

KENTUCKY HIGHER EDUCATION ASSISTANCE AUTHORITY
Division of Student Financial Aid
(Amended at ARRS Committee)

11 KAR 12:050. Substitution of a beneficiary.

RELATES TO: KRS 164A.330(4), (5), 26 U.S.C. 529(e)(1)

STATUTORY AUTHORITY: KRS 164A.310(14), 164A.325(5), (9)

CERTIFICATION STATEMENT: This is to certify that this administration regulation complies with the requirements of 2025 RS HB 6, Section 8.

NECESSITY, FUNCTION, AND CONFORMITY: KRS 164A.325(9) authorizes the board to promulgate administrative regulations for the administration of the Kentucky Educational Savings Plan Trust. KRS 164A.330(4) and (5) establishes the statutory framework for the substitution of a beneficiary. KRS 164A.325(5) authorizes the board to promulgate, impose, and collect administrative fees and charges for trust transactions. KRS 164A.310(14) authorizes the board to promulgate administrative regulations to implement the provisions of KRS 164A.300 to KRS 164A.380 consistent with federal Internal Revenue Code regulations. This administrative regulation establishes the requirements for the substitution of a beneficiary.

Section 1. Substitution.

(1) A participant may substitute a beneficiary at any time subject to KRS 164A.330(4). If a participant desires to substitute the beneficiary, the participant shall submit a written notice to substitute beneficiary to the program administrator by mail or electronically.

(2) In order for a substitution of beneficiary to be effective, the substituted beneficiary shall be already designated as a beneficiary on another account or eligible, pursuant to 11 KAR 12:030 and 26 U.S.C. 529(e)(1), on the date that the notice to substitute beneficiary is submitted.

(011 KAR 012:050. 17 Ky.R. 3574; eff. 8-2-1991; 19 Ky.R. 438; eff. 10-1-1992; 23 Ky.R. 161; 1389; eff. 9-5-1996; 26 Ky.R. 2287; eff. 8-14-2000; 28 Ky.R. 1439; 1790; eff. 2-11-2002; Crt eff. 9-28-2018; 52 Ky.R. 185, 942; eff. 3-3-2026.)

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