency participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies, I have a duty to report such employment in writing to the Kentucky Public Pensions Authority pursuant to 105 KAR 1:390.

I acknowledge and understand that if I fail to comply with federal and state law regarding bona fide separation from service and break in service, my retirement shall be voided and I shall repay all retirement allowances, dependent child payments, and health plan premiums paid by the Kentucky Public Pensions Authority.

I certify the information in this Notification of Retirement is correct and that my employer has been informed of my intent to terminate employment on the date indicated on this form if applying for early/normal retirement. I understand the Kentucky Public Pensions Authority will send an estimated retirement allowance. **I acknowledge my estimated retirement allowance and benefits are subject to post retirement audit and adjustment after retirement. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation is subject to penalty in accordance with KRS 523.100.**

Member's Signature: _____ Date: _____

Spouse's Signature: _____ Date: _____

Witness' Signature: _____ Date: _____

**NOTE**: Signature of Member is required. Signature of either the Spouse **or** a Witness is also required.
Failure to sign form and have your signature witnessed by either your spouse or another person will result in the form being voided.

## Section H - Employer Certification of Leave Balances and Final Salary

Section H must be completed by your current employer and returned to the Kentucky Public Pensions Authority (KPPA) in order to include future salary, service and sick and compensatory leave balances in your estimated retirement allowance. Section H must be submitted no later than 30 days prior to the effective retirement date. If you are currently employed by more than one participating employer, each employer should complete a copy of Section H. If Section H is not submitted by the prescribed deadline, the KPPA will **exclude** all leave balances, future service and salary from the estimated retirement allowance. **Your estimated retirement allowance and benefits are subject to post retirement audit and adjustment after retirement.**

Employer Name: Employer Code:

| Member Name: | Member ID: |
|---|---|
| Termination Date: | |
| Employer's Report of Leave Balances as of: | |

Does your agency participate in a sick leave program administered by KPPA? ◯ Yes ◯ No

If yes above, select the type of sick leave plan: ◯ Standard ◯ Alternate

Does the above member work an average of 21 days per month? ◯ Yes ◯ No

If no above, please provide an Alternate Average Working Days Per Month: _____

| **Standard Sick Leave Program:** If participating in the standard sick leave program, please provide the following information. Note: Contributions should not be withheld from standard sick leave lump sum payouts. | |
|---|---|
| Accumulated Sick Leave (in hours): | Hours in a Sick Leave Day: |

| **Alternate Sick Leave Program:** If participating in the alternate sick leave program, please provide the following information. Note: Contributions should be withheld from alternate sick leave lump sum payouts. | |
|---|---|
| Accumulated Sick Leave (in days): | Hours in a Sick Leave Day: |
| Estimated Compensation to be Paid for Sick Leave: | |

**School Board Certification *(school board employees only)*: Indicate the number of actual days the member will have worked through the expected termination date. If the days occur in different school years, please list each school year separately below.**

| Actual Days Worked through Expected Termination Date | |
|---|---|
| School Year | Number of Actual Days |
| | |
| | |

**⚠ Section H is continued on the following page. You must complete the Employer Certification at the end of Section H.**

## Section H *Continued* - Employer Certification of Leave Balances and Final Salary

| Employer Name: | Employer Code: |
|---|---|
| Member Name: | Member ID: |

## Note to Employer:

KPPA will provide calculations to the member based upon the information you certify below. Due to the reporting process there may be a delay from the time you report it to the time it is available for use in the calculation. For this reason we ask that you verify the actual earned wages for the three months prior to the date you are completing this certification and each month thereafter through member's anticipated date of termination.

### Employer's Report of Final Salary

You may select from the following payment reasons:
Regular Pay, Regular Pay with Additional Creditable

| Posting Month | Payment Reason | Salary |
|---|---|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

## Employer Certification

**I certify that the leave balances and estimated final salary information provided above is accurate based upon our agency's records. I state that I have full knowledge of the penalty in KRS 523.100 related to falsification of records and that the information provided is true and accurate.**

Printed Name of Agency Official: _____

Title: _____ Agency Phone Number: _____

Signature of Agency Official: _____ Date: _____

## Section I - Member's Statement of Disability

**If additional space is required to answer the questions, you may use and attach additional paper.**

| Member Name: | Member ID: |
|---|---|

**1. List the diagnoses of the injury, illness, or disease for which you are applying for disability:**

**2. Describe how the diagnoses listed above on this page prevent you from performing your essential job duties:**

**3. Describe the history of the diagnoses listed above, including the onset or start of your symptoms or complaints:**

**4a. If you are a non-hazardous employee**, are you claiming that you are totally and permanently disabled from performing any occupation for remuneration or profit as a result of a single traumatic event that occurred while you were performing the duties of your job or a single act of violence committed against you that was related to your job duties?

☐ Yes ☐ No

*Please note: A duty related injury does not include the effects of the natural aging process, a communicable disease unless the risk of contracting the disease is increased by the nature of the employment, or a psychological, psychiatric, or stress related change unless the direct result of a physical injury.*

**4b. If you are a hazardous employee**, are you claiming that you are disabled due to an act in line of duty by either a single act occurring while performing the principal duties of your job or a single act of violence against you that was related to your job duties?

☐ Yes ☐ No

If you answered yes to 4a or 4b, describe specific date, time, and circumstances of the duty related injury or act in line of duty below. Please attach a copy of the employer incident report to this form. Failure to attach the employer incident report will delay your disability application.

**Section I is continued on the following page. You must complete the Certification at the end of Section I.**

## Section I *Continued* - Member's Statement of Disability

| Member Name: | Member ID: |
|---|---|

## Last Day of Paid Employment

Last Day of Paid Employment: The last day of paid employment is the last day for which contributions were reported and for which you were eligible to receive retirement credit. Identify the month, day, and year that is your last day of paid employment, or if you are still working or on paid leave, identify the month, day, and year that is your anticipated last day of paid employment.

Last Day of Paid Employment: _____ _____ _____
Month Day Year

You will be sent an estimate of disability retirement benefits, subject to post retirement audit and adjustment after retirement, based upon your last day of paid employment in a regular full-time position assuming your application for disability retirement benefits is approved. If approved for disability benefits, you will receive benefits effective the first day of the month following your last day of paid employment.

## Certification and Authorization

I certify the information on this Statement of Disability, Section I, is true and correct. I acknowledge that any person who makes a false statement, report, or representation is subject to penalty pursuant to KRS 523.010 to 523.110.

I authorize the Authority, its agents, servants, and employees to have full and complete access to any and all medical records of mine, whether or not related to this injury, illness, or disease, and authorize the Authority, and its agents, servants, and employees to discuss such records as it may be necessary at any meeting of the Board in connection with my application for disability retirement benefits.

I authorize my employer to release, furnish, disclose, or discuss with the Kentucky Public Pensions Authority all records or other information regarding my employment, including but not limited to, a description of job duties performed as of the last day of my employment, a description of the accommodations, assistance, or help that was offered or attempted or reasonably available to allow me to perform my essential job duties, a report of work injuries or accidents, my personnel file, or other employee records.

Signature of Member: _____ Date: _____

Signature of Witness: _____ Date: _____

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

Form 6000
Revised 09/2026

# Notification of Retirement

**Please read the instructions for each section and complete all information requested in Sections A-G. Section H must be completed by your current employer. Section I must also be completed if applying for disability retirement.**

## Section A: Member Information

**You must attach a copy of your birth verification.**

| Member Name: | Member ID: |
|---|---|

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

| Address: | City: | State: | Zip Code: |
|---|---|---|---|
| Personal Email Address: | | Phone: | |
| Date of Birth: | Sex: ☐ Male ☐ Female | | |

**Please note:** *If your current legal name or your beneficiary's current legal name is not the same as the name on the date of birth verification you have submitted we will also require verification of name change.* Acceptable name change verification includes:

- State Issued Driver's License or State Issued ID
- Marriage Certificate
- Court Order
- U.S. Passport
- Immigration and/or Naturalization Documents
- Social Security Card

**You must provide a termination date and retirement date below.**

**Termination Date:** _____ ____ _____ **Retirement Date:** _____ 1, _____

Month Day Year Month Year

**(YOUR TERMINATION DATE MUST BE PRIOR TO YOUR RETIREMENT DATE.)** **(YOUR RETIREMENT DATE MUST BE THE FIRST DAY OF THE MONTH.)**

## Section B - Type of Retirement and Retirement Systems

**Check the appropriate box or boxes to indicate the types of retirement and retirement systems from which you intend to retire. (Check all that apply). If applying for normal or early retirement, you may not submit this form more than 6 months prior to your retirement date. You must terminate employment to be eligible for early or normal retirement benefits.**

**Disability Retirement applicants must complete Section I.**

☐ **NORMAL OR EARLY RETIREMENT** ☐ **DISABILITY RETIREMENT**

☐ **Kentucky Employees Retirement System - KERS** (state employees, health departments, universities)

☐ **County Employees Retirement System - CERS** (city, county, local governments, classified employees of boards of education)

☐ **State Police Retirement System - SPRS** (full-time officers of Kentucky State Police)

### Other State Administered Retirement Systems

If you have an account in one of the systems administered by the Kentucky Public Pensions Authority (KERS, CERS, or SPRS) and in one of the other state administered retirement systems (listed below), you will need to complete the retirement application for the other system in order to be eligible for reciprocal benefits from all systems.

- [ ] **Teachers' Retirement System - (certified employees of boards of education)**
- [ ] **Legislators' Retirement Plan - LRP (State Senators and Representatives)**
- [ ] **Judicial Retirement Plan - JRP (Judges)**

## Section C - Retirement Account Beneficiary Designation

**Your account beneficiary can only be one person, a trust or your estate. Indicate your beneficiary by checking one of the beneficiary types below and providing the necessary information. This designation will become invalid if you file a new Form 6000 prior to your effective retirement date or if this form is voided.**

| Member Name: | Member ID: |
|---|---|

☐ **Person** Attach a copy of this person's birth verification to this form with your Member ID written on it.

| Name: | Social Security Number: |
|---|---|
| Date of Birth: | ◯ Male ◯ Female |
| Relationship: | ☐ Check this box if this person is also your legal spouse. |

| Address: | City: | State: | Zip Code: |
|---|---|---|---|

☐ **My Estate** No additional information required.

☐ **Trust (select one):** ☐ **Living Trust** ☐ **Special Needs Trust** ☐ **Testamentary Trust (no additional information or trust document is required)**

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 EIN or special needs trust beneficiary Social Security Number : |
|---|---|

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

| Name: | Phone: |
|---|---|

| Address: | City: | State: | Zip Code: |
|---|---|---|---|

If the trust is a special needs trust, submit a copy of the trust beneficiary's birth verification with this form with your Member ID written on it and complete the section below.

| Trust's Beneficiary: | Beneficiary's Date of Birth: |
|---|---|

## Section D - $5000 Death Benefit from Kentucky Public Pensions Authority - Complete only if eligible

**To be eligible for this benefit, you must be a retired member receiving a monthly benefit on the date of your death from Kentucky Public Pensions Authority based on a minimum of 48 months of service.**

If eligible for this benefit, you may name one death benefit beneficiary. This designation is not valid if you designate more than one beneficiary. Your estate will become your default beneficiary if this designation is deemed to be invalid. This designation may be changed at any time prior to your death by filing a properly completed Form 6030, Death Benefit Designation.

| Member Name: | Member ID: |
|---|---|

☐ **Person** You may only name one person as your death benefit beneficiary.

| Name: | | Social Security Number: | |
|---|---|---|---|
| Date of Birth: | Relationship: | ◯Male ◯Female | |
| Address: | City: | State: | Zip Code: |

☐ **My Estate** No additional information required.

☐ **Trust (select one):** ☐ **Living Trust** ☐ **Special Needs Trust** ☐ **Testamentary Trust (no additional information or trust document is required)**

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 EIN or special needs trust beneficiary Social Security Number : |
|---|---|

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

| Name: | | Phone: | |
|---|---|---|---|
| Address: | City: | State: | Zip Code: |

If the trust is a special needs trust:

| Trust's Beneficiary: | Beneficiary's Date of Birth: |
|---|---|

☐ **Funeral Home** Please enclose a copy of the Funeral Home License with your Member ID written on it.

| Funeral Home Legal Name: | | Funeral Home License Number: | |
|---|---|---|---|
| Funeral Home Tax ID: | Contact Name: | Phone: | |
| Address: | City: | State: | Zip Code: |

## Section E - Authorization for Deposit of Retirement Payment

**Complete this section to authorize deposit of your retirement benefit directly into your account at a financial institution.**

Financial Institution Information: The financial institution may be a bank, savings bank, savings and loan association, credit union, or similar institution that is a member of the Automated Clearing House (ACH). Your direct deposit institution may be changed at any time by filing a properly completed Form 6130, Authorization for Deposit of Retirement Payment.

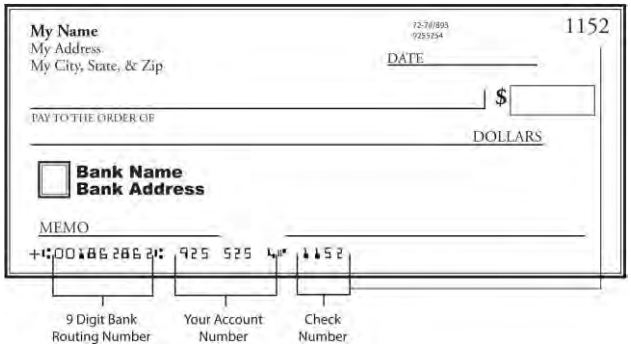
Financial Institution Name:

Depositor Routing Number:

Depositor Account Number:

Account Type: ◯ Checking ◯ Savings

**For your convenience:**
The sample check shows where to locate the required bank information to complete your Direct Deposit.




