



Leaving covered employment: State ORP

Retirement Benefits Training
Fiscal year 2026



Serving those who serve South Carolina

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 can 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.

South Carolina Public Employee Benefit Authority

2

State ORP benefit

- Benefit is the participant's account balance.
 - 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. Distributions will not be allowed while the participant is employed by a State ORP-covered employer unless they are age 59½ or older.

South Carolina Public Employee Benefit Authority

3

Disclaimer

This presentation does not constitute a comprehensive or binding representation of the employee benefit programs PEBA administers. The terms and conditions of the employee benefit programs PEBA administers are set out in the applicable statutes and plan documents and are subject to change. Benefits administrators and others chosen by your employer to assist you with your participation in these employee benefit programs are not agents or employees of PEBA and are not authorized to bind PEBA or make representations on behalf of PEBA. Please contact PEBA for the most current information. The language used in this presentation does not create any contractual rights or entitlements for any person.
