

OREGON ADMINISTRATIVE RULE  
PUBLIC EMPLOYEES RETIREMENT BOARD  
CHAPTER 459  
DIVISION 080 – OPSRP INDIVIDUAL ACCOUNT PROGRAM

**459-080-0250**

**IAP Account Installments**

(1) Definitions.

(a) “Anniversary date” means the first day of the calendar month of the date of distribution of the first installment payment.

(b) “Date of distribution” has the same meaning as defined in OAR 459-007-0001(7).

(c) “Estimated Life Expectancy” means the member’s life expectancy as determined by the applicable IRS mortality table.

(d) “Payout Period” means the span of years over which the member elects to receive installment payments under section (2) of this rule.

(2) Upon retirement, a member of the individual account program who elects to receive the amounts in the member’s employee and employer accounts in installments under ORS 238A.400(2) shall designate the number of years over which the installments are to be paid, selecting a period of 5, 10, 15, or 20 years, or a period equal to the member’s estimated life expectancy. The member may also request that installments be made on a monthly, quarterly, or annual basis.

(3) Account balances will be adjusted each month in accordance with OAR 459-007-0330.

(a) The amount of each 5-, 10-, 15-, or 20-year installment will be determined by dividing the member's adjusted balance by the number of remaining installment payments.

(b) The installment amount for the member's estimated life expectancy will be determined once a year by dividing the member's adjusted balance on the anniversary date by the member's remaining estimated life expectancy, which amount will then be paid monthly, quarterly, or annually.

(4) If a member requests installments under section (2) of this rule, but the amount of the requested installment would be less than \$200 as determined at the time of the initial request, the frequency and Payout Period of the installment payment will be modified so that the amount of the installment is at least \$200. If the member's account balance is \$1,000 or less at the time of the initial request, the member will not be eligible for installments and the balance will be paid in a lump sum.

(5) Notwithstanding the Payout Period selected by the member under section (2) of this rule, any distribution will be adjusted to comply with the required minimum distribution requirements of 26 U.S.C. 401(a)(9) and regulations implementing that section, as in effect on December 31, 2013.

(6) Members who elect a five year Payout Period or a lump sum payment may elect to directly roll over any portion of their IAP installment or lump sum payment to an eligible retirement plan subject to the limitations in OAR 459-005-0595.

(7) Members who elect a 10-, 15-, or 20-year, or an estimated life expectancy Payout Period cannot elect to have any portion of their installment payments rolled over.

(8) Members who are subject to the required minimum distribution requirements referenced in section (5) of this rule may only roll over that portion of their installment or lump sum payments that exceeds required minimum distribution requirements.

Stat. Auth.: ORS 238A.450

Stats. Implemented: ORS 238A.400