Required Documents: Please indicate the documentation you are submitting with this form.

For deposits to a Checking Account: I have attached to this form ◯ a VOIDED personalized check ◯ verification from my financial institution

For deposits to a Savings Account: I have attached to this form ◯ verification from my financial institution

**Attach Voided Check Here:**

(Attach Voided Check Here)

I acknowledge that electronic payments to the designated account must comply with the provisions of U.S. law, as well as the requirements of the Office of Foreign Assets Control (OFAC) and National Automated Clearing House Association (NACHA) regulations. I certify that the entire payment that the Kentucky Public Pensions Authority sends electronically to the financial institution I have designated, is not subject to being transferred to a foreign bank. I agree to notify the Kentucky Public Pensions Authority in writing immediately if the payment becomes subject to transfer to a foreign bank in the future.

If all required forms have been completed properly and returned by the end of the month prior to your retirement date, the first check will be deposited or mailed on the *14th* of the first month of retirement. **Due to deadlines required to establish a direct deposit, your first benefit payment is not guaranteed to be deposited to your account.** Many benefit payments for the first month of retirement are mailed. After the initial payment, the monthly benefit will be deposited to the retired member's account on the *14th* of each month. If the*14th* of the month is a weekend or holiday, the benefit will be mailed or deposited the business day prior. Members are required to have the monthly retirement benefit deposited directly to their bank accounts, unless their bank does not participate in the Automated Clearing House or the member does not have an account with a financial institution.

## Section G - Certification of Bona Fide Separation from Service and Notification of Retirement

Subject to penalty of KRS 523.100: I acknowledge that federal and state law both require a bona fide separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies in order for the Kentucky Public Pensions Authority to pay a retirement benefit or to pay a refund of a retirement account.

If I am retiring, I affirm that I have had a separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies, or that I will have a separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies prior to my retirement date. I also affirm that I do not have a prearranged agreement to eturn to a participating agency or entities affiliated with participating agencies after my separation from service.

If I am taking a refund of my retirement account, I affirm that I have had a separation from service with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies. I also affirm that I do not have a prearranged agreement to return to a participating agency or entities affiliated with participating agencies after my separation from service.

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 a relationship as an independent contractor or leased employee) with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies.

I understand that the term “prearranged agreement” as used in this affidavit means any contemplation of return to employment with agencies participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies.

I understand that the terms “agencies participating in the Kentucky Public Pensions Authority” and “participating agency” as used in this affidavit are to be construed in a broad manner, and include not only the agency itself, but also any entities affiliated with participating agencies, regardless of whether such entities are holding themselves out as legally separate entities.

I acknowledge that prior to accepting employment within twelve (12) months of my retirement date with an agency participating in the Kentucky Public Pensions Authority or entities affiliated with participating agencies, I have a duty to report such employment in writing to the Kentucky Public Pensions Authority pursuant to 105 KAR 1:390.

I acknowledge and understand that if I fail to comply with federal and state law regarding bona fide separation from service and break in service, my retirement shall be voided and I shall repay all retirement allowances, dependent child payments, and health plan premiums paid by the Kentucky Public Pensions Authority.

I certify the information in this Notification of Retirement is correct and that my employer has been informed of my intent to terminate employment on the date indicated on this form if applying for early/normal retirement. I understand the Kentucky Public Pensions Authority will send an estimated retirement allowance. **I acknowledge my estimated retirement allowance and benefits are subject to post retirement audit and adjustment after retirement. I acknowledge that I have full understanding that any person who provides a false statement, report, or representation is subject to penalty in accordance with KRS 523.100.**

Member's Signature: _____ Date: _____

Spouse's Signature: _____ Date:

Witness' Signature: _____ Date: _____

_____

**NOTE**: Signature of Member is required. Signature of either the Spouse **or** a Witness is also required.
Failure to sign form and have your signature witnessed by either your spouse or another person will result in the form being voided.

## Section H - Employer Certification of Leave Balances and Final Salary

Section H must be completed by your current employer and returned to the Kentucky Public Pensions Authority (KPPA) in order to include future salary, service and sick and compensatory leave balances in your estimated retirement allowance. Section H must be submitted no later than 30 days prior to the effective retirement date. If you are currently employed by more than one participating employer, each employer should complete a copy of Section H. If Section H is not submitted by the prescribed deadline, the KPPA will **exclude** all leave balances, future service and salary from the estimated retirement allowance. **Your estimated retirement allowance and benefits are subject to post retirement audit and adjustment after retirement.**

Employer Name: Employer Code:

| Member Name: | Member ID: |
|---|---|
| Termination Date: | |
| Employer's Report of Leave Balances as of: | |

Does your agency participate in a sick leave program administered by KPPA? ◯ Yes ◯ No

If yes above, select the type of sick leave plan: ◯ Standard ◯ Alternate

Does the above member work an average of 21 days per month? ◯ Yes ◯ No

If no above, please provide an Alternate Average Working Days Per Month: _____

| **Standard Sick Leave Program:** If participating in the standard sick leave program, please provide the following information. Note: Contributions should not be withheld from standard sick leave lump sum payouts. | |
|---|---|
| Accumulated Sick Leave (in hours): | Hours in a Sick Leave Day: |

| **Alternate Sick Leave Program:** If participating in the alternate sick leave program, please provide the following information. Note: Contributions should be withheld from alternate sick leave lump sum payouts. | |
|---|---|
| Accumulated Sick Leave (in days): | Hours in a Sick Leave Day: |
| Estimated Compensation to be Paid for Sick Leave: | |

**School Board Certification *(school board employees only)*: Indicate the number of actual days the member will have worked through the expected termination date. If the days occur in different school years, please list each school year separately below.**

| Actual Days Worked through Expected Termination Date | |
|---|---|
| School Year | Number of Actual Days |
| | |
| | |

**lowing page. You must complete the Employer Certification at the end of Section H.**

## Section H *Continued* - Employer Certification of Leave Balances and Final Salary

| Employer Name: | Employer Code: |
|---|---|
| Member Name: | Member ID: |

## Note to Employer:

KPPA will provide calculations to the member based upon the information you certify below. Due to the reporting process there may be a delay from the time you report it to the time it is available for use in the calculation. For this reason we ask that you verify the actual earned wages for the three months prior to the date you are completing this certification and each month thereafter through member's anticipated date of termination.

## Employer's Report of Final Salary

You may select from the following payment reasons:
Regular Pay, Regular Pay with Additional Creditable

| Posting Month | Payment Reason | Salary |
|---|---|---|
| | | |
| | | |
| | | |
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| | | |
| | | |

## Employer Certification

**I certify that the leave balances and estimated final salary information provided above is accurate based upon our agency's records. I state that I have full knowledge of the penalty in KRS 523.100 related to falsification of records and that the information provided is true and accurate.**

Printed Name of Agency Official: _____

Title: _____ Agency Phone Number: _____

Signature of Agency Official: _____ Date: _____

## Section I - Member's Statement of Disability

**If additional space is required to answer the questions, you may use and attach additional paper.**

| Member Name: | Member ID: |
|---|---|

**1. List the diagnoses of the injury, illness, or disease for which you are applying for disability:**

**2. Describe how the diagnoses listed above on this page prevent you from performing your essential job duties:**

**3. Describe the history of the diagnoses listed above, including the onset or start of your symptoms or complaints:**

**4a. If you are a non-hazardous employee**, are you claiming that you are totally and permanently disabled from performing any occupation for remuneration or profit as a result of a single traumatic event that occurred while you were performing the duties of your job or a single act of violence committed against you that was related to your job duties?

☐ Yes ☐ No

*Please note: A duty related injury does not include the effects of the natural aging process, a communicable disease unless the risk of contracting the disease is increased by the nature of the employment, or a psychological, psychiatric, or stress related change unless the direct result of a physical injury.*

**4b. If you are a hazardous employee**, are you claiming that you are disabled due to an act in line of duty by either a single act occurring while performing the principal duties of your job or a single act of violence against you that was related to your job duties?

☐ Yes ☐ No

If you answered yes to 4a or 4b, describe specific date, time, and circumstances of the duty related injury or act in line of duty below. Please attach a copy of the employer incident report to this form. Failure to attach the employer incident report will delay your disability application.

**Section I is continued on the following page. You must complete the Certification at the end of Section I.**

## Section I *Continued* - Member's Statement of Disability

| Member Name: | Member ID: |
|---|---|

## Last Day of Paid Employment

Last Day of Paid Employment: The last day of paid employment is the last day for which contributions were reported and for which you were eligible to receive retirement credit. Identify the month, day, and year that is your last day of paid employment, or if you are still working or on paid leave, identify the month, day, and year that is your anticipated last day of paid employment.

Last Day of Paid Employment: _____ (Month) _____ (Day) _____ (Year)

You will be sent an estimate of disability retirement benefits, subject to post retirement audit and adjustment after retirement, based upon your last day of paid employment in a regular full-time position assuming your application for disability retirement benefits is approved. If approved for disability benefits, you will receive benefits effective the first day of the month following your last day of paid employment.

## Certification and Authorization

I certify the information on this Statement of Disability, Section I, is true and correct. I acknowledge that any person who makes a false statement, report, or representation is subject to penalty pursuant to KRS 523.010 to 523.110.

I authorize the Authority, its agents, servants, and employees to have full and complete access to any and all medical records of mine, whether or not related to this injury, illness, or disease, and authorize the Authority, and its agents, servants, and employees to discuss such records as it may be necessary at any meeting of the Board in connection with my application for disability retirement benefits.

I authorize my employer to release, furnish, disclose, or discuss with the Kentucky Public Pensions Authority all records or other information regarding my employment, including but not limited to, a description of job duties performed as of the last day of my employment, a description of the accommodations, assistance, or help that was offered or attempted or reasonably available to allow me to perform my essential job duties, a report of work injuries or accidents, my personnel file, or other employee records.

Signature of Member: _____ Date: _____

Signature of Witness: _____ Date: _____

FINANCE AND ADMINISTRATION CABINET

Kentucky Public Pensions Authority

(Amendment)

105 KAR 5:390. Employment after retirement.

RELATES TO: KRS 15.420(2)(a), 16.010, 16.505, 61.505, 61.510, 61.565, 61.590, 61.637, 61.675, 61.702, 70.291 - 70.293, 78.510, 78.545, 78.5540, 78.625, 78.635, 95.022, 158.441, 164.952, 26 U.S.C. 401(a), 26 C.F.R. 1.401-1, 1.401(a)-1

STATUTORY AUTHORITY: KRS 61.505(1)(g), 61.590, 61.637(18), 78.5540(5)

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

NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the Kentucky Public Pensions Authority to promulgate administrative regulations on behalf of the Kentucky Retirement Systems and the County Employees Retirement System that are consistent with KRS 16.505 to 16.652, 61.505, 61.510 to 61.705, and 78.510 to 78.852. KRS 61.637(18) and 78.5540(5) require[~~requires~~] the Kentucky Public Pensions Authority to promulgate administrative regulations to implement[~~the requirements of~~] KRS 61.637 and 78.5540. This administrative regulation concerns the administration of KRS 61.637 and 78.5540 in conjunction with federal law regarding bona fide separation from service and changes in employment relationship if a retired member returns to employment with a participating employer in a retirement system operated by the Kentucky Public Pensions Authority. 26 C.F.R. 1.401-1(a)(2)

requires that a qualified plan expressly provide in its plan documents how it shall administer its plan in accordance with federal law in order to maintain the tax qualified status of the plan. This administrative regulation is necessary to maintain the tax qualified status of the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System under 26 U.S.C. 401(a), and to comply with the provisions established in 26 C.F.R. 1.401-1(b)(1)(i) and 1.401(a)-1.

Section 1. Definitions. The definitions established in this section apply only for the purposes of this administrative regulation.

(1) "Bona fide separation from service" means:

(a) A cessation of the employment relationship between the member and the member's employer; and

(b) There is no prearranged agreement.

(2) "Employee" means a retired member who is performing services for any[~~an~~] employer participating in the Kentucky Employees Retirement System, the County Employees Retirement System, or the State Police Retirement System in a manner that demonstrates an employment relationship under the common law factors used by the Internal Revenue Service (IRS) established in Section 4(3)(d)1. of this administrative regulation.

(3)[~~"Non-participating position" means any position of employment with a participating employer other than a regular full-time position or a regular full-time officer position.~~

~~(4) "Participating position" means a regular full-time position or a regular full-time officer position.~~

~~(5)~~] "Prearranged agreement" means a verbal or written, explicit or implicit agreement:

(a) That occurred prior to the retired member's effective retirement date;

(b) Between the retired member and:

1. His[~~his~~] or her former employer regarding any position with the former employer; or

2. Any participating employer other than a former employer regarding a regular full-time position; and

(c) That[~~for~~] the retired member would[~~to~~] reemploy[~~with the employer~~] within twelve (12) months after the retired member's effective retirement date[~~; and~~

~~(b) That occurred prior to the retired member's effective retirement date.~~

~~(6) "Retirement date" means the member's effective retirement date as described in KRS 61.590(5) and 78.545(4)~~].

