

OFFICE OF THE SECRETARY OF STATE

LAVONNE GRIFFIN-VALADE
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ARCHIVES DIVISION

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NOTICE OF PROPOSED RULEMAKING
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 459
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM

FILED

07/25/2024 11:55 AM
ARCHIVES DIVISION
SECRETARY OF STATE

FILING CAPTION: Establishing a reasonable time limitation for submissions of materials necessary to calculate member benefits.

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 08/23/2024 5:00 PM

The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.

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Tigard, OR 97223

Filed By:
Chris Geier
Rules Coordinator

HEARING(S)

Auxiliary aids for persons with disabilities are available upon advance request. Notify the contact listed above.

DATE: 08/20/2024

TIME: 2:00 PM - 3:00 PM

OFFICER: Chris Geier Daniel Rivas

REMOTE HEARING DETAILS

MEETING URL: [Click here to join the meeting](#)

PHONE NUMBER: 1-971-300-4342

CONFERENCE ID: 614314705

SPECIAL INSTRUCTIONS:

Meeting ID: 261 220 338 629

Passcode: SFK6bf

NEED FOR THE RULE(S)

To establish a reasonable time limitation for submissions of materials necessary to calculate member benefits.

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE

ORS 238.300, 238.305, 238.374, 238.455, 238.650, 238A.180, 238A.190, 238A.450

These documents are available on the Internet at: https://www.oregonlegislature.gov/bills_laws/Pages/ORS.aspx

STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE

Adoption of the rule will not affect racial equity.

FISCAL AND ECONOMIC IMPACT:

There are no discrete costs attributable to the rules.

COST OF COMPLIANCE:

(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).

None.

DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):

The rules do not affect small businesses and therefore small businesses were not involved in the development of the rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

A public hearing will be held and the PERS Board solicits input on rules from any interested or affected parties.

RULES PROPOSED:

459-013-0250, 459-075-0040

ADOPT: 459-013-0250

RULE SUMMARY: Under ORS 238.455, PERS is required to begin monthly benefit payments within 62 days from the date that the member's first monthly payment is due. Because PERS pays benefits in arrears, staff often refer to this requirement as a 92-day deadline to account for the month between a member's effective retirement date and benefits becoming payable. If the agency is unable to calculate a member's actual (i.e., not estimated) monthly benefit amount by the deadline, statute requires that PERS begin monthly payments in an estimated amount until the actual benefit can be established.

On occasion, PERS is unable to calculate a member's actual monthly benefit amount due to the member not providing all required information or documentation. This can be particularly concerning as Oregon Administrative Rules require PERS to receive certain documents and information, such as member and beneficiary verification of age, before the agency establishes benefits.

When required documentation supporting service retirement applications has not been received by PERS, the Intake & Review Team sends members multiple follow-up letters, and the Team One Follow-Up Team makes contact with the member via telephone. Despite these efforts, there are occasions when members do not provide the required information in time for PERS to calculate the benefit by the statutory deadline.

CHANGES TO RULE:

459-013-0250

Service Retirement Application Requirements

(1) For PERS to process a service retirement application, a person must provide the following necessary information within 85 days of the effective retirement date:¶

(a) Member's personal information:¶

(A) Date of birth, including documentary evidence pursuant to OAR 459-013-0040:¶

(B) Social Security Number:¶

(C) Current address; and¶

(D) Citizenship information.¶

(b) Retirement option; if the member elects a lump sum option, the allocation of lump sum payments must be

included.¶

(c) Notarized signature of the member and, if married, the member's spouse:¶

(d) Beneficiary personal information, if applicable. Beneficiary personal information must include the beneficiary's date of birth and documentary evidence required pursuant to OAR 459-013-0040.¶

(2) If any required information is not received within 85 days after the effective retirement date, the incomplete service retirement application will be canceled and the member must submit a new application.

Statutory/Other Authority: ORS 238.650

Statutes/Other Implemented: ORS 238.300, 238.305, 238.374, 238.455

ADOPT: 459-075-0040

RULE SUMMARY: Under ORS 238.455, PERS is required to begin monthly benefit payments within 62 days from the date that the member's first monthly payment is due. Because PERS pays benefits in arrears, staff often refer to this requirement as a 92-day deadline to account for the month between a member's effective retirement date and benefits becoming payable. If the agency is unable to calculate a member's actual (i.e., not estimated) monthly benefit amount by the deadline, statute requires that PERS begin monthly payments in an estimated amount until the actual benefit can be established.

On occasion, PERS is unable to calculate a member's actual monthly benefit amount due to the member not providing all required information or documentation. This can be particularly concerning as Oregon Administrative Rules require PERS to receive certain documents and information, such as member and beneficiary verification of age, before the agency establishes benefits.

When required documentation supporting service retirement applications has not been received by PERS, the Intake & Review Team sends members multiple follow-up letters, and the Team One Follow-Up Team makes contact with the member via telephone. Despite these efforts, there are occasions when members do not provide the required information in time for PERS to calculate the benefit by the statutory deadline.

CHANGES TO RULE:

459-075-0040

OPSRP Service Retirement Application Requirements

(1) For PERS to process a service retirement application, a person must provide the following necessary information within 85 days of the effective retirement date:¶

(a) Member's personal information:¶

(A) Date of birth, including documentary evidence pursuant to OAR 459-013-0040;¶

(B) Social Security Number;¶

(C) Current address; and¶

(D) Citizenship information.¶

(b) Retirement option; if the member elects a lump sum option, the allocation of lump sum payments must be included.¶

(c) Notarized signature of the member and, if married, the member's spouse; and¶

(d) Beneficiary personal information, if applicable. Beneficiary personal information must include the beneficiary's date of birth and documentary evidence required pursuant to OAR 459-013-0040.¶

(2) If any required information is not received within 85 days after the effective retirement date, the incomplete service retirement application will be canceled and the member must submit a new application.

Statutory/Other Authority: ORS 238A.450

Statutes/Other Implemented: ORS 238.455, 238A.180, 238A.190