

IDAPA 59 – PUBLIC EMPLOYEE RETIREMENT SYSTEM OF IDAHO (PERSI)

Chapter 20 –Title 1, Idaho Code

59.02.01 – Rules for the Judges' Retirement Fund

Who does this rule apply to?

The following stakeholders in the judges' retirement system:

- Supreme court justices
- Court of appeals judges
- District judges

What is the purpose of this rule?

JRF rules are established for the efficient and effective administration of the JRF plan as established by the legislature in Chapter 20, Title 1, Idaho Code.

What is the legal authority for the agency to promulgate this rule?

This rule implements the following statute passed by the Idaho Legislature:

Courts and Court Officials -

Judges' Retirement and Compensation:

- [Section 1-2012, Idaho Code](#) – Rules and Administrative Policies.

Who do I contact for more information on this rule?

PERSI

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59.02.01 – RULES FOR THE JUDGES’ RETIREMENT FUND

SUBCHAPTER A – GENERAL PROVISIONS

Rules 001 through 099

000. LEGAL AUTHORITY (RULE 0).

Section 1-2012, Idaho Code.

(7-1-24)

001. TITLE AND SCOPE (RULE 1).

01. Title. The title of this chapter is IDAPA 59.02.01, “Rules for the Judges’ Retirement Fund.”

(7-1-24)

02. Scope. This chapter relates to retirement under the Judges’ Retirement Fund.

(7-1-24)

002. ADMINISTRATIVE APPEAL (RULE 2).

Administrative appeals are conducted pursuant to IDAPA 59.01.01.

(7-1-24)

003. -- 009. (RESERVED)

010. DEFINITIONS (RULE 10).

The following definitions apply to this chapter:

(7-1-24)

01. Accrued Benefit. The actuarial value of the retirement benefit to which the Member is entitled under the Judges’ Retirement Fund upon attainment of Normal Retirement Age.

(7-1-24)

02. Active Member. Each justice or judge who participates in the Judges’ Retirement Fund as provided by Idaho Code.

(7-1-24)

03. Administrator. The Board.

(7-1-24)

04. Beneficiary. The designated person (or, if none, the Member's estate) who is entitled to receive benefits under the Plan after the death of a Member.

(7-1-24)

05. Board. The retirement board established in Section 59-1304, Idaho Code.

(7-1-24)

06. Code. The Internal Revenue Code of 1986, as now in effect or as hereafter amended. All citations to Sections of the Code are to such Sections as they may from time to time be amended or renumbered.

(7-1-24)

07. Compensation. All cash compensation for services to the Employer, including salary, wages, fees, commissions, bonuses, and overtime pay, that is includible in the Member's gross income for the calendar year, plus amounts that would be cash compensation for services to the Employer includible in the Member's gross income for the calendar year but for a compensation reduction election under Sections 125, 132(f), 401(k), 403(b), or 457(b) of the Code.

(7-1-24)

08. Contingent Annuitant. The person designated by a Member under certain retirement options to receive payments upon the death of the Member. The person so designated must be born and living on the effective date of retirement.

(7-1-24)

09. Designated Beneficiary. The individual who is designated as the beneficiary under the Plan and is the designated beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4, Q&A-4, of the Treasury regulations.

(7-1-24)

10. Employer. The State of Idaho Judicial Branch.

(7-1-24)

11. Inactive Member. A former active member who is not receiving a retirement allowance or has not received a refund of contributions.

(7-1-24)

12. Judges’ Retirement Fund. The Judges’ Retirement Fund established under Title 1, Chapter 20, Idaho Code, and rules applicable to the Judges’ Retirement Fund. The Judges’ Retirement Fund is intended to satisfy Code Section 401(a) as applicable to governmental plans described in Code Section 414(d). It is maintained for the exclusive benefit of Members and their beneficiaries.

(7-1-24)

13. **Member.** An active member, inactive member, or a retired member. (7-1-24)
14. **Plan.** The plan of benefits under the Judges' Retirement Fund. (7-1-24)
15. **Required Beginning Date.** The date specified in Rule 100 of these rules. (7-1-24)
16. **Retired Member.** A former active member receiving retirement compensation. (7-1-24)
17. **Service Credit.** Being shown on Employer's payroll as an Active Member receiving a salary. For each calendar month, service is credited only when the Active Member is employed for fifteen (15) days or more during the calendar month. (7-1-24)
18. **Severance from Employment.** The date that the Member dies, retires, or otherwise has a separation from employment with the Employer, as determined by the Administrator (and taking into account guidance issued under the Code). (7-1-24)
011. -- 099. (RESERVED)