(4) "Statutory officer" means:

(a) An elected officer or appointed board member other than a regular full-time employee who receives no compensation for services other than a per diem not to exceed five hundred dollars ($500) per month and reimbursement of actual expenses; or

(b) A precinct election officer appointed pursuant to KRS 117.045.

Section 2. Form 6000 Certification.

(1) In order to retire with the systems, an eligible member shall complete and file a valid Form 6000, Notification of Retirement, incorporated by reference in 105 KAR 5:202, which shall comply with the requirements of KRS 61.590, KRS 78.545, and 105 KAR 1:200.

(2) The agency shall not process a Form 6000[~~, Notification of Retirement,~~] until the member certifies on the Form 6000 that there is no prearranged agreement for reemployment with any[~~a~~] participating employer after the member's retirement date.

Section 3. Employment After Retirement.

(1) A retired member who is reemployed with a participating employer in any position,

including participating positions and non-participating positions, shall have a:

(a) Bona[~~A bona~~] fide separation from service as defined in Section 1 of this administrative regulation; and

(b) Break[~~A break~~] in service as provided in subsection (3) of this section.

(2) (a)[~~A retired member who is reemployed with a participating employer in any position, including participating positions and non-participating positions shall not have a prearranged agreement.~~

~~(b)~~] An elected official who is reelected and takes office in the same elected position that[~~as~~] he or she held prior to retirement within twelve (12) months after his or her effective retirement date shall be deemed to have a prearranged agreement.

(b) A candidate for an elected office who retires between the date of the regular or special election at which he or she is the successful candidate and the beginning of the term of office to which he or she has been elected shall be deemed to have a prearranged agreement.

(3) "Break in service" as provided in this section shall require that:

(a) For effective retirement dates prior to January 1, 2024:

1. A member who retired from a hazardous position shall have a one (1) month break in service before returning to work with any participating employer in a regular full-time hazardous participating position.

2. Except as provided in subparagraph 1. of this paragraph, a member who retired from a hazardous or nonhazardous position shall have a three (3) month break in service before returning to work with any participating employer in a participating or nonparticipating position.

(b) For effective retirement dates beginning January 1, 2024, a member who retired from a hazardous or nonhazardous position shall have a one (1) month break in service before

returning to work with any participating employer in a participating or nonparticipating position.

(4) A[~~If a~~] retired member who seeks reemployment with a participating employer within twelve (12) months of his or her retirement date shall have on file prior to the beginning of his or her reemployment[~~, then the following shall be filed~~]:

(a) A valid Form 6751, Employer Certification Regarding Reemployment, completed by the participating employer, which shall certify that there was no prearranged agreement;

(b) A valid Form 6754, Member Reemployment Certification, completed by the retired member; and

(c) Any other information requested by the agency from the participating employer and the retired member pursuant to KRS 61.637(8) and 78.5540(2)(a).

(d) If a retired member or his or her employer fail to submit information requested by the agency or valid forms required by this administrative regulation within thirty (30) days of an agency request or notice that a form is invalid, the agency shall notify the retired member that the member's request was not approved without prejudice to the retired member's ability to resubmit a valid request for approval of the reemployment.

(5) (a) The agency shall issue a final determination to the retired member no later than thirty (30) calendar days after receipt of all required forms and additional requested information.

(b) If the agency determines that the retired member failed to comply with any of the requirements of this section or federal law, the retired member's retirement shall be voided and he or she shall repay all retirement allowances, dependent child payments, and hospital and medical insurance plan premiums paid by the systems.

Section 4. Independent Contractors and Leased Employees.

(1) A[~~If a~~] retired member who seeks to provide services to a participating employer as

an independent contractor, under a professional services contract, or as a leased employee within twelve (12) months of the retired member's retirement date shall have on file[~~, then the following shall be filed~~]:

(a) A valid Form 6752, Employer Certification of Independent Contractor/Leased Employee, completed by the participating employer;

(b) A valid Form 6754, Member Reemployment Certification, completed by the retired member;

(c) A complete copy of any contract under which services are provided by the retired member to the participating employer; and

(d) Any other information requested by the agency from the participating employer and the retired member pursuant to KRS 61.637(9) and 78.5540(2)(b).

(2) The agency shall apply common law factors used by the Internal Revenue Service (IRS), in accordance with IRS Publication 1779, Independent Contractor or Employee and Revenue Ruling 87-41, established in Section 4(3)(d)1. of this administrative regulation, to determine whether a retired member is an employee or an independent contractor of the participating employer[~~or an independent contractor of the participating employer~~]. The agency may also consider rules issued by the United States Department of Labor for determining whether a worker is an employee or an independent contractor under federal wage and hour law.

(3) (a) The agency shall issue a final determination to the retired member no later than thirty (30) calendar days after receiving[~~receipt of~~] all required forms and requested information.

(b) If the agency determines that the retired member is an employee of the participating employer and not[~~, rather than~~] an independent contractor or leased employee through a leasing company, staffing agency, or other entity:

1. The retired member shall comply with[~~be subject to the provisions of~~] Section 3 of this administrative regulation and shall have a "bona fide separation from service" and "break in service"; and

2. The employer shall:

a. Report the retired member as required by KRS 61.675, 78.625, and 105 KAR 4:140;

b. Pay employer contributions for the retired member as established in[~~specified by~~] KRS 61.565, 61.702, and 78.635; and

c. Reimburse the systems for the cost of hospital and medical insurance plan premiums paid by the systems for the retired member.

(c) If the agency determines that the retired member is an independent contractor or leased employee through a leasing company, staffing agency, or other entity, the retired member shall[~~still~~] be required to observe a break in[~~bona fide separation from~~] service to the extent required by federal law if the change in the employment relationship is merely superficial in nature.

(d) To determine whether the change in the employment relationship is superficial, the agency shall consider:

1. The common law factors established in federal Revenue Ruling 87-41 to determine if a person is an independent contractor or leased employee, including the extent to which the employer maintains any behavioral or financial control, and the actual change to the relationship of the parties;

2. Any change in duties between the retired member's last employed position and the proposed duties as a contractor or leased employee, including the extent to which the employee continued providing services to the participating employer; and

3. The relationship between the participating employer and the leasing company, staffing agency , or other entity.

Section 5. Volunteers.

(1) A[~~If a~~] retired member who seeks to volunteer with a participating employer within twelve (12) months of the retired member's retirement date shall have on file[~~, then the following shall be filed~~]:

(a) A valid Form 6753, Employer Certification of Volunteer, completed by the participating employer;

(b) A valid Form 6754, Member Reemployment Certification, completed by the retired member; and

(c) Any other information requested by the agency from the participating employer and retired member pursuant to KRS 61.637(8) and 78.5540(2)(a).

(2) (a) The agency shall issue a final determination to the retired member no later than thirty (30) calendar days after receipt of all required forms and requested information.

(b) If the agency[~~Agency~~] determines that the retired member is an employee of the participating employer, rather than a volunteer:

1. The retired member shall comply with[~~be subject to the provisions of~~] Section 3 of this administrative regulation and shall have a "bona fide separation from service" and "break in service"; and

2. The employer shall:

a. Report the retired member as required by KRS 61.675, 78.625, and 105 KAR 4:140;

b. Pay employer contributions for the retired member as specified by KRS 61.565, 61.702, and 78.635; and

c. Reimburse the systems for the cost of hospital and medical insurance plan premiums paid by the systems for the retired member.

(c) If the agency determines that the retired member is a volunteer, the retired member shall[~~may still~~] be required to observe a break in[~~bona fide separation from~~] service to the extent required by federal law if, prior to the member's retirement date, the retired member:

1. Received creditable compensation from the employer;

2. Received any reimbursement or nominal fee from the employer that was credited as creditable compensation to the member's account; or

3. Purchased or received service credit for service from the participating employer for which the retired member is performing volunteer services.

(3) The agency shall determine the need for a statutory officer to have a bona fide separation from his or her position as a statutory officer or the ability to work as a statutory officer following retirement pursuant to the criteria established in this section unless the retired member elects to be deemed an employee for the purposes of this administrative regulation.

Section 6. Hospital and Medical Insurance Plan Premium Reimbursements for Retired Members Reemployed by Multiple Participating Employers.

(1) This section shall only apply to a retired member who is reemployed by a participating employer on or after September 1, 2008 in accordance with KRS 61.637(17) and 78.5540(4).

(2) If a retired member is reemployed by multiple participating employers in a month in two (2) or more regular full-time positions, one (1) regular full-time position and one (1) or more part-time positions pursuant to KRS 61.680(6) and 78.545, or multiple part-time positions pursuant to KRS 61.680(6) and 78.545, each[~~, then~~]:

[~~(a) Each~~] participating employer shall reimburse[~~be responsible for reimbursing~~] the systems for a portion of the hospital and medical insurance plan premium paid by the systems to provide coverage for the retired member for that month[~~; and~~

~~(b) The portion shall be~~] equal to the cost of the premium divided by the number of participating employers that are not exempt from reimbursement of hospital and medical insurance plan premiums.

(3) Participating employers that are exempt from reimbursement of hospital and medical insurance plan premiums pursuant to[~~under~~] Section 7 of this administrative regulation, or[~~by virtue of being~~] a school board employing the retired member for eighty (80) calendar days or less during the fiscal year, shall not be[~~are not~~] responsible for hospital and medical insurance plan premiums under this section.

Section 7. Exemption for Payment of[~~Of~~] Employer Contributions and Reimbursement of Hospital and Medical Insurance Plan Premiums for Retired Members Reemployed as Police Officers and School Resource Officers.

(1) This section shall only apply to a retired member who is reemployed by a participating employer on or after September 1, 2008 in accordance with KRS 61.637(17) and 78.5540(4).

(2) A participating employer shall be exempt from paying employer contributions and from reimbursing the systems for the cost of hospital and medical insurance plan premiums for a retired member reemployed in the positions established in this section if the applicable valid form and supporting documentation established in subsections 4 through of this section are:

(a) On file prior to the start of the retired member's term of employment, the employer exemption shall be for a term of appointment of no more than one (1) year; or

(b) Not on file prior to the start of the retired member's term of employment, the employer exemption shall be effective in the month after the applicable valid form and supporting documentation are on file.

(3) A participating employer shall not be exempt from paying employer contributions and reimbursement of hospital and medical insurance plan premiums if the forms established in subsection 4 of this section are not on file with the agency.

(4) The employer shall file valid forms established in this section for a:

(a) Police officer pursuant to KRS 70.921 to 70.293:

1. Form 6770, Certification and Appointment of Retired Law Enforcement Officer, for initial appointment; and

2. Form 6774, Recertification of Retired Law Enforcement Officer, for each subsequent term of reappointment.

(b) School resource officer pursuant to KRS 158.441, Form 6755, Appointment of Retired School Resource Officer.

(c) Kentucky State Police school resource officer pursuant to KRS 158.441, Form 6767, Appointment of Retired Postsecondary Institution or School Resource Officer.

(d) Police officer employed by a postsecondary institution pursuant to KRS 164.952, Form 6767.

(e) Police officer pursuant to KRS 95.022:

1. Form 6770 for initial appointment; and

2. Form 6774, for each subsequent term of reappointment.

Section 8. Ceased Employers.

(1) Employees of a voluntarily ceased employer shall comply with 105 KAR 4:145,

Sections 8 and 9.

(2) Employees of an involuntarily ceased employer shall comply with 105 KAR 4:147.

