

## **Employer Announcement #53**

### **Police and Fire Units Program**

The Police Officer and Firefighter (P&F) Units program was created when the mandatory P&F retirement age was 60, and was designed to provide additional retirement income for P&F retirees between ages 60 and 65, the former full retirement age under Social Security. The P&F Units program is described in Oregon Revised Statutes (ORS) 238.440 and Oregon Administrative Rule (OAR) 459-016-0100.

Participation in the P&F Units program is open only to Chapter 238 Tier One/Tier Two members actively employed as a Police Officer or Firefighter as defined in ORS 238.005. **OPSRP Pension Program P&F members are not eligible to participate in the P&F Units program.**

Chapter 238 Tier One/Tier Two members employed in P&F qualifying positions may elect to participate in the P&F Units program after they have completed their “waiting time” and established active membership. The member begins P&F Units program participation by completing the “Notice of Unit Election” form, which the employer submits to PERS. The “Notice of Unit Election” form is posted on the PERS employer website through the “Employer Forms” link or on the PERS member website through the “Forms/Publications” and “Still Working” links.

Only P&F active members who are currently employed in P&F qualifying positions may purchase units. An eligible P&F member may purchase up to a maximum of eight P&F Units. The total member cost to purchase eight P&F Units is \$4000. P&F Units may be purchased by:

- 1) An after-tax payroll deduction while the member is employed in a P&F qualifying position;
- 2) A lump-sum payment to fund the difference between an existing P&F unit account balance and \$4000, made within 60 days of retirement from a P&F qualifying position; , or
- 3) If the member is under 60 years of age, a \$4,000 lump-sum payment, made within 60 days of retirement from a P&F qualifying position.

Upon receipt of the “Notice of Unit Election” form, PERS will review the member’s eligibility for P&F Units program participation. If the member is eligible to establish a unit account, PERS will calculate the after-tax payroll deduction required to purchase the number of units chosen by the member and inform the employer by e-mail of that amount. After the employer receives the e-mail notification, the employer should begin including the deduction amount on DTL2-01/Regular Wages records. The monthly P&F unit account deduction/contribution is based on the member’s age when beginning P&F Unit program participation, and cannot exceed the amount determined by PERS.

If a Chapter 238 Tier One/Tier Two member employed in a P&F qualifying position leaves that qualifying position to serve in the Uniformed Services, the member is eligible upon re-employment to “make up” the P&F unit contributions which would have been made had the member not left for service in the Uniformed Services if:

- 1) The employer determines that absence for Uniformed Service is USERRA qualified, and
- 2) The member returns to P&F qualifying employment with the same employer.

A police officer or firefighter who is approved for a PERS Chapter 238 Tier One/Tier Two disability retirement is eligible to make a lump-sum payment to purchase the remainder of the member's P&F units. If the member has no P&F Unit account at the time of disability retirement approval, a \$4,000 lump-sum payment may be made to purchase eight P&F Units.

Unit account contributions may be made by a P&F active member until:

- 1) The unit account balance reaches \$4,000;
- 2) The member reaches age 65; or
- 3) The member separates from P&F employment.

If any of these events occur, no further contributions are permitted. Contributions made after any of these events will be returned to the employer. Any P&F Unit account value in excess of \$4,000 at the member's retirement will be returned to the member in a lump sum.

Chapter 238 Tier One/Tier Two P&F member who terminates P&F employment, either by leaving PERS-covered employment completely or by transferring to General Service employment, may no longer make unit contributions, but will retain their P&F Unit account for five years. If the member has not resumed P&F qualifying employment or reached age 50 by the end of the five-year period, the P&F Unit account will cease to accrue earnings and will be refunded to the member. The member will not be eligible to again participate in the P&F Unit program. A P&F member who voluntarily cancels his/her P&F Unit program contributions prior to fully funding the amount of units purchased also cannot again participate in the P&F Unit program.

A Chapter 238 Tier One/Tier Two member who leaves PERS-covered employment and withdraws their member accounts must also withdraw his/her P&F Unit account, if any. A member may withdraw his/her P&F Unit account without being required to withdraw his/her member accounts. A member who withdraws his/her P&F Unit account may not again participate in the P&F Unit program.

A former Chapter 238 Tier One/Tier Two member who returns to PERS-covered employment after withdrawing his/her Chapter 238 Tier One/Tier Two member accounts or entering Loss of Membership (LOM) status will return as an OPSRP Pension Program member and will be unable to participate in the P&F Units program.

If you have questions about the P&F Unit program, contact your ESC account representative or e-mail: [pers-employer.info.services@state.or.us](mailto:pers-employer.info.services@state.or.us).

**In compliance with the Americans with Disabilities Act, PERS will provide this document in an alternate format upon request. To request this, contact PERS at 888-320-7377 or TTY 503-603-7766.**