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

1 **459-080-0250**

2 **IAP Account Installments**

3 (1) Definitions.

4 (a) "Anniversary date" means the first of the month after the date of distribution of the
5 first installment payment.

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

7 (c) "Estimated Life Expectancy" means the member's life expectancy as determined
8 by the applicable IRS mortality table.

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

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

17 (3) Account balances will be adjusted each month in accordance with OAR 459-007-
18 0330.

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

21 (b) The installment amount for the member's estimated life expectancy will be
22 determined once a year by dividing the member's adjusted balance on the anniversary date

1 by the member's remaining estimated life expectancy, which amount will then be paid
2 monthly, quarterly, or annually.
3 (4) If a member requests installments under section (2) of this rule, but the amount of
4 the requested installment would be less than $200 as determined at the time of the initial
5 request, the frequency and Payout Period of the installment payment will be modified so
6 that the amount of the installment is at least $200. If the member's account balance is
7 $1,000 or less at the time of the initial request, the member will not be eligible for
8 installments and the balance will be paid in a lump sum.
9 (5) Notwithstanding the Payout Period selected by the member under section (2) of
10 this rule, any distribution will be adjusted to comply with the required minimum
11 distribution requirements of 26 U.S.C. 401(a)(9) and regulations implementing that
12 section, as in effect *[August 29, 2003]* **on December 31, 2013**.
13 (6) Members who elect a five year Payout Period or a lump sum payment may elect to
14 directly roll over any portion of their IAP installment or lump sum payment to an eligible
15 retirement plan subject to the limitations in OAR 459-005-0595.
16 (7) Members who elect a 10-, 15-, or 20-year, or an estimated life expectancy Payout
17 Period cannot elect to have any portion of their installment payments rolled over.
18 (8) Members who are subject to the required minimum distribution requirements
19 referenced in section (5) of this rule may only roll over that portion of their installment or
20 lump sum payments that exceeds required minimum distribution requirements.
21 Stat. Auth.: ORS 238A.450
22 Stats. Implemented: ORS 238A.400