[~~(2) (a) A participating employer shall be exempt from paying employer contributions and from reimbursing the systems for the cost of the hospital and medical insurance plan premiums paid by the systems for a retired member reemployed as a police officer pursuant to KRS 70.291 to 70.293 for a term of appointment of no more than one (1) year if a valid Form 6760, County Police or Sheriff Appointment of Retired Police Officer, and the supporting documentation required by the Form 6760 are on file prior to the start of the retired member's term of appointment.~~

~~(b) If a valid Form 6760, County Police or Sheriff Appointment of Retired Police Officer, and the supporting documentation required by the Form 6760 are not on file prior to the start of the retired member's term of appointment as a police officer pursuant to KRS 70.291 to 70.293, then the participating employer shall be exempt from paying employer contributions and reimbursements of hospital and medical insurance plan premiums for a retired member reemployed as a police officer pursuant to KRS 70.291 to 70.293 effective in the month after a valid Form 6760 and supporting documentation are on file.~~

~~(3) (a) For each subsequent term of reappointment after the initial term of appointment listed on the valid Form 6760, County Police or Sheriff Appointment of Retired Police Officer, described in subsection (1) of this section, the participating employer shall be exempt from paying employer contributions and from reimbursing the systems for the cost of the hospital and medical insurance plan premiums paid by the systems for a retired member reemployed as a police officer pursuant to KRS 70.291 to 70.293 for a term of reappointment of no more than one (1) year if a valid Form 6764, Recertification of Retired Police Officer, is on file prior to the start~~

~~of the retired member's term of reappointment.~~

~~(b) If a valid Form 6764, Recertification of Retired Police Officer, is not on file prior to the start of the retired member's term of reappointment as a police officer pursuant to KRS 70.291 to 70.293, then the participating employer shall be exempt from paying employer contributions and reimbursements of hospital and medical insurance plan premiums for a retired member reemployed as a police officer pursuant to KRS 70.291 to 70.293 effective in the month after a valid Form 6764 and supporting documentation are on file.~~

~~(4) (a) A participating employer shall be exempt from paying employer contributions and from reimbursing the systems for the cost of the hospital and medical insurance plan premiums paid by the systems to provide coverage for a retired member reemployed as a school resource officer pursuant to KRS 158.441 for a term of appointment of no more than one (1) year if a valid Form 6766, Appointment of Retired School Resource Officer, and the supporting documentation required by the Form 6766 are on file prior to the start of the retired member's term of appointment.~~

~~(b) If a valid Form 6766, Appointment of Retired School Resource Officer, and the supporting documentation required by the Form 6766 are not on file prior to the start of the retired member's term of appointment, then the participating employer shall be exempt from paying employer contributions and reimbursements of hospital and medical insurance plan premiums for a retired member reemployed as a school resource officer pursuant to KRS 158.441 effective in the month after a valid Form 6766 and supporting documentation are on file.~~

~~(5) (a) A participating employer shall be exempt from paying employer contributions and from reimbursing the systems for the cost of the hospital and medical insurance plan premiums paid by the systems for a retired member reemployed as a Kentucky State Police school resource~~

~~officer pursuant to KRS 158.441 for a term of appointment of no more than one (1) year if a valid Form 6767, Appointment of Kentucky State Police School Resource Officer, and the supporting documentation required by the Form 6767 are on file prior to the start of the retired member's term of appointment.~~

~~(b) If a valid Form 6767, Appointment of Kentucky State Police School Resource Officer, and the supporting documentation required by the Form 6767 are not on file prior to the start of the retired member's term of appointment, then the participating employer shall be exempt from paying employer contributions and reimbursements of hospital and medical insurance plan premiums for a retired member reemployed as a Kentucky State Police school resource officer pursuant to KRS 158.441 effective in the month after a valid Form 6767 and supporting documentation are on file.~~

~~(6) (a) A participating employer shall be exempt from paying employer contributions and from reimbursing the systems for the cost of the hospital and medical insurance plan premiums paid by the systems for a retired member reemployed as a police officer by a postsecondary institution pursuant to KRS 164.952 for a term of appointment of no more than one (1) year if a valid Form 6768, Postsecondary Institution Appointment of Retired Police Officer, and the supporting documentation required by the Form 6768 are on file prior to the start of the retired member's term of appointment.~~

~~(b) If a valid Form 6768, Postsecondary Institution Appointment of Retired Police Officer, and the supporting documentation required by the Form 6768 are not on file prior to the start of the retired member's term of appointment, then the participating employer shall be exempt from paying employer contributions and reimbursements of hospital and medical insurance plan premiums for a retired member reemployed as a police officer by a postsecondary~~

~~institution pursuant to KRS 164.952 in the month after a valid Form 6768 and supporting documentation are on file.~~

~~(7) A participating employer shall not be eligible for exemption from payment of employer contributions or from reimbursing the systems for the costs of hospital and medical insurance plan premiums for any retired members reemployed as a police officer pursuant to KRS 95.022 unless a valid Form 6769, Certification of Employed Police Officers Calendar Year 2015, is on file.~~

~~(8) (a) A participating employer with a valid Form 6769, Certification of Employed Police Officers Calendar Year 2015, on file shall be exempt from paying employer contributions and from reimbursing the systems for the costs of hospital and medical insurance plan premiums for a retired member reemployed as a police officer pursuant to KRS 95.022 for a term of appointment of no more than one (1) year if a valid Form 6770, City Appointment of Retired Police Officer, and the supporting documentation required by the Form 6770 are on file prior to the start of the retired member's term of appointment.~~

~~(b) If a valid Form 6770, City Appointment of Retired Police Officer, and the supporting documentation required by the Form 6770 are not on file prior to the start of the retired member's term of appointment, then the participating employer with a valid Form 6769, Certification of Employed Police Officers Calendar Year 2015, on file shall be exempt from paying employer contributions and reimbursements of hospital and medical insurance plan premiums for a retired member reemployed as a police officer pursuant to KRS 95.022 effective in the month after a valid Form 6770 and supporting documentation are on file.~~

~~(9) (a) For each subsequent term of reappointment after the initial term of appointment listed on the valid Form 6770, City Appointment of Retired Police Officer, described in~~

~~subsection (7) of this section, the participating employer with a valid Form 6769, Certification of Employed Police Officers Calendar Year 2015, on file shall be exempt from paying employer contributions and hospital and medical insurance plan premiums paid by the systems for a retired member reemployed as a police officer pursuant to KRS 95.022 for a term of reappointment of no more than one (1) year if a valid Form 6774, City Recertification of Retired Police Officer, is on file prior to the start of the retired member's term of reappointment.~~

~~(b) If a valid Form 6774, City Recertification of Retired Police Officer, is not on file prior to the start of the retired member's term of reappointment, then the participating employer shall be exempt from paying employer contributions and reimbursements of hospital and medical insurance plan premiums for retired member reemployed as a police officer pursuant to KRS 95.022 in the month after a valid Form 6774 is on file.~~

~~(10) If the appropriate form as required by this section is not on file, then the employer shall not be exempt from paying employer contributions and reimbursement of hospital and medical insurance plan premiums.~~]

Section 9. Exemptions. Reemployment pursuant to KRS 61.637 or 71.5540 shall not apply, and agency preapproval shall not be required, if a retired member:

(1) Who has had a break in service as established in Section 3 of this administrative regulation is deposed or otherwise provides testimony relating to the retired member's prior employment and accepts compensation for his or her time and reimbursement of expenses for testimony and preparation; or

(2) Is employed during the retired member's break in service established in Section 3 of this administrative regulation by a business entity that has a contract with a participating employer, if:

a. The retired member has no ownership interest in the business entity;

b. Less than fifty percent (50%) of the retired member's working time will be spent providing services for participating employers; and

c. The business entity was not created by and does not share ownership or management with a participating employer; or

(3) Is employed by an individual who is receiving Social Security Act, Section 1915(c) Medicaid waiver services through a participant-directed services program administered by the Cabinet for Health and Family Services.

Section 10[~~8~~]. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) [~~Form 6000, "Notification of Retirement", June 2023;~~]

[~~(b)~~] Form 6751, "Employer Certification Regarding Reemployment", December 2023;

(b)[~~(c)~~] Form 6752, "Employer Certification of Independent Contractor/Leased Employee", September 2026[~~December 2023~~];

(c)[~~(d)~~] Form 6753, "Employer Certification of Volunteer", December 2023;

(d)[~~(e)~~] Form 6754, "Member Reemployment Certification", December 2023;

[~~(f) Form 6760, "County Police or Sheriff Appointment of Retired Police Officer", December 2023;~~

~~(g) Form 6764, "Recertification of Retired Police Officer", December 2023;~~

~~(h) Form 6766, "Appointment of Retired School Resource Officer", December 2023~~];

(e)[~~(i)~~] Form 6767, "Appointment of Retired Postsecondary Institution or[~~Kentucky State Police~~] School Resource Officer", September 2026[~~December 2023~~;

[~~(j) Form 6768, "Postsecondary Institution Appointment of Retired Police Officer",~~

~~December 2023;~~

~~(k) Form 6769, "Certification of Employed Police Officers Calendar Year 2015", December 2023~~];

(f)[~~(l)~~] Form 6770, "Certification and[~~City~~] Appointment of Retired Law Enforcement[~~Police~~] Officer", September 2026[~~December 2023~~];

(g)[~~(m)~~] Form 6774, "[~~City~~] Recertification of Retired Law Enforcement[~~Police~~] Officer", September 2026;[~~December 2023; and~~]

(h)[~~(n)~~] Internal Revenue Service Publication 1779, "Independent Contractor or Employee", March 2023; and

(i) Internal Revenue Service Ruling 87-41, January 1987.

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky 40601, Monday through Friday, from 8:00 a.m. to 4:30 p.m. This material is also available on the agency's website[~~Authority's Web site~~] at kyret.ky.gov.

(3) Internal Revenue Service Publication 1779, "Independent Contractor or Employee", March 2023, is also available at https://www.irs.gov/pub/irs-pdf/p1779.pdf.

(4) Internal Revenue Service Ruling 87-41, January 1987, is also available at https://bradfordtaxinstitute.com/Endnotes/Rev_Rul_87-41.pdf.

105 KAR 5:390 Employment after retirement is approved for filing.

_____ _____

Ryan Barrow, Date
Executive Director
Kentucky Public Pensions Authority

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

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

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

Contact person: Carole J. Catalfo
Policy Specialist
Kentucky Public Pensions Authority
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 5:390
Contact Person: Carole J. Catalfo
Phone: (502) 696-8679
Email: Legal.Non-Advocacy@kyret.ky.gov

Subject Headings:

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation administers KRS 61.637 and 78.5540 in conjunction with federal law by establishing criteria, requirements, and procedures for bona fide separation from service and changes in employment relationship if a retired member returns to employment with a participating employer in a retirement system operated by the Kentucky Public Pensions Authority.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to administer KRS 61.637 and 78.5540 in conjunction with federal law by establishing criteria, requirements, and procedures for bona fide separation from service and changes in employment relationship if a retired member returns to employment with a participating employer in a retirement system operated by the Kentucky Public Pensions Authority. This regulation is also necessary to maintain the tax qualified status of plans administered by KPPA pursuant to federal law.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.637(18) and 78.5540(5) require the Kentucky Public Pensions Authority to promulgate administrative regulations to implement KRS 61.637 and 78.5540. This administrative regulation administers KRS 61.637 and 78.5540 in conjunction with federal law by establishing criteria, requirements, and procedures for bona fide separation from service and changes in employment relationship if a retired member returns to employment with a participating employer in a retirement system operated by the Kentucky Public Pensions Authority. 26 C.F.R. 1.401-1(a)(2) requires that a qualified plan expressly provide documents addressing how it shall administer its plan in accordance with federal law in order to maintain the tax qualified status of the plan. This administrative regulation is necessary to maintain the tax qualified status of the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System under 26 U.S.C. 401(a), and to comply with the provisions established in 26 C.F.R. 1.401-1(b)(1)(i) and 1.401(a)-1.

(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 KRS 61.637 and 78.5540 in conjunction with federal law by establishing criteria, requirements, and procedures for bona fide separation from service and changes in employment relationship if a retired member returns to employment with a participating employer in a retirement system operated by the Kentucky Public Pensions Authority, and

maintaining the tax qualified status of the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System under 26 U.S.C. 401(a), and complying with the provisions established in 26 C.F.R. 1.401-1(b)(1)(i) and 1.401(a)-1.

(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 refines definitions for "employee" and "prearranged agreement"; adds a definition for "statutory officer"; includes statutory language regarding prearranged agreements for elected officials and candidates for office; clarifies deadlines for information submission and that failing to submit valid forms or agency requests for information will not prejudice a member's ability to resubmit a valid request for approval of reemployment; added a section establishing employer exemptions from paying employer contributions; adds ceased employer procedures; establishes employment relationships to which the administrative regulation will not apply; streamlines and revises language to comply with drafting requirements; and condenses materials incorporated by reference to eliminate five related forms.

(b) The necessity of the amendment to this administrative regulation: The amendment to this administrative regulation is necessary to clarify definitions, incorporate statutory language regarding elected officials and candidates for office, clarify deadlines for information submission and criteria the agency will consider in determining independent contractor, leased employee, and volunteer status, clarify employer exemptions from employer contributions, establish employment relationships to which the administrative regulation will not apply, streamline and revise language to comply with drafting requirements, and condense materials incorporated by reference to eliminate five related forms.

(c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.637(18) and 78.5540(5) require the Kentucky Public Pensions Authority to promulgate administrative regulations to implement KRS 61.637 and 78.5540. This administrative regulation administers KRS 61.637 and 78.5540 in conjunction with federal law by establishing criteria, requirements, and procedures for bona fide separation from service and changes in employment relationship if a retired member returns to employment with a participating employer in a retirement system operated by the Kentucky Public Pensions Authority. 26 C.F.R. 1.401-1(a)(2) requires that a qualified plan expressly provide in its plan documents how it shall administer its plan in accordance with federal law in order to maintain the tax qualified status of the plan. This administrative regulation is necessary to maintain the tax qualified status of the Kentucky Employees Retirement System, the County Employees Retirement System, and the State Police Retirement System under 26 U.S.C. 401(a), and to comply with the provisions established in 26 C.F.R. 1.401-1(b)(1)(i) and 1.401(a)-1.

(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 definitions, incorporating statutory language regarding elected officials and candidates for office, clarifying deadlines for information submission and criteria the agency will

consider in determining independent contractor, leased employee, and volunteer status, clarifying employer exemptions from employer contributions, establishing employment relationships to which the administrative regulation will not apply, streamlining and revising language to comply with drafting requirements, and condensing materials incorporated by reference by eliminating five related forms.

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

KRS 61.592 - Amended 2024 Ky. Acts ch. 55, sec. 12, effective July 15, 2024; ch. 165, sec. 13, effective July 15, 2024; and ch. 214, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 71, sec. 2, effective January 1, 2024. -- Amended 2022 Ky. Acts ch. 56, sec. 1, effective July 14, 2022; and ch. 216, sec. 11, effective April 14, 2022.

