

OREGON PERS

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those who serve Oregon

EMPLOYER NEWS

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- 1 How Senate Bill 1586 can affect PERS benefits
- 2 Having trouble reporting?
- 2 Reminder for your employees: Designate a beneficiary
- 4 EDX tip: Protecting your EDX account
- 5 Social Security invoices coming soon

QUICK LINKS

- COVID-19 and paid leave
- SB 1049 programs
- PERS employer website

SUPPORT

- Employer support email
- Contact PERS



Rhododendrons

How Senate Bill 1586 can affect PERS benefits



During the 2022 legislative session, the legislature passed [Senate Bill 1586](#), which relates to unlawful employment practices. Effective January 1, 2023, the bill will allow employees involved in a settlement resulting from an unlawful employment practice (e.g., discrimination or harassment) the ability to prevent the disclosure (i.e., sharing) of any facts involved in a settlement, including the settlement amount.

Because payments made under a settlement that involves an unemployment practice can be included as subject salary in some circumstances, PERS wants members to understand how adding a nondisclosure provision in a settlement agreement can affect their PERS benefits.

Including a provision that prevents the disclosure of the facts or amount of the settlement can prevent PERS from including the payment as subject salary when calculating the member's benefit. This will prevent the employee from receiving pension benefits on that income or getting service-time credit as part of a settlement, if appropriate.

PERS recommendation

If the employee elects to include a non-disclosure clause under SB 1586, the terms of the agreement should be drafted to **allow limited disclosure of the settlement amount and facts to PERS**. This will enable PERS to consider the payment for the employee's subject salary and creditable service eligibility under [Oregon Revised Statute 238.008](#) "Computation of Salary." Sensitive information not related to the payment, or the nature of the payment can be redacted, if necessary.

Learn more

Read [Senate Bill 1586](#) Section 1 (2)(a) and (2)(B).

Having trouble reporting?

Are you falling behind in your reporting? If so — whether there's something you don't know how to do, it's taking you too long, or you keep getting suspended records — let your ESC representative help you figure it out. Failing to report on time each month or not getting all your records posted can have negative consequences:

- Your employees' PERS accounts will be **inaccurate** in their Online Member Services (OMS) account, IAP account, or on their member annual statement.
- Your employees' retirement benefits could be **delayed**.
- It will cost your organization **money** — when your records are not all submitted by year-end, you will have to pay earnings on your employees' accounts instead of the PERS Board paying those earnings.

[Contact your ESC representative for help by phone or email.](#)



Reminder for your employees: Designate a beneficiary

PERS members need to fill out or update their Designation of Beneficiary upon hire or at any life-change event (like marriage, divorce, birth, or adoption).

A Designation of Beneficiary form enables your employee to designate the person(s) they want their qualifying PERS benefits to go to if they die before retirement (within the limits outlined below). If your employee does not have a beneficiary designation recorded with PERS, PERS distributes their benefits as required by statute.

Important tip

Turn in the forms. A beneficiary designation does not go into effect until the forms are received and accepted by PERS.

Beneficiaries allowed by statute

- **Tier One/Two Tier pension.** Tier One and Tier Two members can choose a beneficiary for their pension.
- **OPSRP pension.** OPSRP members cannot choose a beneficiary for their pension. If an OPSRP member dies before retirement, PERS will pay a death benefit to their spouse or to any person who is constitutionally required to be treated in the same manner as a spouse for the purpose of retirement benefits.
- **Unmarried Individual Account Program (IAP).** Unmarried Tier One, Tier Two, and OPSRP members can leave their IAP money to anyone, such as children, parents, or a charity.
- **Married IAP.** Tier One, Tier Two, and OPSRP members are allowed to leave their IAP money to their spouse. If you want to designate someone other than your spouse, your spouse must sign a notarized consent. To revoke spousal consent, your spouse must complete and submit the [IAP: Revocation of Spousal Consent of Beneficiary Designation](#) form.

