

**FINANCE AND ADMINISTRATION CABINET**  
**Kentucky Public Pensions Authority**  
**(Amendment)**

**105 KAR 1:170. Membership form requirements.**

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

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

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)(c)]~~ authorizes the ~~Board of Trustees of~~ Kentucky Public Pensions Authority~~Retirement Systems~~ to promulgate all administrative regulations necessary or proper in order to carry out the provisions of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 16.530, 61.526 and 61.540 require a member of the Kentucky Employees Retirement System, County Employees Retirement System, or State Police Retirement System to file information with the Kentucky Public Pensions Authority~~Board of Trustees~~ as a condition of membership. KRS 61.542 requires a member to file a designation of beneficiary. KRS 61.625 establishes the conditions under which a member may apply for a refund. KRS 78.545 requires that designations of beneficiaries and refunds for County Employees Retirement System members be administered in the same manner as for Kentucky Employees Retirement System members. 26 U.S.C. 401(a) provides that a qualified pension plan cannot make distributions prior to normal retirement age if a separation from service has not occurred. This administrative regulation establishes the information and forms required for membership,~~and establishes~~ that the member shall not receive a refund unless the member has terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency.

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

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

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

Section 4.

(1) If an employee is participating in a hazardous position, as defined by KRS 61.592, that meets the definition of a regular full-time position under KRS 61.510(21) or 78.510(21) based solely upon their service in a hazardous position, and is simultaneously employed in a nonhazardous position with a different participating employer that would not be considered a regular full-time position based solely upon their service in the nonhazardous position, the employee may make a one (1) time irrevocable election within thirty (30) days of employment in the nonhazardous position to not participate in

the system for their employment in the nonhazardous position with that employer by filing with the agency a valid Form 2014, Rejection of Nonhazardous Part-Time Participation [~~If an employee is simultaneously eligible to participate in more than one (1) of the Kentucky Retirement Systems, the employee may elect to participate in only one (1) system and waive participation in and any rights to benefits from the employment in the other system during the period of simultaneous employment.~~].

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

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

(3) ~~[(4)]~~ If the employee makes an election pursuant to subsection 1 of this section [~~submits the completed form~~], the employer that participates in the system in which the employee rejected participation shall be notified that it shall not report creditable compensation or contributions on the employee while the member is employed by the nonhazardous employer [~~for the period of simultaneous employment~~]. If contributions were reported prior to the employee making an election [~~receipt of the form~~], the employer and employee contributions shall be refunded to the employer and employee and all service credit under that system shall be deleted from the employee's account for the period of simultaneous employment.

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

#### Section 6.

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

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

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

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

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

#### Section 7. Incorporation by Reference.

(1) The following material is incorporated by reference:

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

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

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

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

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

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

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

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

*RYAN BARROW, Executive Director*

APPROVED BY AGENCY: December 10, 2025

FILED WITH LRC: January 9, 2026 AT 10:45 a.m.

**PUBLIC HEARING AND COMMENT PERIOD:** A public hearing on this administrative regulation shall be held on Monday, March 23, 2026 at 10:00 a.m. Eastern Time at the Kentucky Public Pensions Authority (KPPA), 1270 Louisville Road, Frankfort, Kentucky 40601. Individuals interested in presenting a public comment at this hearing shall notify this agency in writing no later than five (5) workdays prior to the hearing of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through March 31, 2026 and shall receive the same consideration as verbal comments. Send written notification of intent to be heard at the public hearing, or written comments on the proposed administrative regulation, to the contact person. KPPA shall file a response with the Regulations Compiler to any public comments received, whether at the public comment hearing or in writing, via a Statement of Consideration no later than the 15th day of the month following the end of the public comment period, or upon filing a written request for extension, no later than the 15th day of the second month following the end of the public comment period.