KRS 78.5540 - Amended 2024 Ky. Acts ch. 55, sec. 24, effective July 15, 2024; ch. 165, sec. 14, effective July 15, 2024; and ch. 214, sec. 2, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 71, sec. 3, effective January 1, 2024. -- Amended 2022 Ky. Acts ch. 56, sec. 2, effective July 14, 2022; and ch. 216, sec. 24, effective April 14, 2022.

(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Of approximately 444,293 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System, this administrative regulation affects only those who reemploy with a participating employer after they retire.

(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.

(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.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (4): The regulated community will benefit from clarified definitions and deadlines for information submission and criteria the agency will consider in determining independent contractor, leased employee, and volunteer status, clarified employment relationships to which the administrative regulation will not apply, and fewer forms required for information submission.

(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 retirement from hazardous and non-hazardous positions, and particularly law enforcement positions, may require different forms and procedures when reemploying with a participating employer as required by the governing statutes.

FISCAL IMPACT STATEMENT

105 KAR 5:390
Contact Person: Carole J. Catalfo
Phone: (502) 696-8679
Email: Legal.Non-Advocacy@kyret.ky.gov

(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 61.505(1)(g), 61.590, 61.637(18), 78.5540(5).

(2) State whether this administrative regulation is expressly authorized by an act of the General Assembly, and if so, identify the act: KRS 61.637(18) and 78.5540(5).

(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 being implemented as written.

(b) Methodology and resources used to determine the fiscal impact: The agency analyzed costs and procedures for collecting information and determining whether reemployment of a retired member complies with statutory and regulatory requirements.

(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 collecting information and determining whether reemployment of a retired member complies with statutory and regulatory requirements.

FEDERAL MANDATE ANALYSIS COMPARISON

105 KAR 5:390
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), 26 C.F.R. 1.401-1, 1.401(a)-1

2. State compliance standards. KRS 61.637, 78.5540.

3. Minimum or uniform standards contained in the federal mandate. 26 U.S.C. 401(a), and 26 C.F.R. 1.401-1 and 1.401(a)-1 establishes the requirements for pensions, profit-sharing, and stock bonus plans to qualify for certain tax-exempt benefits.

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 or requirements than 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 or requirements than the federal mandate.

## SUMMARY OF MATERIALS INCORPORATED BY REFERENCE

Form 6751, "Employer Certification Regarding Reemployment", December 2023, is the one-page form employers use to certify the reemployment status of a reemployed retired member.

Form 6753, "Employer Certification of Volunteer", December 2023, is the one-page form employers use to certify the volunteer status of a reemployed retired member.

Form 6754, "Member Reemployment Certification", December 2023, is the one-page form retired members use to certify their reemployment status.

Internal Revenue Service Publication 1779, "Independent Contractor or Employee", March 2023, is the two-page document used to determine whether behavioral or financial control, or the relationship of the parties, indicates that a reemployed employee is an independent contractor or employee.

Internal Revenue Service Ruling 87-41, January 1987, is the nine-page document that establishes twenty (20) common law factors used to determine whether a reemployed employee is an independent contractor or employee.

## SUMMARY OF CHANGES TO MATERIALS INCORPORATED BY REFERENCE

Form 6752, "Employer Certification of Independent Contractor / Leased Employee", September 2026, is the one-page form used by employers to certify the independent contractor or leased employee status of a retired member.

Changes to the previous form include:

In the "Participating Employer Inquiry" section, adding a checkbox for "Neither IRS Form" if the employer is not going to issue an IRS Form W-2 or 1099.

Form 6767, "Appointment of Retired Postsecondary Institution or School Resource Officer", September 2026, is the two-page form that a school district or college/university uses to notify the KPPA of the appointment of a retired state police or school resource officer to work at their facility.

Changes to the previous form include:

Combining previous Forms 6766, "Appointment of Retired School Resource Officer" and 6768 "Postsecondary Institution Appointment of Retired Police Officer, with the previous Form 6767 "Appointment of Kentucky State Police School Resource Officer", to streamline the reemployment process.

Page 1: Changed title of form

Member Information:

Changed "Employer" to "Reemploying Employer"

Added a Yes/No checkbox question: "Did the member retire as a police officer as defined by KRS 164.950 – 164.980"?

Appointment Information:

Added a Yes/No checkbox question for whether this is an Initial Appointment

Employer Certification:

Added language to clarify the position of the person completing the form

Condensed question 2 regarding the retired members eligibility into 3 subsections and renumbered remaining questions

Clarified question 3 and revised question 4 to include language regarding payment of contributions

Form 6770, “Certification and Appointment of Retired Law Enforcement Officer, September 2026, is the one-page form cities and counties use to notify the KPPA of the appointment of a retired police officer.

Changes to the previous form include:

Combining previous Form 6760, “County Police or Sherriff Appointment of Retired Police Officer”, Form 6769, “Certification of Employed Police Officers Calendar Year 2015”, and Form 6770, “City Appointment of Retired Police Officer”, to streamline the reemployment process.

Changed title of form

Changed “Reemploying City” to “Reemploying Employer” in Member Information field

Employer Certification

Added language to clarify the position of the person completing the form

Replaced the requirement for notarized certification regarding pending administrative charges to a verified statement in question 3.

Added question 5 regarding the number of retired officers a City is reemploying and acknowledgement that KRS 95.022 establishes those limits

Clarified question 6 to include language regarding payment of contributions

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

Form 6751
Revised 12/2023

# Employer Certification Regarding Reemployment

| Member Information | |
|---|---|
| Reemploying Employer: | Employer Code: |
| Member Name: | Member ID: |
| Start date: | |

My name is: _____. I am the agency head, appointing authority, or authorized designee for the participating employer. I have made a personal inquiry and confirm that this participating employer: (check one)

☐ **DID NOT** have any type of prearranged agreement, whether written or verbal, with the above-named retired member to return to work in any capacity following the member's initial retirement date.

☐ **DID** have a prearranged agreement, whether written or verbal, with the above-named retired member to return to work in some capacity following the member's initial retirement date.

## Employer Acknowledgement and Certification (signature, job title, and date required)

I acknowledge that:

- If my agency reemploys a Kentucky Public Pensions Authority's retired member within twelve (12) months of the member's initial retirement date, my agency is required by law to submit the required form and any additional requested information to confirm the retired member's employment status.
- If my agency fails to certify the reemployment status of the retired member or provide any additional information requested by Kentucky Public Pensions Authority, the retired member's retirement benefits shall be voided and the retired member required to repay all retirement allowances, dependent child payments, and health plan premiums paid by Kentucky Public Pensions Authority.
- If my agency employs a retired member prior to the member's required months of break in service pursuant to KRS 61.637(17) and 78.5540, benefits shall be voided, and the retired member shall be required to repay all retirement allowances, dependent child payments, and health plan premiums paid by Kentucky Public Pensions Authority.

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.

Signature: _____ Job Title: _____ Date: _____

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

Form 6752
Revised 092026

# Employer Certification of Independent Contractor / Leased Employee

| Member Information | |
|---|---|
| Reemploying Employer: | Employer Code: |
| Member Name: | Member ID: |
| Start date: | |

Printed full name of the **agency head, appointing authority or authorized designee** of the employer participating in the Kentucky Public Pensions Authority completing this form:

**Participating Employer Inquiry (must provide a response to all questions)**

As the agency head, appointing authority or authorized designee of the employer, I have conducted an inquiry and confirm the following:

The above referenced member will be providing services as: ☐ An Independent Contractor ☐ A Leased Employee

The participating employer will issue the member an: ☐ IRS Form W2 ☐ IRS Form 1099-MISC ☐ Neither IRS Form

The participating employer previously employed the member as: ☐ An Employee ☐ Independent Contractor ☐ A Leased Employee ☐ None

| YES | NO | |
|---|---|---|
| ☐ | ☐ | A third party or staffing company is responsible for paying the member's salary or wages for services provided to the participating employer. |
| ☐ | ☐ | Both the participating employer and the member will retain the right to voluntarily terminate the work relationship without liability or penalty. |

| YES | NO | The Participating Employer: |
|---|---|---|
| ☐ | ☐ | Is responsible for FICA taxes or reimbursement of FICA taxes for the member. |
| ☐ | ☐ | Issued a Request for Proposal (RFP) to the general public soliciting the services now to be provided by the member. |
| ☐ | ☐ | Will require the member to comply with their instructions related to when, where, and how services are to be provided. |
| ☐ | ☐ | Will require the member to adhere to established work schedules and agency hours of operation. |
| ☐ | ☐ | Will provide the member with training, which may include attending meetings and working with experienced employees of the participating employer. |
| ☐ | ☐ | Will require the member to provide services on-site with access and usage of the participating employer's tools and equipment. |
| ☐ | ☐ | Will require the member to provide regular written or oral progress / completion reports related to the services provided. |
| ☐ | ☐ | Will require the member to work full-time. |
| ☐ | ☐ | Will pay the member a flat fee for all services provided. |
| ☐ | ☐ | Will pay the member a salary or hourly wage for a specified duration of time for services provided. |
| ☐ | ☐ | Will reimburse the member for any business or travel expenses incurred while performing services. |
| ☐ | ☐ | Will permit the member to provide similar services to other participating employers, business entities, or the general public at the same time the member is providing services for the participating employer. |
| ☐ | ☐ | Will allow the member to subcontract other persons on behalf of the member to provide services for the participating employer. |
| ☐ | ☐ | Will permit the member to hire and supervise employees for the participating employer in the performance of those services. |

## Participating Employer Supporting Documentation (Must select and provide at least one)

Indicate which of the following **REQUIRED** documents pertaining to the member's employment relationship with the participating employer are attached to this Form 6752: (check all applicable)

- ☐ A complete copy of the labor contract entered into between the participating employer and member.
- ☐ A complete copy of the labor contract entered into between the participating employer and a third party or staffing service related to the member's reemployment with the participating employer.
- ☐ A complete copy of the Request for Proposal (RFP) for the solicitation of services that are to be provided by the member and responses submitted.
- ☐ Other (please specify): _____

## Participating Employer Certification

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.

Signature: _____ Job Title: _____ Date: _____

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

Form 6752
Revised
09/2026[12/2023]

# Employer Certification of Independent Contractor / Leased Employee

| Member Information | |
|---|---|
| Reemploying Employer: | Employer Code: |
| Member Name: | Member ID: |
| Start date: | |

Printed full name of the **agency head, appointing authority or authorized designee** of the employer participating in the Kentucky Public Pensions Authority completing this form:

**Participating Employer Inquiry (must provide a response to all questions)**

As the agency head, appointing authority or authorized designee of the employer, I have conducted an inquiry and confirm the following:

The above referenced member will be providing services as: ☐ An Independent Contractor ☐ A Leased Employee

The participating employer will issue the member an: ☐ IRS Form W2 ☐ IRS Form 1099-MISC ☐ Neither IRS Form

The participating employer previously employed the member as: ☐ An Employee ☐ Independent Contractor ☐ A Leased Employee ☐ None

| YES | NO | |
|---|---|---|
| ☐ | ☐ | A third party or staffing company is responsible for paying the member's salary or wages for services provided to the participating employer. |
| ☐ | ☐ | Both the participating employer and the member will retain the right to voluntarily terminate the work relationship without liability or penalty. |

| YES | NO | The Participating Employer: |
|---|---|---|
| ☐ | ☐ | Is responsible for FICA taxes or reimbursement of FICA taxes for the member. |
| ☐ | ☐ | Issued a Request for Proposal (RFP) to the general public soliciting the services now to be provided by the member. |
| ☐ | ☐ | Will require the member to comply with their instructions related to when, where, and how services are to be provided. |
| ☐ | ☐ | Will require the member to adhere to established work schedules and agency hours of operation. |
| ☐ | ☐ | Will provide the member with training, which may include attending meetings and working with experienced employees of the participating employer. |
| ☐ | ☐ | Will require the member to provide services on-site with access and usage of the participating employer's tools and equipment. |
| ☐ | ☐ | Will require the member to provide regular written or oral progress / completion reports related to the services provided. |
| ☐ | ☐ | Will require the member to work full-time. |
| ☐ | ☐ | Will pay the member a flat fee for all services provided. |
| ☐ | ☐ | Will pay the member a salary or hourly wage for a specified duration of time for services provided. |
| ☐ | ☐ | Will reimburse the member for any business or travel expenses incurred while performing services. |
| ☐ | ☐ | Will permit the member to provide similar services to other participating employers, business entities, or the general public at the same time the member is providing services for the participating employer. |
| ☐ | ☐ | Will allow the member to subcontract other persons on behalf of the member to provide services for the participating employer. |
| ☐ | ☐ | Will permit the member to hire and supervise employees for the participating employer in the performance of those services. |

## Participating Employer Supporting Documentation (Must select and provide at least one)

Indicate which of the following **REQUIRED** documents pertaining to the member's employment relationship with the participating employer are attached to this Form 6752: (check all applicable)

- ☐ A complete copy of the labor contract entered into between the participating employer and member.
- ☐ A complete copy of the labor contract entered into between the participating employer and a third party or staffing service related to the member's reemployment with the participating employer.
- ☐ A complete copy of the Request for Proposal (RFP) for the solicitation of services that are to be provided by the member and responses submitted.
- ☐ Other (please specify): _____

## Participating Employer Certification

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.

