

PERS Tier One/Tier Two Alternate Payee Divorce Award of Reduction Payment Method (Retired)

Section A: Retiree and alternate payee (AP) information (Type or print clearly in dark ink.)

Retiree name	PERS ID (optional)
AP name	Reduction - Each party pays their own taxes on benefits received.

Section B: AP award—reduction from retiree's benefit

1. Award to AP from retiree's gross monthly benefit. (Choose one.)
☐ Percentage _____ % **or** ☐ Monthly dollar amount \$ _____.
2. Limitations, (Only complete if applicable.)
☐ The award is in effect for a specific time and will end _____ **or**
☐ The award is not to exceed \$ _____ **or** _____ (mm/dd/yyyy)
☐ The award is a one-time, \$1 award to satisfy the survivorship beneficiary change award requirement.
3. Award to AP from retiree's gross remaining lump sum installments (if any) as a percent or dollar amount for each remaining installment: _____.

Section C: Retiree beneficiary and option restrictions

4. If the retiree elected a nonsurvivorship option (Refund Annuity, 15 year Certain, or Lump-sum installments), the retiree:
☐ has no beneficiary restrictions. The retiree can change their beneficiary without the AP's consent.
☐ designates the AP as sole beneficiary.
☐ designates the AP to receive _____ % of nonsurvivorship option death benefits. The retiree can name a secondary beneficiary to receive death benefits not designated to the AP. Until the retiree names a secondary beneficiary, the:
☐ AP is the sole beneficiary **or** ☐ Retiree's secondary beneficiary determined per ORS 238.390.
5. If the retiree elected a survivorship option (2, 2A, L2, L2A, 3, 3A, L3, L3A), is the retiree allowed to make a one-time beneficiary change due to divorce?
☐ Yes (The retiree is not allowed to change beneficiary unless this box is checked)
☐ No
 If neither box is checked, the member will not be allowed to change beneficiary.

- a. If yes, to initiate the beneficiary change, the retiree must submit the *Divorce: Post-Retirement Survivorship Beneficiary Change* form and a copy of the new beneficiary's age verification. The AP will remain the sole beneficiary until PERS receives a valid beneficiary change request.

Per Oregon Revised Statute (ORS) 238.465(2)(d), PERS can only change a survivor beneficiary after retirement due to divorce if the current beneficiary is the former spouse and the former spouse has been awarded an interest in the member's retirement benefits.

The retiree's monthly benefit amount may increase or decrease depending on the age of the new beneficiary. Changing to a beneficiary younger than the current beneficiary can significantly reduce the member's benefit. Requesting an estimate prior to requesting to change the survivor beneficiary is advisable. A survivor beneficiary change is a one-time irreversible change.

The change will be effective the first of the month after the month in which PERS receives a valid request to change the beneficiary, and it will be payable the first of the month following the effective date.

- b. If no, the retiree is not allowed to change their survivorship option (2, 2A, L2, L2A, 3, 3A, L3, L3A) beneficiary, the AP remains sole beneficiary, unless a lesser percent is provided below:
☐ the AP is designated to receive _____ % of the survivorship death benefits and the retiree can name a secondary beneficiary to receive death benefits not designated to the AP. A secondary beneficiary will receive benefits for the life of the AP. Until the retiree names a secondary beneficiary, the:
☐ AP is the sole beneficiary **or** ☐ Retiree's secondary beneficiary determined per ORS 238.390

6. If the retiree elected option 2A, 3A, L2A, L3A, is the retiree **restricted** from “popping up” to Option 1?

☐ Yes (**The retiree is allowed to pop up unless this box is checked.**)

If the retiree is restricted from popping up or the retiree does not request a pop up due to divorce, the AP will remain the beneficiary except for any provision provided in (5) above. A legal separation does not qualify and is automatically restricted from pop up regardless of whether the “Yes” box is left unchecked.

7. If the retiree retired under **Police and Firefighter eligibility** and has a surviving spouse or minor children at the time of the retiree’s death, the additional death benefit provided for survivors of certain P&F members under ORS 238.405 will be paid solely to the retiree’s surviving spouse or minor children, unless a percentage is provided here:

The AP is designated to receive _____ % of the ORS 238.405 benefit for the life of the retiree’s surviving spouse or until the retiree’s minor children reach the age of 18.

If a percentage is provided above and the AP dies prior to the retiree’s surviving spouse’s death or minor children turning 18, the benefit will continue to the AP’s beneficiary unless the box below is checked:

☐ Upon AP’s death, this benefit reverts to retiree’s surviving spouse or minor children.

Section D: Death of the retiree or AP

If the retiree dies before the AP and the AP is a beneficiary:

The AP will receive a beneficiary benefit based on the retirement option selected by the member at retirement or as modified per the parameters set forth in Section C above and the AP’s divorce benefit will end.

If the retiree dies before the AP and the AP is not a beneficiary*:

☐ The AP’s divorce benefit ends. The retiree’s beneficiary will receive 100% of the death benefits.

or

☐ The AP’s divorce benefit continues as a Reduction of the pension beneficiary’s benefit. If Section B provides a monthly dollar amount, the same dollar amount is paid to the AP from the beneficiary’s monthly benefit. A monthly dollar amount will be converted to a percentage of monthly benefit to apply to any lump sum death benefits and be paid to the AP as a reduction from the beneficiary’s benefit. If Section B provides a percentage, the same percentage previously applied to the member’s benefit will now be applied to the beneficiary’s monthly or lump sum death benefits and paid to the AP as a reduction. **When the AP dies*:**

☐ The AP’s divorce benefit ends. The retiree’s beneficiary will receive 100% of the death benefits (if any).

or

☐ The AP’s divorce benefit continues as a Reduction from the pension beneficiary’s gross benefits (if any) and is to be paid according to the last Designation of Beneficiary form filed by the AP, if valid. If the AP doesn’t have a valid Designation of Beneficiary form on file, or the beneficiary predeceases the AP, the benefit will be paid in the following order: AP’s surviving spouse, AP’s surviving children, AP’s estate.

If the AP dies before the retiree*:

☐ The AP’s divorce benefit ends. The retiree will receive 100% of PERS benefits.

or

☐ The AP’s divorce benefit continues as a Reduction from the retiree’s benefit and is to be paid according to the last Designation of Beneficiary form filed by the AP, if valid. If the AP doesn’t have a valid designation of beneficiary form on file, or the beneficiary predeceases the AP the benefit will be paid in the following order: AP’s surviving spouse, AP’s surviving children, AP’s estate. **When the retiree dies*:**

☐ The AP’s divorce benefit ends. The retiree’s beneficiary will receive 100% of the death benefits (if any).

or

☐ The AP’s divorce benefit being paid to the AP’s beneficiary or estate continues as a Reduction from the pension beneficiary’s gross monthly benefit or any one-time death benefit payment.

*The AP’s divorce benefit will continue unless a selection to end benefit is made.

Additional information

Retirees and APs must track awards that have an end date or limitation. They must notify PERS 60 days before the award end date or dollar limitation.

If the retiree elected a survivorship option, all benefits end upon the death of the retiree and primary beneficiary. Cost-of-living adjustments, or any other retirement allowance increases provided to the member, shall increase the amount paid to the AP of the member in the same proportion with the exception of monthly dollar amount awards. A monthly dollar amount award is set and does not receive increases.

EXHIBIT _____