**CONTACT PERSON:** Carole J. Catalfo, Policy Specialist, Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, Kentucky 40601, Phone (502) 696-8679, Fax (502) 696-8615, Email: [Legal.Non-Advocacy@kyret.ky.gov](mailto:Legal.Non-Advocacy@kyret.ky.gov)

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

**Contact Person:**Carole J. Catalfo

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

**(1) Provide a brief summary of:**

**(a) What this administrative regulation does:**

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

**(b) The necessity of this administrative regulation:**

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

**(c) How this administrative regulation conforms to the content of the authorizing statutes:**

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

**(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes:**

This administrative regulation assists in the effective administration of the statutes by establishing information required for membership, that members shall not receive a refund unless the member has terminated employment, when a member serving simultaneously in hazardous and nonhazardous positions may make an irrevocable election to participate only in the hazardous plan, and how to update member contact information with the agency.

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

**(a) How the amendment will change this existing administrative regulation:**

The amendment to this administrative regulation clarifies when and how an employee simultaneously employed in hazardous and nonhazardous positions with different employers may make an irrevocable choice not to participate in the nonhazardous system, clarifies how a former employee who is ineligible for retirement may request a refund of their account, clarifies how a member or a

fiduciary can update their contact information with the agency, updates and corrects statutory references, updates materials incorporated by reference, and aligns language with KRS Chapter 13A drafting requirements.

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

The amendment to this administrative regulation is necessary to clarify when and how an employee simultaneously employed in hazardous and nonhazardous positions with different employers may make an irrevocable choice not to participate in the nonhazardous system, clarifies how a former employee who is ineligible for retirement may request a refund of their account, clarifies how a member or a fiduciary can update their contact information with the agency, updates and corrects statutory references, updates materials incorporated by reference, and aligns language with KRS Chapter 13A drafting requirements. (c) How this administrative regulation conforms to the content of the authorizing statutes: KRS 61.505(1)(g) authorizes the Board of Trustees of Kentucky Public Pensions Authority to promulgate all administrative regulations necessary or proper in order to carry out the provisions of KRS 61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852. KRS 16.530, 61.526 and 61.540 require a member of the Kentucky Employees Retirement System, County Employees Retirement System, or State Police Retirement System to file information with the Kentucky Public Pensions Authority as a condition of membership. KRS 61.542 requires a member to file a designation of beneficiary. KRS 61.625 establishes the conditions under which a member may apply for a refund. 26 U.S.C. 401(a) provides that a qualified pension plan cannot make distributions prior to normal retirement age if a separation from service has not occurred.

**(c) How the amendment conforms to the content of the authorizing statutes:**

No answer provided.

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

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

**(3) Does this administrative regulation or amendment implement legislation from the previous five years?(If yes, provide the year of the legislation and either the bill number or Ky Acts chapter number being implemented.) KRS 61.505 - Amended 2024 Ky. Acts ch. 55, sec. 1, effective July 15, 2024. -- Amended 2023 Ky. Acts ch. 28, sec. 1, effective June 29, 2023. -- Amended 2022 Ky. Acts ch. 216, sec. 2, effective April 14, 2022. -- Amended 2021 Ky. Acts ch. 102, sec. 76, effective April 1, 2021. -- Created 2020 Ky. Acts ch. 79, sec. 2, effective April 1, 2021. KRS 61.526 - Amended 2021 Ky. Acts ch. 102, sec. 46, effective April 1, 2021. KRS 61.540 - Amended 2021 Ky. Acts ch. 96, sec. 2, effective June 29, 2021; and ch. 102, sec. 47, effective April 1, 2021. KRS 61.542 - Amended 2021 Ky. Acts ch. 96, sec. 3, effective June 29, 2021; and ch. 102, sec. 48, effective April 1, 2021. KRS 61.625 - Amended 2024 Ky. Acts ch. 55, sec. 11, effective July 15, 2024. KRS 78.545 - Amended 2021 Ky. Acts ch. 102, sec. 20, effective April 1, 2021.**

**(4) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation:**

This administrative regulation affects the Kentucky Public Pensions Authority and, of the approximately 433,461 participants in the Kentucky Employees Retirement System, the State Police Retirement System, and the County Employees Retirement System, those participants who may be able to elect a plan based on their simultaneous hazardous and nonhazardous positions, those who are not eligible for retirement but want a refund of their account, or those who need to update their contact information with the agency.