Signature: _____ Job Title: _____ Date: _____

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

Form 6753
12/2023

# Employer Certification of Volunteer

| Member Information | |
|---|---|
| Reemploying Employer: | Employer Code: |
| Member Name: | Member ID: |
| Volunteer start date: | |

My name is: _____ . I am the agency head, appointing authority, or authorized designee of the employer participating in the Kentucky Public Pensions Authority, where the above referenced member will be volunteering as (please describe the job title and principal volunteer duties below and attach additional pages if needed):

_____

_____

_____

_____

## Participating Employer Inquiry

As the agency head, appointing authority or authorized designee of the participating employer, I have conducted an inquiry and confirm the following:

- The member ☐ **was** ☐ **was not** previously employed by the participating employer.
- The member ☐ **did** ☐ **did not** previously receive creditable compensation from the participating employer.
- The member ☐ **did** ☐ **did not** previously earn retirement service credit from the participating employer.
- The member ☐ **is** ☐ **is not** volunteering for the participating employer freely and without pressure or coercion.
- The member ☐ **will** ☐ **will not** receive compensation for volunteering for the participating employer.
- The member ☐ **will** ☐ **will not** receive reimbursement from the participating employer for actual expenses incurred while volunteering.
- The member ☐ **will** ☐ **will not** receive a nominal fee in the amount of $_____ for volunteer services performed for the participating employer.

## Participating Employer Certification

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 any 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, and civil payments, legal fees, and costs.

gnature: _____ Job Title: _____ Date: _____

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**Form 6754**
Revised 12/2023

# Member Reemployment Certification

| **Member Information** Please provide your Member ID or Social Security number in the Member ID box below. | |
|---|---|
| Member Name: | Member ID: |

**Pursuant to 105 KAR 1:390, any retired member who desires to reemploy as an employee, independent contractor, leased employee, or volunteer with a participating employer of Kentucky Public Pensions Authority within twelve (12) calendar months of the retired member's initial retirement date must disclose that information.**

**A retired member reemploying twelve (12) calendar months or more after the retired member's initial retirement date is not required to submit this Form.**

1. Participating employer's full name: _____

_____

2. Job title:

3. Anticipated start date (mm/dd/yyyy): _____

4. Check whether the position is:

☐ Full-time or ☐ Part-time

5. Check whether you are Medicare eligible:

☐ Yes ☐ No

6. Check the space below identifying the type of position:

☐ Employee ☐ Independent Contractor ☐ Leased Employee ☐ Volunteer

If you are an independent contractor or leased employee, you can include a copy of your work contract .

**Member Certification (signature and date required)**

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, that I (personally) may be liable for restitution of the benefits for which I was not eligible to receive, civil payments, legal fees, and costs.

Signature: _____ Date: _____

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Form 6767
Revised
09/2026 ~~03/2024~~

# Appointment of Retired Postsecondary Institution or ~~Kentucky State Police~~ School Resource Officer

**IMPORTANT NOTICE: This form is to identify a current/retired Kentucky State Police officer, CVE R Class, or Trooper R class employed by a school district in the capacity of a Kentucky State Police School Resource Officer (KSPSRO) in accordance with KRS 158.441, or a retired police officer employed by a postsecondary institution pursuant to KRS 164.952. Please attach a copy of the member's KSPSRO employment contract.**

| Member Information | | |
|---|---|---|
| Member Name: | Member ID: | |
| ~~Employer Name~~: Reemploying Employer | Employer Code: | |
| Did the Member retire as a police officer pursuant to KRS 164.950-164.980? | Yes | No |

| Appointment Information | | | |
|---|---|---|---|
| Date of the Appointment: | | | |
| Initial Appointment | Yes | No | |
| Term of Appointment (Postsecondary appointment cannot exceed one year):_____ | | | |

## Employer Certification

Pursuant to Penalty of Perjury, I certify that the following statements are true:

~~1. My name is _____ and I hold the position of _____ for the school district listed above.~~

~~2. The member identified above possesses sworn law enforcement authority and has specialized training in school-based policing and crisis response including all training required of a school resource officer.~~

~~3. The member identified above is a Kentucky State Police officer, CVE R Class, or Trooper R class, as identified in KRS 16.010, and will be employed by the school district as a KSPSRO. Any salary or wages paid to the member for services as a KSPSRO shall be excluded from creditable compensation pursuant to KRS 16.505(8)(c), 61.510(13)(c), and 78.510(13)(c).~~

~~4. The return to employment for the member identified above is consistent with KRS 61.637 and 78.5540 and, if reemploying within twelve (12) months of retirement, the member has received a response from Kentucky Public Pensions Authority authorizing this return to employment.~~

~~5. I acknowledge that Kentucky Public Pensions Authority shall administer the member's employment in the capacity of a KSPSRO upon submission of this properly completed form and a copy of the member's employment contract entered into pursuant to the KSPSRO program.~~

1. My name is (print name clearly) _____. I hold the position of _____ and I am the agency head or authorized designee of the participating employer where the member identified above will be employed.
2. The member identified above (circle one)
   a. Is a sworn law enforcement or special law enforcement officer appointed pursuant to KRS 61.902 who has specialized training to work with youth at a school site and will be employed as a school resource officer as defined by KRS 158.441.

b. Possesses sworn law enforcement authority and has specialized training in school-based policing and crisis response, including all training required of a school resource officer; is a Kentucky State Police officer (CVE or Trooper R class) pursuant to KRS 16.010; and will be employed by the school district as a KSPSRO. Any salary or wages paid for KSPSRO services shall be excluded from creditable compensation pursuant to KRS 16.505(8)(c), KRS 61.510(13)(c), and KRS 78.510(13)(c).

c. Participated in the Kentucky Law Enforcement Foundation program and I have provided a certificate of participation from the KY Department of Criminal Justice Training, retired as a commissioned officer pursuant to KRS Chapter 16, or retired as a police officer from a postsecondary institution.

3. Reemployment of the member identified above is consistent with KRS 61.637 and 78.5540 and, if reemploying within twelve (12) months of retirement, the member has received authorization from KPPA to return to employment.

4. I acknowledge that KPPA shall administer the member's reemployment pursuant to KRS 61.637 and 78.5540 including requiring this entity to pay any retirement contributions owed until the first month following submission of all proper documentation.

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, I and 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.

Signature _____ Date: _____

:

Title: _____

**KENTUCKY PUBLIC PENSIONS AUTHORITY**
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**Form 6770**
Revised 6/2026[~~12/2023~~]

# Certification and[~~City~~] Appointment of Retired Law Enforcement[~~Police~~] Officer

**~~IMPORTANT NOTICE: The appointing employer will be invoiced unless this form is fully completed, all supporting~~ documentation is submitted along with this form, and a response to a properly submitted Form 6751 has been Issued by the Kentucky Public Pensions Authority.**

## Member Information

| | |
|---|---|
| Member Name: | Member ID: |
| Reemploying Employer[~~City~~]: | Employer Code: |
| Did the member retire as a police officer as defined by KRS 70.291? 0 Yes O No | |
| Initial Appointment: 0 Yes O No | Date of the Appointment: _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ |
| Term of Appointment (cannot exceed one year) : | |

## Employer Certification

Pursuant to Penalty of Perjury, I certify that the following statements are true:

1. My name is (Print name)_____ and I am the Chief of Police/Sherriff for ~~the city of~~ (Name of City or County)_____ ,which will be employing the member identified above;

2. The member identified above participated in the Kentucky Law Enforcement Foundation program and I have provided a certification of participation from the Kentucky Department of Criminal Justice Training, which administers the program;

3. I have verified ~~confirmed~~ the member identified above retired on _____ from _____, with no administrative charges pending ~~and I have attached a notarized statement from the agency listed above certifying that there were no pending administrative chargesat the time of the member's retirement~~;

4. The return to employment for the member identified above is consistent with KRS 61.637 and 78.5540 and the member has received a response from Kentucky Public Pensions Authority approving this return to employment following the submission of Form 6751; ~~and~~

5. For City employers only: The City employed an average of ____ police officers in the previous calendar year and, including this officer, the City is currently employing ___ retired police officers pursuant to KRS 95.022. I understand that KRS 95.022 limits the number of retired officers a city may employ.

6. I acknowledge that if I fail to submit this Form prior to the beginning of the member's term of appointment that Kentucky Public Pensions Authority shall administer the member's reemployment pursuant to KRS 61.637 and 78.5540 including requiring this entity to pay any retirement contributions owed until the first month following submission of the proper documentation.

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, I and 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.

Signature: _____ Date: _____

**KENTUCKY PUBLIC PENSIONS AUTHORITY**
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Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

**Form 6770**
Revised 6/2026

# Certification and Appointment of Retired Law Enforcement Officer

**IMPORTANT NOTICE: The appointing employer will be Invoiced unless this form is fully completed, all supporting documentation is submitted along with this form, and a response to a properly submitted Form 6751 has been Issued by the Kentucky Public Pensions Authority.**

## Member Information

| | |
|---|---|
| Member Name: | Member ID: |
| Reemploying Employer: | Employer Code: |
| Did the member retire as a police officer as defined by KRS 70.291? 0 Yes O No | |
| Initial Appointment: 0 Yes O No | Date of the Appointment: _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ |
| Term of Appointment (cannot exceed one year) : | |

## Employer Certification

Pursuant to Penalty of Perjury, I certify that the following statements are true:

1. My name is (print name) _____ and I am the Chief of Police/Sherriff for (Name of City or County) _____,which will be employing the member identified above;

2. The member identified above participated in the Kentucky Law Enforcement Foundation program and I have provided a certification of participation from the Kentucky Department of Criminal Justice Training, which administers the program;

3. I have verified the member identified above retired on _____ from _____, with no administrative charges pending;

4. The return to employment for the member identified above is consistent with KRS 61.637 and 78.5540 and the member has received a response from Kentucky Public Pensions Authority approving this return to employment following the submission of Form 6751;

5. For City employers only: The City employed an average of ____ police officers in the previous calendar year and including this officer, the City is currently employing ___ retired police officers pursuant to KRS 95.022. I understand that KRS 95.022 limits the number of retired officers a city may employ; and

6. I acknowledge that if I fail to submit this Form prior to the beginning of the member's term of appointment that Kentucky Public Pensions Authority shall administer the member's reemployment pursuant to KRS 61.637 and 78.5540 including requiring this entity to pay any retirement contributions owed until the first month following submission of the proper documentation.

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, I and the employer I represent may be liable for restitution of the benefits for which the member was not eligible to receive, civil payments, legal fees, and costs.

Signature: _____ Date: _____

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**Form 6774**
9/2026[~~12/2023~~]

# ~~City~~ Recertification of Retired Law Enforcement[ ~~Police~~] Officer

**IMPORTANT NOTICE: The appointing employer will be invoiced unless this form is fully completed.**

## Member Information

| | |
|---|---|
| Member Name: | Member ID: |
| Reemploying Employer[~~City~~]: | Employer Code: |
| Was the member previously approved for reemployment pursuant to KRS 70.291 - 70.293 or 164.950 – 164.980? | 0 Yes O No |
| Term of Appointment (cannot exceed one year): Begin Date: | End Date: |

## Employer Certification

Pursuant to Penalty of Perjury, I certify that the following statements are true:

My name is _____ and I am the Chief of Police for the city of _____ and I have reappointed the member identified above for the term identified above.

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.

Signature: _____ Date: _____

Title: _____

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**Form 6774**
9/2026

# Recertification of Retired Law Enforcement Officer

**IMPORTANT NOTICE: The appointing employer will be invoiced unless this form is fully completed.**

## Member Information

| | |
|---|---|
| Member Name: | Member ID: |
| Reemploying Employer: | Employer Code: |
| Was the member previously approved for reemployment pursuant to KRS 70.291 - 70.293 or 164.950 – 164.980? | 0 Yes O No |
| Term of Appointment (cannot exceed one year): Begin Date: | End Date: |

## Employer Certification

Pursuant to Penalty of Perjury, I certify that the following statements are true:

My name is _____ and I am the Chief of Police for the city of _____ and I have reappointed the member identified above for the term identified above.

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.

Signature: _____ Date: _____

Title: _____

## IRS Tax Publications

If you are not sure whether you are an employee or an independent contractor, get Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding. Publication 15-A, Employer's Supplemental Tax Guide, provides additional information on independent contractor status.

## IRS Electronic Services

You can download and print IRS publications, forms, and other tax information materials on the Internet at www.irs.gov. You can also call the IRS at 1-800-829-3676 (1-800-TAX-FORM) to order free tax publications and forms.

Call 1-800-829-4933, the Business and Speciality Tax Line, if you have questions related to employment tax issues.

Publication 1779 (Rev. 3-2023) Catalog Number 16134L
Department of the Treasury **Internal Revenue Service**
www.irs.gov

IRS

INDEPENDENT CONTRACTOR

OR

EMPLOYEE

# Independent Contractor *or* Employee

## Who are you?

For [illegible] purposes, this is an important distinction. Worker classification affects how you pay your federal income tax, [illegible] and Medicare taxes, and how you file your tax return. Classification affects your eligibility for social security [illegible] benefits, employer provided benefits and your tax responsibilities. If you aren't sure of your work status, you [illegible] how. This brochure can help you.

The courts have considered many facts in deciding whether a worker is an independent contractor or an employee. These relevant facts fall into three main categories: behavioral control; financial control; and relationship of the parties. In each case, it is very important to consider all the facts – no single fact provides the answer. Carefully review the following definitions.