Continued



Pension beneficiary form (Tier One/Tier Two members only)

The spouses of Tier One and Tier Two members are eligible for the Optional Spouse Death Benefit under ORS 238.395(2) when they are the sole beneficiary under ORS 238.390. To ensure that their spouses are eligible for the pre-retirement death benefit option, members should submit a pre-retirement beneficiary designation.



IAP beneficiary form (all members)

All members must fill out the IAP Pre-Retirement Designation of Beneficiary form to designate a beneficiary or beneficiaries for their IAP. Fill out either the Married Applicant or Single Applicant version, print it, sign it, and then fax, mail, or drop it off to PERS.

If a member fails to designate a beneficiary, or if the person or persons designated do not survive the member, the IAP death benefit will be paid in the following order of priority: (a) the member's surviving spouse or other person who is constitutionally required to be treated in the same manner as a spouse; (b) the member's surviving children, in equal shares; or (c) the member's estate.



Oregon Savings Growth Plan (OSGP) beneficiary form

Applies only to members who participate in OSGP, a voluntary 457(b) deferred-compensation plan.

Turning in the forms

PERS members are supposed to send their beneficiary forms to PERS, but if they happen to turn them in to you, please send them to PERS by mail or fax (not email).

Mailing address

PERS
P.O. Box 23700
Tigard, OR 97281-3700

Fax number

503-598-0561

EDX tip: Protecting your EDX account



Your agency’s web administrator serves a vital role that goes beyond unlocking accounts and resetting passwords. The web administrator is responsible for protecting the security of your EDX account and access to the personnel data in that account.

When that role changes hands, the new web administrator takes the following steps to ensure protected access to the account:

1. Fills out the [Web Administrator Agreement form](#).
2. Prints the form and acquires two signatures:
 - Their own, indicating their agreement to take on the responsibilities of the role.
 - The reporting official, who must be the head of the agency or someone who makes financial decisions for the agency.
3. Submits the form to the PERS Employer Service Center in one of the following ways:

Fax	503-598-0561
Scan and email	PERS.EDX.Support@pers.oregon.gov
Mail	PO Box 23700 Tigard, OR 97281-3700
Drop off at PERS	11410 SW 68th Parkway Tigard, Oregon 97223 Office hours: Monday–Friday, 8 a.m.–5 p.m. Directions to the Tigard office

An Employer Service Center representative will ensure you filled out the form correctly and had it signed by someone with financial authority at your agency. They will then send you a web admin user ID and temporary password.

About the web administrator role



Every PERS-participating agency must have a web administrator. The person in this role:

- Controls the employer’s EDX account.
- Updates the contacts on the Employer Contacts screen. Only the people listed as employer contacts may discuss the agency’s account with PERS.
- Controls the payroll reporter accounts (up to 15 employer reporting accounts).
- Activates, deactivates, and resets employer account passwords.
- Unlocks accounts.

Social Security invoices coming soon



Annual Social Security invoices are being posted to employer statements in June. The invoice description is “Social Security” and is \$15 or more. The amount is included in your statement balance, which is paid via the ACH program. Please do not pay separately.

Between mid-June and early July, PERS will send a detailed Social Security invoice for your records.

About the Social Security administrative fee

Per Oregon Revised Statute (ORS) 237.500, Oregon public agencies must pay a fee to help cover some of the costs of administering Social Security coverage to [Section 218 employers](#). The contributions (charged on a pro-rated basis to each agency) are deposited into the state’s Social Security Revolving Account and used by the Public Employees Retirement Board to administer Social Security coverage.

Questions

If you have a question, [email the PERS Social Security administrator](#).

Learn more

Oregon PERS [Chapter 459 Division 20](#), “Old-Age and Survivors Insurance.”

PERS Employers website, Employer Invoicing, [Special Charges](#), “Social Security administrative fee.”