

KENTUCKY PUBLIC PENSION AUTHORITY

Retirement (Amendment)

105 KAR 5:200. Retirement procedures.

RELATES TO: KRS 16.505-16.652, 61.505, 61.510-61.705, 78.510-78.852

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

CERTIFICATION STATEMENT:

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. 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.
- (5) "Service retirement" means a retirement allowance a participant is eligible to receive as 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 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, 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 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 Web site or by filing a valid 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 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 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, 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 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 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 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 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 the courts to verify the person's date of birth.

(2) If the applicant's or beneficiary's name 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 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 spouse or other witness.
 - (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. 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:
- (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) The applicant is applying for disability retirement;
 - (d) The applicant is approved for retirement but fails to complete the requirements of Section 5 of this administrative regulation;
 - (e) 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
 - (f) 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, 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:

(1) 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) 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 4:180.

(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. The newly designated beneficiary shall be effective the date the valid 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 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 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 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;
- (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 ", June 2023;
- (e) Form 6030, "Death Benefit Designation", November 2024;
- (f) Form 6035, "Beneficiary and Payment Option Change", April 2024;
- (g) Form 6036, "Beneficiary Designation Change", April 2024;
- (h) Form 6050 "Payment Option Change Designation", April 2022;
- (i) Form 6130, "Authorization for Deposit of Retirement Payment", November 2024;
- and
- (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 Web site at <https://kyret.ky.gov>.
(105 KAR 001:200. 18 Ky.R. 931; Am. 1324; eff. 11-8-1991; 21 Ky.R. 1523; eff. 2-8-1995; 23 Ky.R. 2834; 3311; 3554; eff. 2-26-1997; 27 Ky.R. 1048; 1443; eff. 12-21-2000; 29 Ky.R. 765; 1248; eff. 11-12-2002; 31 Ky.R. 383; 700; eff. 11-5-2004; 34 Ky.R. 117; 542; eff. 10-5-2007; 35 Ky.R. 108, Am. 536; eff. 10-3-2008; 42 Ky.R. 452; eff. 11-6-2015; 46 Ky.R. 74, 879, eff. 10-4-2019; 51 Ky.R. 1864; 52 Ky.R. 169; eff. 11-4-2025; Recodified to 105 KAR 005:200; eff/ 8-5-2026.)