## Behavioral Control

These facts show whether there is a right to direct or control how the worker does the work. A worker is an employee when the business has the right to direct and control the worker. The business does not have to actually direct or control the way the work is done – as long as the employer has the right to direct and control the work. For example:

**Instructions** – if you receive extensive instructions on how work is to be done, this suggests that you are an employee. Instructions can cover a wide range of topics, for example:

- how, when, or where to do the work
- what tools or equipment to use
- what assistants to hire to help with the work
- where to purchase supplies and services

If you receive less extensive instructions about what should be done, but not how it should be done, you may be an independent contractor. For instance, instructions about time and place may be less important than directions on how the work is performed.

**Training** – if the business provides you with training about required procedures and methods, this indicates that the business wants the work done in a certain way, and this suggests that you may be an employee.

## Financial Control

These facts show whether there is a right to direct or control the business part of the work. For example:

**Significant Investment** – if you have a significant investment in your work, you may be an independent contractor. While there is no precise dollar test, the investment must have substance. However, a significant investment is not necessary to be an independent contractor.

**Expenses** – if you are not reimbursed for some or all business expenses, then you may be an independent contractor, especially if your unreimbursed business expenses are high.

**Opportunity for Profit or Loss** – if you can realize a profit or incur a loss, this suggests that you are in business for yourself and that you may be an independent contractor.

## Relationship of the Parties

These are facts that illustrate how the business and the worker perceive their relationship. For example:

**Employee Benefits** – if you receive benefits, such as insurance, pension, or paid leave, this is an indication that you may be an employee. If you do not receive benefits, however, you could be either an employee or an independent contractor.

**Written Contracts** – a written contract may show what both you and the business intend. This may be very significant if it is difficult, if not impossible, to determine status based on other facts.

## When You Are an Employee...

- Your employer must withhold income tax and your portion of social security and Medicare taxes. Also, your employer is responsible for paying social security, Medicare, and unemployment (FUTA) taxes on your wages. Your employer must give you a Form W-2, Wage and Tax Statement, showing the amount of taxes withheld from your pay.

## When You Are an Independent Contractor...

- The business may be required to give you Form 1099-MISC, Miscellaneous Income, to report what it has paid to you.
- You are responsible for paying your own income tax and self-employment tax (Self-Employment Contributions Act – SECA). The business does not withhold taxes from your pay. You may need to make estimated tax payments during the year to cover your tax liabilities.
- You may deduct business expenses on Schedule C of your income tax return.

# Revenue Ruling 87-41

Employment status under section 530 (d) of the Revenue Act of 1978. Guidelines are set forth for determining the employment status of a taxpayer (technical service specialist) affected by section 530 (d) of the Revenue Act of 1978, as added by section 1706 of the Tax Reform Act of 1986. The specialists are to be classified as employees under generally applicable common law standards.

**ISSUE**

In the situations described below, are the individuals employees under the common law rules for purposes of the Federal Insurance Contributions Act (FICA), the Federal Unemployment Tax Act (FUTA), and the Collection of Income Tax at Source on Wages (chapters 21, 23, and 24 respectively, subtitle C, Internal Revenue Code)? These situations illustrate the application of section 530 (d) of the Revenue Act of 1978, 1978-3 (Vol. 1) C.B. 119 (the 1978 Act), which was added by section 1706 (a) of the Tax Reform Act of 1986, 1986-3 (Vol. 1) C.B. 698 (the 1986 Act) (generally effective for services performed and remuneration paid after December 31, 1986).

**FACTS**

In each factual situation, an individual worker (Individual), pursuant to an arrangement between one person (Firm) and another person (Client), provides services for the Client as an engineer, designer, drafter, computer programmer, systems analyst, or other similarly skilled worker engaged in a similar line of work.

**Situation 1**

The Firm is engaged in the business of providing temporary technical services to its clients. The Firm maintains a roster of workers who are available to provide technical services to prospective clients. The Firm does not train the workers but determines the services that the workers are qualified to perform based on information submitted by the workers.

The Firm has entered into a contract with the Client. The contract states that the Firm is to provide the Client with workers to perform computer programming services meeting specified qualifications for a particular project. The Individual, a computer programmer, enters into a contract with the Firm to perform services as a computer programmer for the Client's project, which is expected to last less than one year. The Individual is one of several programmers provided by the Firm to the Client. The Individual has not been an employee of or performed services for the Client (or any predecessor or affiliated corporation of the Client) at any time preceding the time at which the Individual begins performing services for the Client. Also, the Individual has not been an employee of or performed services for or on behalf of the Firm at any

time preceding the time at which the Individual begins performing services for the Client. The Individual's contract with the Firm states that the Individual is an independent contractor with respect to services performed on behalf of the Firm for the Client.

The Individual and the other programmers perform the services under the Firm's contract with the Client. During the time the Individual is performing services for the Client, even though the Individual retains the right to perform services for other persons, substantially all of the Individual's working time is devoted to performing services for the Client. A significant portion of the services are performed on the Client's premises. The Individual reports to the Firm by accounting for time worked and describing the progress of the work. The Firm pays the Individual and regularly charges the Client for the services performed by the Individual. The Firm generally does not pay individuals who perform services for the Client unless the Firm provided such individuals to the Client.

The work of the Individual and other programmers is regularly reviewed by the Firm. The review is based primarily on reports by the Client about the performance of these workers. Under the contract between the Individual and the Firm, the Firm may terminate its relationship with the Individual if the review shows that he or she is failing to perform the services contracted for by the Client. Also, the Firm will replace the Individual with another worker if the Individual's services are unacceptable to the Client. In such a case, however, the Individual will nevertheless receive his or her hourly pay for the work completed.

Finally, under the contract between the Individual and the Firm, the Individual is prohibited from performing services directly for the Client and, under the contract between the Firm and the Client, the Client is prohibited from receiving services from the Individual for a period of three months following the termination of services by the Individual for the Client on behalf of the Firm.

**Situation 2**

The Firm is a technical services firm that supplies clients with technical personnel. The Client requires the services of a systems analyst to complete a project and contacts the Firm to obtain such an analyst. The Firm maintains a roster of analysts and refers such an analyst, the Individual, to the Client. The Individual is not restricted by the Client or the Firm from providing services to the general public while performing services for the Client and in fact does perform substantial services for other persons during the period the Individual is working for the Client. Neither the Firm nor the Client has priority on the services of the Individual. The Individual does not report, directly or indirectly, to the Firm after the beginning of the assignment to the Client concerning (1) hours worked by the Individual, (2) progress on the job, or (3) expenses incurred by the Individual in performing services for the Client. No reports (including reports of time worked or progress on the job) made by the Individual to the Client are provided by the Client to the Firm.

If the Individual ceases providing services for the Client prior to completion of the project or if the Individual's work product is otherwise unsatisfactory, the Client may seek damages from the Individual. However, in such circumstances, the Client may not seek damages from the Firm, and the Firm is not required to replace the Individual. The Firm may not terminate the services of the Individual while he or she is performing services for the Client and may not otherwise affect the relationship between the Client and the Individual. Neither the Individual nor the Client is

prohibited for any period after termination of the Individual's services on this job from contracting directly with the other. For referring the Individual to the Client, the Firm receives a flat fee that is fixed prior to the Individual's commencement of services for the Client and is unrelated to the number of hours and quality of work performed by the Individual. The Individual is not paid by the Firm either directly or indirectly. No payment made by the Client to the Individual reduces the amount of the fee that the Client is otherwise required to pay the Firm. The Individual is performing services that can be accomplished without the Individual's receiving direction or control as to hours, place of work, sequence, or details of work.

**Situation 3**

The Firm, a company engaged in furnishing client firms with technical personnel, is contacted by the Client, who is in need of the services of a drafter for a particular project, which is expected to last less than one year. The Firm recruits the Individual to perform the drafting services for the Client. The Individual performs substantially all of the services for the Client at the office of the Client, using materials and equipment of the Client. The services are performed under the supervision of employees of the Client. The Individual reports to the Client on a regular basis. The Individual is paid by the Firm based on the number of hours the Individual has worked for the Client, as reported to the Firm by the Client or as reported by the Individual and confirmed by the Client. The Firm has no obligation to pay the Individual if the Firm does not receive payment for the Individual's services from the Client. For recruiting the Individual for the Client, the Firm receives a flat fee that is fixed prior to the Individual's commencement of services for the Client and is unrelated to the number of hours and quality of work performed by the Individual. However, the Firm does receive a reasonable fee for performing the payroll function. The Firm may not direct the work of the Individual and has no responsibility for the work performed by the Individual. The Firm may not terminate the services of the Individual. The Client may terminate the services of the Individual without liability to either the Individual or the Firm. The Individual is permitted to work for another firm while performing services for the Client, but does in fact work for the Client on a substantially full-time basis.

**LAW AND ANALYSIS**

This ruling provides guidance concerning the factors that are used to determine whether an employment relationship exists between the Individual and the Firm for federal employment tax purposes and applies those factors to the given factual situations to determine whether the Individual is an employee of the Firm for such purposes. The ruling does not reach any conclusions concerning whether an employment relationship for federal employment tax purposes exists between the Individual and the Client in any of the factual situations.

Analysis of the preceding three fact situations requires an examination of the common law rules for determining whether the Individual is an employee with respect to either the Firm or the Client, a determination of whether the Firm or the Client qualifies for employment tax relief under section 530 (a) of the 1978 Act, and a determination of whether any such relief is denied the Firm under section 530 (d) of the 1978 Act (added by section 1706 of the 1986 Act).

An individual is an employee for federal employment tax purposes if the individual has the status of an employee under the usual common law rules applicable in determining the employer-employee relationship. Guides for determining that status are found in the following three

substantially similar sections of the Employment Tax Regulations: sections 31.3121 (d)-1 (c); 31.3306 (i)-1; and 31.3401 (c)-1.

These sections provide that generally the relationship of employer and employee exists when the person or persons for whom the services are performed have the right to control and direct the individual who performs the services, not only as to the result to be accomplished by the work but also as to the details and means by which that result is accomplished. That is, an employee is subject to the will and control of the employer not only as to what shall be done but as to how it shall be done. In this connection, it is not necessary that the employer actually direct or control the manner in which the services are performed; it is sufficient if the employer has the right to do so.

Conversely, these sections provide, in part, that individuals (such as physicians, lawyers, dentists, contractors, and subcontractors) who follow an independent trade, business, or profession, in which they offer their services to the public, generally are not employees.

Finally, if the relationship of employer and employee exists, the designation or description of the relationship by the parties as anything other than that of employer and employee is immaterial. Thus, if such a relationship exists, it is of no consequence that the employee is designated as a partner, coadventurer, agent, independent contractor, or the like.

As an aid to determining whether an individual is an employee under the common law rules, twenty factors or elements have been identified as indicating whether sufficient control is present to establish an employer-employee relationship. The twenty factors have been developed based on an examination of cases and rulings considering whether an individual is an employee. The degree of importance of each factor varies depending on the occupation and the factual context in which the services are performed. The twenty factors are designed only as guides for determining whether an individual is an employee; special scrutiny is required in applying the twenty factors to assure that formalistic aspects of an arrangement designed to achieve a particular status do not obscure the substance of the arrangement (that is, whether the person or persons for whom the services are performed exercise sufficient control over the individual for the individual to be classified as an employee). The twenty factors are described below:

1. Instructions. A worker who is required to comply with other persons' instructions about when, where, and how he or she is to work is ordinarily an employee. This control factor is present if the person or persons for whom the services are performed have the right to require compliance with instructions. See, for example, Rev. Rul. 68-598, 1968-2 C.B. 464, and Rev. Rul. 66-381, 1966-2 C.B. 449.

2. Training. Training a worker by requiring an experienced employee to work with the worker, by corresponding with the worker, by requiring the worker to attend meetings, or by using other methods, indicates that the person or persons for whom the services are performed want the services performed in a particular method or manner. See Rev. Rul. 70-630, 1970-2 C.B. 229.

3. Integration. Integration of the worker's services into the business operations generally shows that the worker is subject to direction and control. When the success or continuation of a business depends to an appreciable degree upon the performance of certain services, the workers who perform those services must necessarily be subject to a

certain amount of control by the owner of the business. See United States v. Silk, 331 U.S. 704, 91 L. Ed. 1757, 67 S. Ct. 1463, 1947-2 C.B. 167 (1947), 1947-2 C.B. 167.

4. Services Rendered Personally. If the services must be rendered personally, presumably the person or persons for whom the services are performed are interested in the methods used to accomplish the work as well as in the results. See Rev. Rul. 55-695, 1955-2 C.B. 410.

5. Hiring, Supervising, and Paying Assistants. If the person or persons for whom the services are performed hire, supervise, and pay assistants, that factor generally shows control over the workers on the job. However, if one worker hires, supervises, and pays the other assistants pursuant to a contract under which the worker agrees to provide materials and labor and under which the worker is responsible only for the attainment of a result, this factor indicates an independent contractor status. Compare Rev. Rul. 63-115, 1963-1 C.B. 178, with Rev. Rul. 55-593, 1955-2 C.B. 610.

6. Continuing Relationship. A continuing relationship between the worker and the person or persons for whom the services are performed indicates that an employer-employee relationship exists. A continuing relationship may exist where work is performed at frequently recurring although irregular intervals. See United States v. Silk.

7. Set Hours of Work. The establishment of set hours of work by the person or persons for whom the services are performed is a factor indicating control. See Rev. Rul. 73-591, 1973-2 C.B. 337.

