**FINANCE AND ADMINISTRATION CABINET**
**Public Pensions Authority**
**(New Administrative Regulation)**

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

RELATES TO: KRS 16.530, ***61.510,*** 61.525, 61.526, 61.540, 61.542, 61.545, 61.625, ***78.510,*** 78.540***, 78.545***

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 ***shall not~~[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 ***his or her~~[their]~~*** employer~~[his agency]~~ first participates shall complete a ***~~["]~~***Form 2010, ***"***Election or Rejection of Participation", designating ***his or her~~[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 ***his or her ~~[ their ]~~*** service in a hazardous position, and is simultaneously employed in a nonhazardous position with a different participating employer that ***is ~~[ would ]~~*** not ***~~[ be ]~~*** considered a regular full-time position based solely

upon ***his or her*** ***[ 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 ***his or her*** ***[ 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 ***his or her[their]***[his] service shall be prorated between the systems pursuant to ***Section 2 of*** 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 ***his or her[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 ***his or her*** ***[ 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, ***6/2026[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.

(105 KAR 001:170. 18 Ky.R. 927; 1323; eff. 11-8-1991; 19 Ky.R. 2290; eff. 6-7-1993; 25 Ky.R. 589; eff. 11-20-1998; 29 Ky.R. 762; 1247; eff. 11-12-2002; 35 Ky.R. 103; 536; eff. 10-3-2008; TAm eff. 6-28-2019; Crt eff. 6-28-2019; Crt eff. 6-12-2026; 52 Ky.R. 1377, 1797, 53 Ky.R. 201; eff. 7-8-2026.)

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