



# *Retiree Payroll Deduction Policy*

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## I. Purpose

The purpose of the Retiree Payroll Deduction Policy (Policy) provides guidance in the administration of pension benefits by listing approved benefit deductions and prohibiting the assignment of benefits for any purpose other than those authorized by statute.

## II. Assumptions

- A. The role of the Board is to administer the pension plan in accordance with the provisions of the County Employees Retirement Law of 1937, to protect the assets of the Plan and the interests of the plan beneficiaries, and to prudently manage the critical risks facing the Association.
- B. Assignment of an ACERA member's retirement benefits is only appropriate permitted for purposes enumerated under Government Code sections 31452 and 31452.5.

## III. Policy Guidelines

- A. Retirement benefits are not assignable, except as permitted in 1) Government Code section 31452 for family law related orders, permitted by section 704.110 of the Code of Civil Procedure; 2) as permitted in Government Code section 31452.5 for specific deductions approved by the Board of Retirement and 3) as permitted by federal law for Internal Revenue Service (IRS) levies.
- B. Pursuant to Government Code section 31452.5 the Board of Retirement has approved the following list of retiree benefit deductions, with retiree revocable written authorization, and will not honor any other requests for benefit assignments:
  - 1. IRS Levy
  - 2. Premiums on any policy or certificate of group life insurance or group disability insurance.

3. Premiums for Board approved medical, dental, and vision insurance premiums.
4. Payment of personal Income Taxes to the United States or the State of California.
5. Premiums for a prepaid group medical or hospital service plan.
6. Child, Spousal, and Family Support Withholding Orders
7. Payment of purchase of shares in or the payment of money to regularly chartered credit unions.
8. Payment to a recognized retiree organization. (Gov. Code §31471.5.)
9. Payment for any retiree benefit program available through the recognized retiree organization.
10. PERS Long Term Care

ACERA shall pay the entity named and the amount stated in the retiree's authorization.

- C. The Board of Retirement will not permit assignment of retiree benefits for any other reason. This policy against assignment of benefits includes monthly benefit warrants and lump-sum payments of benefits, including retroactive benefits awarded during the disability application process.
- D. The Board may charge the member a reasonable fee for the making of deductions and payments.

#### IV. Policy Review

The Governance Committee shall review this policy at least every three (3) years to ensure it remains relevant and appropriate.

#### V. Policy History

- A. The Board adopted this policy on August 16, 2007<sup>1</sup>.

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<sup>1</sup> This Policy was updated on August 20, 2009 (with revisions); December 15, 2011 (without revisions); December 20, 2012 (with revisions); December 18, 2014 (with revisions); September 15, 2006 (with revisions); December 20, 2018 (with revisions).

- B. The Board reviewed and updated this policy, with revisions, on September 20, 2018.