8. Full Time Required. If the worker must devote substantially full time to the business of the person or persons for whom the services are performed, such person or persons have control over the amount of time the worker spends working and impliedly restrict the worker from doing other gainful work. An independent contractor, on the other hand, is free to work when and for whom he or she chooses. See Rev. Rul. 56-694, 1956-2 C.B. 694.

9. Doing Work on Employer's Premises. If the work is performed on the premises of the person or persons for whom the services are performed, that factor suggests control over the worker, especially if the work could be done elsewhere. Rev. Rul. 56-660, 1956-2 C.B. 693. Work done off the premises of the person or persons receiving the services, such as at the office of the worker, indicates some freedom from control. However, this fact by itself does not mean that the worker is not an employee. The importance of this factor depends on the nature of the service involved and the extent to which an employer generally would require that employees perform such services on the employer's premises. Control over the place of work is indicated when the person or persons for whom the services are performed have the right to compel the worker to travel a designated route, to canvass a territory within a certain time, or to work at specific places as required. See Rev. Rul. 56-694.

10. Order or Sequence Set. If a worker must perform services in the order or sequence set by the person or persons for whom the services are performed, that factor shows that the worker is not free to follow the worker's own pattern of work but must follow the established routines and schedules of the person or persons for whom the services are

performed. Often, because of the nature of an occupation, the person or persons for whom the services are performed do not set the order of the services or set the order infrequently. It is sufficient to show control, however, if such person or persons retain the right to do so. See Rev. Rul. 56-694.

11. Oral or Written Reports. A requirement that the worker submit regular or written reports to the person or persons for whom the services are performed indicates a degree of control. See Rev. Rul. 70-309, 1970-1 C.B. 199, and Rev. Rul. 68-248, 1968-1 C.B. 431.

12. Payment by Hour, Week, Month. Payment by the hour, week, or month generally points to an employer-employee relationship, provided that this method of payment is not just a convenient way of paying a lump sum agreed upon as the cost of a job. Payment made by the job or on a straight commission generally indicates that the worker is an independent contractor. See Rev. Rul. 74-389, 1974-2 C.B. 330.

13. Payment of Business and/or Traveling Expenses. If the person or persons for whom the services are performed ordinarily pay the worker's business and/or traveling expenses, the worker is ordinarily an employee. An employer, to be able to control expenses, generally retains the right to regulate and direct the worker's business activities. See Rev. Rul. 55-144, 1955-1 C.B. 483.

14. Furnishing of Tools and Materials. The fact that the person or persons for whom the services are performed furnish significant tools, materials, and other equipment tends to show the existence of an employer-employee relationship. See Rev. Rul. 71-524, 1971-2 C.B. 346.

15. Significant Investment. If the worker invests in facilities that are used by the worker in performing services and are not typically maintained by employees (such as the maintenance of an office rented at fair value from an unrelated party), that factor tends to indicate that the worker is an independent contractor. On the other hand, lack of investment in facilities indicates dependence on the person or persons for whom the services are performed for such facilities and, accordingly, the existence of an employer-employee relationship. See Rev. Rul. 71-524. Special scrutiny is required with respect to certain types of facilities, such as home offices.

16. Realization of Profit or Loss. A worker who can realize a profit or suffer a loss as a result of the worker's services (in addition to the profit or loss ordinarily realized by employees) is generally an independent contractor, but the worker who cannot is an employee. See Rev. Rul. 70-309. For example, if the worker is subject to a real risk of economic loss due to significant investments or a bona fide liability for expenses, such as salary payments to unrelated employees, that factor indicates that the worker is an independent contractor. The risk that a worker will not receive payment for his or her services, however, is common to both independent contractors and employees and thus does not constitute a sufficient economic risk to support treatment as an independent contractor.

17. Working for More Than One Firm at a Time. If a worker performs more than de minimis services for a multiple of unrelated persons or firms at the same time, that factor generally indicates that the worker is an independent contractor. See Rev. Rul. 70-572, 1970-2 C.B. 221. However, a worker who performs services for more than one person

may be an employee of each of the persons, especially where such persons are part of the same service arrangement.

18. Making Service Available to General Public. The fact that a worker makes his or her services available to the general public on a regular and consistent basis indicates an independent contractor relationship. See Rev. Rul. 56-660.

19. Right to Discharge. The right to discharge a worker is a factor indicating that the worker is an employee and the person possessing the right is an employer. An employer exercises control through the threat of dismissal, which causes the worker to obey the employer's instructions. An independent contractor, on the other hand, cannot be fired so long as the independent contractor produces a result that meets the contract specifications. Rev. Rul. 75-41, 1975-1 C.B. 323.

20. Right to Terminate. If the worker has the right to end his or her relationship with the person for whom the services are performed at any time he or she wishes without incurring liability, that factor indicates an employer-employee relationship. See Rev. Rul. 70-309.

Rev. Rul. 75-41 considers the employment tax status of individuals performing services for a physician's professional service corporation. The corporation is in the business of providing a variety of services to professional people and firms (subscribers), including the services of secretaries, nurses, dental hygienists, and other similarly trained personnel. The individuals who are to perform the services are recruited by the corporation, paid by the corporation, assigned to jobs, and provided with employee benefits by the corporation. Individuals who enter into contracts with the corporation agree they will not contract directly with any subscriber to which they are assigned for at least three months after cessation of their contracts with the corporation. The corporation assigns the individual to the subscriber to work on the subscriber's premises with the subscriber's equipment. Subscribers have the right to require that an individual furnished by the corporation cease providing services to them, and they have the further right to have such individual replaced by the corporation within a reasonable period of time, but the subscribers have no right to affect the contract between the individual and the corporation. The corporation retains the right to discharge the individuals at any time. Rev. Rul. 75-41 concludes that the individuals are employees of the corporation for federal employment tax purposes.

Rev. Rul. 70-309 considers the employment tax status of certain individuals who perform services as oil well pumpers for a corporation under contracts that characterize: such individuals as independent contractors. Even though the pumpers perform their services away from the headquarters of the corporation and are not given day-to-day directions and instructions, the ruling concludes that the pumpers are employees of the corporation because the pumpers perform their services pursuant to an arrangement that gives the corporation the right to exercise whatever control is necessary to assure proper performance of the services; the pumpers' services are both necessary and incident to the business conducted by the corporation; and the pumpers are not engaged in an independent enterprise in which they assume the usual business risks, but rather work in the course of the corporation's trade or business. See also Rev. Rul. 70-630, 1970-2 C.B. 229, which considers the employment tax status of salesclerks furnished by an employee service company to a retail store to perform temporary services for the store.

Section 530 (a) of the 1978 Act, as amended by section 269 (c) of the Tax Equity and Fiscal Responsibility Act of 1982, 1982-2 C.E. 462, 536, provides, for purposes of the employment taxes under subtitle C of the Code, that if a taxpayer did not treat an individual as an employee for any period, then the individual shall be deemed not to be an employee, unless the taxpayer had no reasonable basis for not treating the individual as an employee. For any period after December 31, 1978, this relief applies only if both of the following consistency rules are satisfied: (1) all federal tax returns (including information returns) required to be filed by the taxpayer with respect to the individual for the period are filed on a basis consistent with the taxpayer's treatment of the individual as not being an employee ("reporting consistency rule"), and (2) the taxpayer (and any predecessor) has not treated any individual holding a substantially similar position as an employee for purposes of the employment taxes for periods beginning after December 31, 1977 ("substantive consistency rule").

The determination of whether any individual who is treated as an employee holds a position substantially similar to the position held by an individual whom the taxpayer would otherwise be permitted to treat as other than an employee for employment tax purposes under section 530 (a) of the 1978 Act requires an examination of all the facts and circumstances, including particularly the activities and functions performed by the individuals. Differences in the positions held by the respective individuals that result from the taxpayer's treatment of one individual as an employee and the other individual as other than an employee (for example, that the former individual is a participant in the taxpayer's qualified pension plan or health plan and the latter individual is not a participant in either) are to be disregarded in determining whether the individuals hold substantially similar positions.

Section 1706 (a) of the 1986 Act added to section 530 of the 1978 Act a new subsection (d), which provides an exception with respect to the treatment of certain workers. Section 530 (d) provides that section 530 shall not apply in the case of an individual who, pursuant to an arrangement between the taxpayer and another person, provides services for such other person as an engineer, designer, drafter, computer programmer, systems analyst, or other similarly skilled worker engaged in a similar line of work. Section 530 (d) of the 1978 Act does not affect the determination of whether such workers are employees under the common law rules. Rather, it merely eliminates the employment tax relief under section 530 (a) of the 1978 Act that would otherwise be available to a taxpayer with respect to those workers who are determined to be employees of the taxpayer under the usual common law rules. Section 530 (d) applies to remuneration paid and services rendered after December 31, 1986.

The Conference Report on the 1986 Act discusses the effect of section 530 (d) as follows:

> The Senate amendment applies whether the services of [technical service workers] are provided by the firm to only one client during the year or to more than one client, and whether or not such individuals have been designated or treated by the technical services firm as independent contractors, sole proprietors, partners, or employees of a personal service corporation controlled by such individual. The effect of the provision cannot be avoided by claims that such technical service personnel are employees of personal service corporations controlled by such personnel. For example, an engineer retained by a technical services firm to provide services to a manufacturer cannot avoid the effect of this provision by organizing a corporation that he or she controls and then claiming to provide services as an employee of that corporation.

... [T]he provision does not apply with respect to individuals who are classified, under the generally applicable common law standards, as employees of a business that is a client of the technical services firm.

2 H.R. Rep. No. 99-841 (Conf. Rep.), 99th Cong., 2d Sess. II-834 to 835 (1986).

Under the facts of Situation 1, the legal relationship is between the Firm and the Individual, and the Firm retains the right of control to insure that the services are performed in a satisfactory fashion. The fact that the Client may also exercise some degree of control over the Individual does not indicate that the individual is not an employee. Therefore, in Situation 1, the Individual is an employee of the Firm under the common law rules. The facts in Situation 1 involve an arrangement among the Individual, Firm, and Client, and the services provided by the Individual are technical services. Accordingly, the Firm is denied section 530 relief under section 530 (d) of the 1978 Act (as added by section 1706 of the 1986 Act), and no relief is available with respect to any employment tax liability incurred in Situation 1. The analysis would not differ if the facts of Situation 1 were changed to state that the Individual provided the technical services through a personal service corporation owned by the Individual.

In Situation 2, the Firm does not retain any right to control the performance of the services by the Individual and, thus, no employment relationship exists between the Individual and the Firm.

In Situation 3, the Firm does not control the performance of the services of the Individual, and the Firm has no right to affect the relationship between the Client and the Individual. Consequently, no employment relationship exists between the Firm and the Individual.

**HOLDINGS**

Situation 1. The Individual is an employee of the Firm under the common law rules. Relief under section 530 of the 1978 Act is not available to the Firm because of the provisions of section 530 (d).

Situation 2. The Individual is not an employee of the Firm under the common law rules.

Situation 3. The Individual is not an employee of the Firm under the common law rules.

Because of the application of section 530 (b) of the 1978 Act, no inference should be drawn with respect to whether the Individual in Situations 2 and 3 is an employee of the Client for federal employment tax purposes.

KENTUCKY PUBLIC PENSIONS AUTHORITY
Ryan Barrow, Executive Director
1260 Louisville Road • Frankfort, Kentucky 40601
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Kentucky Public Pensions Authority

September 29, 2026

Ms. Ange Darnell, Regulations Compiler
Legislative Research Commission
702 Capitol Avenue, Room 083
Frankfort, KY 40601

RE: 105 KAR 2:420 401(h) account established under 26 U.S.C. 401(h)

Dear Ms. Darnell,

Kentucky Public Pensions Authority has reviewed 105 KAR 2:420 401(h) account established under 26 U.S.C. 401(h) in its entirety for compliance with the requirements of KRS Chapter 13A and relevant agency-related statutes.

Ths administrative regulation IS CURRENTLY IN PROCESS and has already been filed.

Sincerely,

Ryan Barrow
Executive Director
Kentucky Public Pensions Authority

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

September 29, 2026

Ms. Ange Darnell, Regulations Compiler
Legislative Research Commission
702 Capitol Avenue, Room 083
Frankfort, KY 40601

RE: 105 KAR 3:180 Death before retirement procedures

Dear Ms. Darnell,

Kentucky Public Pensions Authority has reviewed 105 KAR 1:180 Death before retirement procedures in its entirety for compliance with the requirements of KRS Chapter 13A and relevant agency-related statutes.

Ths administrative regulation shall remain in effect without amendment because it remains in compliance with KRS 61.545, 61.680, and Chapter 13A.

Sincerely,

Ryan Barrow
Executive Director
Kentucky Public Pensions Authority

KENTUCKY PUBLIC PENSIONS AUTHORITY
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Kentucky Public Pensions Authority

September 29, 2026

Ms. Ange Darnell, Regulations Compiler
Legislative Research Commission
702 Capitol Avenue, Room 083
Frankfort, KY 40601

RE: 105 KAR 3:240 Death after retirement procedures

Dear Ms. Darnell,

Kentucky Public Pensions Authority has reviewed 105 KAR 1:180 Death after retirement procedures in its entirety for compliance with the requirements of KRS Chapter 13A and relevant agency-related statutes.

Ths administrative regulation shall remain in effect without amendment because it remains in compliance with KRS 61.545, 61.680, and Chapter 13A.

Sincerely,

Ryan Barrow
Executive Director
Kentucky Public Pensions Authority