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**OREGON ADMINISTRATIVE RULE
PUBLIC EMPLOYEES RETIREMENT BOARD
CHAPTER 459
DIVISION 005 – ADMINISTRATION**

1 **459-005-0510**

2 **Cost-of-Living Adjustment**

3 (1) A cost-of-living adjustment (COLA) under ORS 238.360 and 238A.210 is
4 calculated on an annual basis and *[then divided by 12 to determine the adjustment to the*
5 *recipient's monthly allowance, pension, or benefit.]* may use up to three COLA
6 methods that are blended into a COLA percentage rate, as follows:

7 (a) Creditable service or retirement credit earned before May 1, 2013, will
8 receive an annual COLA based on ORS 238.360 (2011) or ORS 238A.210 (2011).

9 (b) Creditable service or retirement credit earned on or after May 1, 2013, and
10 before October 1, 2013, will receive an annual COLA based on Chapter 53, Oregon
11 Laws 2013.

12 (c) Creditable service or retirement credit earned on or after October 1, 2013,
13 will receive an annual COLA based on ORS 238.360 (2013) or ORS 238A.210
14 (2013).

15 (2) The member's prorated periods in section (1) of this rule will be multiplied
16 by the appropriate annual COLA percentage for the same periods to determine the
17 blended annual COLA percentage rate that is applied to a yearly allowance,
18 pension, or benefit. The resulting annual COLA amount is divided by 12 to
19 determine the adjustment to the monthly allowance, pension, or benefit.

20 (3) A beneficiary's annual COLA percentage rate will be based on the
21 associated member's creditable service time.

1 *[(2)](4) [Monthly]* COLA increases end when the recipient is no longer eligible to
2 receive a monthly allowance, pension, or benefit.

3 *[(3) This rule is effective on July 1, 2014.]*

4 Stat. Auth.: ORS 238.650 & 238A.450

5 Stats. Implemented: ORS 238.360, 238.575, 238A.210 [& OL 2013, Ch. 53](#)