

**OREGON ADMINISTRATIVE RULE
PUBLIC EMPLOYEES RETIREMENT BOARD
CHAPTER 459
DIVISION 045 – DOMESTIC RELATIONS ORDER**

OAR 459-045-0014

Individual Account Program (IAP) Division of Benefits

(1) A final court order that provides for a division of benefits must use a method described in this rule. The PERS divorce forms provide all available benefit division options, conditions, and restrictions and may not be altered.

(a) The method must be provided *[identified]* on PERS divorce forms. Directions to PERS not included on existing forms will not be accepted as administrable.

(b) The PERS divorce forms must be attached as labeled exhibits to the court order, and incorporated by reference in the court order.

(2) Award of IAP Alternate Payee Account (Non-Retired Member). If a final court order provides an award of an alternate payee account to be established from the account balance of a member, the court order must provide:

(a) The date of annulment, separation, divorce, or property settlement. If no date is provided, PERS will use the date the judge signed the court order.

(A) The separate account will be established from the member's account balance as of December 31 of the calendar year before this date unless:

(i) A prior year is provided in the court order; or

(ii) The date is December 31.

(B) If the date in subsection (a) of this section is other than December 31, contributions made during that calendar year will not be included in the calculation of the alternate payee's award.

1 (b) That the separate account be established in an alternate payee's name.

2 (c) The method by which the award is to be calculated. One of the following methods
3 must be used:

4 (A) A percentage, expressed with up to two decimal points; or

5 (B) A dollar amount.

6 *[(d) Whether the member may change their pre-retirement beneficiary designation, if*
7 *the alternate payee was named as beneficiary.]*

8 (3) Award of IAP Alternate Payee (Retired Member). If a final court order provides an
9 award of an alternate payee account to be established from the remaining account balance
10 of a retired member receiving installment payments, to be effective on the date that PERS
11 establishes the alternate payee account, the court order must provide:

12 (a) The date of annulment, separation, divorce, or property settlement. If no date is
13 provided, PERS will use the date the judge signed the court order.

14 (b) That a separate account be established in an alternate payee's name.

15 (A) The effective date of the alternate payee account shall be as soon as
16 administratively feasible after PERS receives and approves a final court
17 order as administrable.

18 (B) The alternate payee will be notified when the account has been
19 established.

20 (C) The alternate payee account shall be distributed in a lump sum payment.

21 (D) Any installment payments paid to the member before the alternate payee
22 account is established will not be included in the award.

23 (c) The award as a percentage, expressed with up to two decimal points.

1 *[(d) Whether the member may or must change their beneficiary designation.]*
2 (4) Employee Pension Stability Accounts (EPSA) are accounts under the IAP and are not
3 independently awardable in a divorce proceeding. *[Any]* If any EPSA excess, as defined
4 in 459-005-0001, becomes payable, PERS will determine what will be paid to the
5 member, beneficiary, and/or alternate payee *[in the same proportion as the IAP division*
6 *of benefits]* based on the IAP award in the court order .
7 Stat. Auth.: ORS 238.465, 238.650, 238A.353 & 238A.450
8 Stats. Implemented: ORS 238.465
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