

Disclaimer

The State Employees' Retirement System (SERS) provides this document for educational and informational purposes. Information in this document is general in nature, does not cover all factual circumstances and is not a complete statement of the law or administrative rules. The statements in this document are not binding; and in any conflict between the statements in this document and applicable law or administrative rules, the law and administrative rules will prevail.

Members' retirement-related information may be subject to disclosure under Pennsylvania's Right-to-Know Law.

General information

This pamphlet provides general information on the impact of divorce and divorce-related court orders on SERS members' annuity payments. SERS strongly recommends that members who are involved in a divorce or divorce-related action seek the advice of an attorney.

If you have questions about **attaching your retirement account by a domestic relations order (DRO)** for equitable distribution or support, contact your Regional Retirement Counseling Center by calling, toll-free, 1-800-633-5461 or by visiting the SERS web site at www.sers.state.pa.us to obtain additional information and download a model Domestic Relations Order.

Attorneys for members and alternate payees may contact the SERS Legal Office, Dept. DRO, P.O. Box 1147, Harrisburg, PA 17108-1147 to obtain detailed information on SERS' requirements for DROs.

Retirement benefits as property

Retirement benefits earned by SERS members during marriage are marital property. By law, some or all of a member's retirement benefit may become payable to the member's spouse, former spouse or child under a DRO for equitable distribution or support.

DROs referred to in this pamphlet affect the distribution of retirement benefits of SERS members after they retire, die or otherwise terminate State service. Payments may be made in accordance with a DRO only after one of those three events occurs.

Legal requirements

Under Pennsylvania law, SERS honors DROs attaching members' retirement annuities for the equitable distribution of marital assets.

SERS is not subject to the Retirement Equity Act of 1984, the federal law that prescribes the form and content of DROs for private, non-governmental pension plans. The State Employees' Retirement Code (71 Pa. C.S. Sections 5101 through 5956) specifies the requirements for approvable DROs affecting "the marital property rights of the spouse or former spouse of a member." The Retirement Code sets limits on the types of orders SERS may honor, mandating that such orders meet certain requirements to be certified as approved DROs and providing a process for amending approved DROs. SERS cannot comply with DROs that conflict with the Retirement Code.

Release of information about a member's account

The value of a SERS member's account at the time of retirement is based upon the member's class of service, age, years of credited service and final average salary. A "Statement of Member's Account" is issued to each active SERS member early each calendar year. The statement gives an estimated value of the retirement account as of the end of the prior year.

SERS also reports retirement benefits information to members and their representatives upon receipt of an appropriate request and written authorization, if applicable. Upon written request, SERS will provide a member with a benefit estimate to assist the member in determining the value of his or her retirement account. SERS will provide the same information to any individual the member authorizes to receive his or her SERS account information. All requests for information about a member's retirement account must be made in writing by the member or with the member's written authorization.

Information also will be provided in response to an appropriate court order, subpoena or Right-to-Know Law request.

Guidelines for a SERS-approved domestic relations order for equitable distribution

Guidelines for filing an approvable DRO for equitable distribution may be obtained from any Regional Retirement Counseling Center, the SERS Legal Office or by visiting the SERS web site at www.sers.state.pa.us and downloading a copy of SERS' model DRO. Prior to submitting the DRO to the court, attorneys for members and/or alternate payees are encouraged to contact the SERS Legal Office with specific questions regarding the Retirement Code's requirements and to submit a draft DRO to the SERS Legal Office for review.

An approvable DRO for equitable distribution must specify what portion and in what form SERS will pay a member's retirement benefit to an alternate payee (usually a former spouse) following a divorce. These orders are not effective until approved by SERS. No money can be paid to an alternate payee until the member is receiving retirement benefits or has died.

In the absence of an appropriate court order, a SERS member may take any action permitted by the Retirement Code, including a change of

beneficiary without any notice to or consent from anyone, including a spouse.

Guidelines for court-ordered support

Pennsylvania law provides for the attachment of SERS members' retirement benefits to satisfy spousal and child support orders. A court's official "Order/Notice to Withhold Income for Support" must be specifically directed to SERS. It must contain the member's name and Social Security number, the amount of attachment, the judge's signature and the date.

Copies of support orders pertaining to SERS annuity payments should be sent to the SERS Benefits Determination Division, 30 North Third Street, P.O. Box 1147, Harrisburg, PA 17108-1147.

Payments may be made in accordance with the support order only after the member retires or terminates State service.

Support attachments cannot exceed 50 percent of a member's gross annuity unless support arrears exceed 12 weeks at the time the order is entered. SERS will deduct 2 percent of the attachment from the balance of the member's annuity to cover the cost of administration.

Pennsylvania court-ordered support payments will be sent directly to the State Collections and Disbursements Unit (SCDU). Orders for child support must list the Pennsylvania Automated Child Support Enforcement System (PACSES) case number under which payments are being made. Support payments made pursuant to orders from any other state will be sent to the appropriate County Domestic Relations Office or Family Court Division and must list the appropriate court number.

SERS will stop support payments only if a member returns to State employment, if disability benefits are discontinued, if the member dies or if the court dissolves the attachment. To terminate or

amend an attachment, a subsequent support court order must be filed with SERS.

More information

For more information about domestic relations orders and support orders visit the SERS web site at www.sers.state.pa.us. **Members may also contact their Regional Retirement Counseling Center by calling toll-free 1-800-633-5461 for additional information and individual retirement estimates.**

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State Employees' Retirement System**

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