State of Kansas Public Employees 457(b)
Deferred Compensation Plan (KPERS 457)

Features and highlights

About KPERS 457

KPERS 457 is a governmental 457(b) deferred compensation plan. It's a retirement savings plan that allows eligible employees to supplement any existing retirement and pension benefits by saving pretax dollars through a voluntary salary contribution.

Traditional pretax or Roth after-tax contributions

You can choose to pay taxes on your contributions now, when you take money out or both. Consider the amount of taxes you might be paying in retirement.

State employees

You have the flexibility to designate all or part of your deferrals as Roth after-tax contributions.

Local employees

Check with your employer to see if the Roth option is available.

Eligibility requirements

All employees of any participating KPERS 457 employer are eligible to contribute to the 457 plan, including full-time, part-time and seasonal employees (excluding contractors).

Enrollment

You can enroll at **kpers457.org** or by phone at **800-232-0024.** You will need a Group Number and Plan Enrollment Code, which are available from your employer.

Contributions

The minimum amount you can contribute to each plan is $12 or 1% per pay period. The IRS sets annual contribution limits for 457(b) plans. You can contribute:

- Up to 99% of your salary or $23,500 in 2025, whichever is less.
- An additional $7,500 as a catch-up contribution if you are age 50 or older, or if you are age 60-63 in 2025 a higher catch-up limit of $11,250.
- If you are within three calendar years of your normal retirement age, you can contribute up to twice the regular limit — $47,000. The amount you are able to contribute for the special catch-up is based on amounts you were eligible to contribute in previous years but did not. You can't use multiple catch-up contribution types in the same calendar year.

Contribution and investment changes

Log on to the website or call the Customer Care Center to change your contributions. You can also change your investment options at any time.[1]

Rollovers

KPERS 457 allows you to roll over balances from eligible 457(b), 401(k) or 403(b) plans or from an Individual Retirement Account (IRA). Consider all your options and their features and fees before moving money between accounts.[2]

Investment options

A wide array of core investment options are available in the plan. You can find investment information at **kpers457.org**.

Want help?

We know investing, saving, and even withdrawal decisions can be confusing, so KPERS 457 has three tools you can use.

Online Advice

Online Advice, provided by Empower Advisory Group, LLC, a registered investment advisor, is designed to help you choose specific investments based on your personal goals and financial situation. This service is only available through the website.

Point-in-Time Advice

A powerful phone-based service that can help answer questions about:

- Whether you should consolidate some of your accounts.
- How to invest your contributions in KPERS 457.
- How much you should save in KPERS 457.
- Taking distributions from KPERS 457 once you've left employment.

The above two services are available at no additional cost to you.

My Total Retirement™

My Total Retirement can answer the questions you ask the most, including:

- How much should I save in KPERS 457?
- Which investments should I choose?
- Am I on track to reach my retirement goals?

Learn more, including the costs, at **kpers457.org**.

Self-directed brokerage account

A self-directed brokerage account (SDBA) is available in the plan and is intended for knowledgeable investors who understand the risks associated with the SDBA.

Withdrawals

Qualifying distribution events:

- Retirement
- Severance of employment (as defined by Internal Revenue Code provisions)
- Attainment of age 70½
- Death (your beneficiary receives your benefits)
- Unforeseeable emergency (as defined by the Internal Revenue Code or federally declared disaster)
- Birth or adoption of a child
- Transfer to purchase pension service credit

Pretax distributions are subject to income tax except for a transfer to purchase pension service credit. To receive a tax-free distribution of Roth contributions, you must have had the account for at least five years and meet certain requirements. Earnings on Roth contributions will be taxed unless withdrawals are a qualified distribution as defined by the IRS.

The 10% early withdrawal penalty that applies to 401(k) plans and IRAs generally does not apply to distributions from your KPERS 457 account.[2,3]

Keep in mind that once your employment has ended, you have many choices, including leaving your money in KPERS 457.

Plan costs

Costs for participating in KPERS 457 include:

- An annual charge of 0.10% deducted monthly for an Empower administrative cost.
- An annual charge of 0.045% deducted monthly for a KPERS administrative cost.
- An investment management cost that varies by investment option.
- Transactional costs for participation in the SDBA option.
- Beginning in 2024, most withdrawals (other than RMDs) are subject to a $50 processing cost.

Loans

If your employer offers loans, you can borrow up to $50,000 or 50% of your vested account balance, whichever is less.

- A loan must be repaid within five years (20 years if used to purchase your primary residence).
- There is a $100 origination fee for each loan.
- You may have one loan at a time.
- Loans are subject to a quarterly maintenance cost of $12.50.

Helpful resources

More information is available at **kpers457.org** or at **800-232-0024**. You can also meet with a Retirement Plan Advisor throughout the state of Kansas. If you have any questions about your KPERS 457, visit **kpers457.org** to schedule a meeting.

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1 Transaction requests received in good order after the close of the New York Stock Exchange will be processed the next business day.

2 Funds rolled into a governmental 457 plan from another type of plan or account may still be subject to the 10% early withdrawal penalty if taken before age 59½.

3 Withdrawals may be subject to ordinary income tax. The 10% federal early withdrawal penalty does not apply to deferred compensation plan withdrawals except for withdrawals attributable to rollovers from another type of plan or account.

Investing involves risk, including possible loss of principal.

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