




Leaving covered employment: State ORP

Retirement Benefits Training
Fiscal year 2024

1

Options for State ORP participants

- There are no minimum age or years of service requirements to begin receiving State ORP funds.
- Participants can request a distribution from their State ORP account either
 - At termination of all covered employment or
 - After age 59½.
- Participants may alternatively leave their funds in their State ORP account until they elect to receive them.
 - IRS requires annual minimum distributions beginning at age 73.
- Provide the [Leaving employment before retirement eligibility](#) life event checklist.

2

State ORP benefit

- Benefit is based on the participant's account balance at retirement.
 - Any fees, distributions, and investment gains or losses will affect this balance.
 - Potential federal tax penalties for distribution prior to age 59½.
- Lump sum or periodic withdrawals.
 - May purchase an annuity product with account balance.
- Participants eligible for a distribution should contact their chosen service provider for assistance with initiating a withdrawal.
- Participants who return to work for a State ORP covered employer may elect to join SCRS, State ORP or non-membership, if eligible.

3

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