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

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

The regulated community will be minimally impacted because the administrative regulation is already being implemented as written. The amendments are primarily technical in nature and aligns the administrative regulation with current technology and processes.

**(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (4):**

There will be no additional costs to comply with the amendment because it is already being implemented as written. The amendment is primarily technical in nature.

**(c) As a result of compliance, what benefits will accrue to the entities identified in question (4):**

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

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

**(a) Initially:**

There will be no additional costs because the regulation is already being implemented as written.

**(b) On a continuing basis:**

There will be no additional costs because the regulation is already being implemented as written.

**(7) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation or this amendment:**

Administrative expenses of the Kentucky Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

**(8) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment:**

No, an increase in fees or funding will not be necessary.

**(9) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees:**

No, this administrative regulation does not establish any fees or directly or indirectly increase any fees.

**(10) TIERING: Is tiering applied?**

No, tiering is not applied. The processes and procedures are the same for all employees who want to select their participation in a plan based on simultaneous hazardous and nonhazardous positions with different participating employers, former employees who are ineligible for retirement but want a refund of their account, and for those who want to update their contact information with the agency.

## FISCAL IMPACT STATEMENT

**(1) Identify each state statute, federal statute, or federal regulation that requires or authorizes the action taken by the administrative regulation:**

. KRS 61.505(1)(g), 26 C.F.R. 1.401-1(b)(1)(i), 26 U.S.C. 401(a)

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

KRS 61.505(1)(g)

**(3)(a) Identify the promulgating agency and any other affected state units, parts, or divisions:**

The promulgating agency is the Kentucky Public Pensions Authority. There are no other affected state units, parts, or divisions. (b) Estimate the following for each affected state unit, part, or division identified in (3)(a):

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

**1. Expenditures:**

For the first year:None.

For subsequent years:None.

**2. Revenues:**

For the first year:None.

For subsequent years:None.

**3. Cost Savings:**

For the first year:None.

For subsequent years:None.

**(4)(a) Identify affected local entities (for example: cities, counties, fire departments, school districts):**

There are no affected local entities.

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

**1. Expenditures:**

For the first year:N/A.

For subsequent years:N/A.

**2. Revenues:**

For the first year:N/A.

For subsequent years:N/A.

**3. Cost Savings:**

For the first year:N/A.

For subsequent years:N/A.

**(5)(a) Identify any affected regulated entities not listed in (3)(a) or (4)(a):**

There are no additional regulated entities.

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

**1. Expenditures:**

**For the first year:N/A.**

**For subsequent years:N/A.**

**2. Revenues:**

**For the first year:N/A.**

**For subsequent years:N/A.**

**3. Cost Savings:**

**For the first year:N/A.**

**For subsequent years:N/A.**

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

**(a) Fiscal impact of this administrative regulation:**

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

**(b) Methodology and resources used to reach this conclusion:**

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

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

**(a) Whether this administrative regulation will have a "major economic impact", as defined by KRS 13A.010(14):**

No, this administrative regulation will not have a major economic impact as defined by KRS 13A.010(1).

**(b) The methodology and resources used to reach this conclusion:**

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

## FEDERAL MANDATE ANALYSIS COMPARISON

**(1) Federal statute or regulation constituting the federal mandate.**

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

**(2) State compliance standards.**

KRS 16.530, 61.525, 61.526, 61.540, 61.542, 61.545, 61.625, 78.540

**(3) Minimum or uniform standards contained in the federal mandate.**

26 C.F.R. 1.401-1(b)(1)(i) defines and distinguishes defined benefit pension plans from other financial retirement mechanisms, generally based on compensation and years of service and unrelated to profits of an employer. U.S.C. 401(a) provides that a qualified pension plan cannot make distributions prior to normal retirement age if a separation from service has not occurred.

**(4) Will this administrative regulation impose stricter requirements, or additional or different responsibilities or requirements, than those required by the federal mandate?**

No. This administrative regulation complies with the federal law.

**(5) Justification for the imposition of the stricter standard, or additional or different responsibilities or requirements.**

This administrative regulation does not impose a stricter standard, or additional or different responsibilities or requirements than federal law.