SUBCHAPTER B – DISTRIBUTIONS
Rules 100 through 250

100. REQUIRED MINIMUM DISTRIBUTIONS (RULE 100).

01. **Default Application of Federal Requirements.** With respect to distributions under the Judges' Retirement Fund, and except as provided in Subsection 100.06, the Judges' Retirement Fund will apply the minimum distribution requirements of Section 401(a)(9) of the Internal Revenue Code (Code) in accordance with a good faith interpretation of Section 401(a)(9), notwithstanding any provision of the Judges' Retirement Fund to the contrary. (7-1-24)
02. **Required Beginning Date.** Except as otherwise provided in Subsections 100.03 through 100.06, distributions under the Judges' Retirement Fund shall begin not later than April 1 following the later of: (7-1-24)
- a. The commencement year, which is defined as the year in which a member reaches the applicable age, as defined in Internal Revenue Code Section 401(a) as now in effect and thereafter amended. (7-1-24)
- b. The year in which they retire. (7-1-24)
03. **PERSI Selects Retirement Option.** Any member required to take minimum distributions, as required in this Section 100 and fails to complete and submit an approved retirement application and select either a regular or optional retirement allowance by April 1 following the later of the commencement year or the year the member separates from employment, the member shall be deemed to have made the following selection. (7-1-24)
- a. If single, a regular retirement allowance and no other selection shall be required or permitted. (7-1-24)
- b. If married, a one hundred percent (100%) spousal option and no other selection shall be required or permitted unless proof is provided that the spouse has no community property interest in the benefit. (7-1-24)
04. **Lifetime Distributions.** Distribution shall be made over the life of the Member or the lives of the Member and their contingent annuitant. (7-1-24)
05. **Timing of Required Distributions.** A required distribution shall be deemed to have been made during the Commencement Year if actually made by the following April 1, but such delayed distribution shall not change the amount of such distribution, and the distribution otherwise required during the subsequent calendar year shall be calculated as if the first distribution had been made on the last day of the Commencement Year. (7-1-24)

06. Death Benefits. All death benefits payable in a lump sum will be distributed as soon as administratively practicable after request, but must in any event be distributed within fifteen (15) months of the member's death, unless the identity of the beneficiary is not ascertainable. (7-1-24)

101. MAXIMUM LIMITATIONS ON BENEFITS (RULE 101).

Beginning effective January 1, 2002, the "defined benefit dollar limitation" is one hundred sixty thousand dollars (\$160,000), as adjusted, effective January 1 of each year thereafter, under Section 415(d) of the Internal Revenue Code (Code) in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. A limitation as adjusted under Section 415(d) will apply to limitation years ending with or within the calendar year for which the adjustment applies. The "maximum permissible benefit" is the defined benefit dollar limitation (adjusted where required, as provided in Subsection 101.01 and, if applicable, in Subsections 101.02 through 101.04). (7-1-24)

01. Less Than Ten Years of Service. If the Member has fewer than ten (10) years of participation in the Judges' Retirement Fund, the defined benefit dollar limitation shall be multiplied by a fraction: (7-1-24)

a. The numerator of which is the number of years (or part thereof) of participation in the Judges' Retirement Fund; and (7-1-24)

b. The denominator of which is ten (10). (7-1-24)

02. Benefit Begins Prior to Age Sixty-Two. If the benefit of a Member begins prior to age sixty-two (62), the defined benefit dollar limitation applicable to the Member at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the actuarial equivalent of the defined benefit dollar limitation applicable to the Member at age sixty-two (62) (adjusted under Rule 101.01, if required). The defined benefit dollar limitation applicable at an age prior to age sixty-two (62) is determined as set forth in IRS regulation under Section 415(b)(2) of the Code. (7-1-24)

03. Benefit Begins at Age Sixty-Five. If the benefit of a Member begins after the Member attains age sixty-five (65), the defined benefit dollar limitation applicable to the Member at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is actuarially equivalent to the defined benefit dollar limitation applicable to the Member at age sixty-five (65) (adjusted under Rule 101.01, if required.) The actuarial equivalent of the defined benefit dollar limitation applicable at an age after age sixty-five (65) is determined as set forth in IRS regulation under Section 415(b)(2) of the Code. (7-1-24)

04. Transition. Benefit increases resulting from the increase in the limitations of Section 415(b) of the Code shall be provided to all current and former Members (with benefits limited by Section 415(b)) who have an accrued benefit under the Judges' Retirement Fund immediately prior to the effective date of this Rule (other than an accrued benefit resulting from a benefit increase solely as a result of the increases in limitations under Section 415(b).) (7-1-24)

05. Aggregation. If any member participates in two (2) or more qualified defined benefit plans maintained by the employer (or a predecessor employer), the combined benefits from all such plans may not exceed the "maximum permissible benefit" described in this Rule 101. (7-1-24)

102. ROLLOVER DISTRIBUTIONS (RULE 102).

01. Direct Rollovers. A Member of the Judges' Retirement Fund or a beneficiary of a Member (including a Member's former spouse who is the alternate payee under an approved domestic relations order) who is entitled to an eligible rollover distribution may elect, at the time and in the manner prescribed by the Administrator, to have all or any portion of the distribution paid directly to an eligible retirement plan specified by the Member in a direct rollover. (7-1-24)

02. Eligible Rollover Distribution Defined. For purposes of this Rule, an eligible rollover distribution means any distribution of all or any portion of a Member's account balance, except that an eligible rollover distribution does not include (a) any installment payment for a period of ten (10) years or more, (b) any distribution made as a result of an unforeseeable emergency, or (c) for any other distribution, the portion, if any, of the distribution that is a required minimum distribution under Code Section 401(a)(9). In addition, an eligible retirement plan means

an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, a qualified trust described in Section 401(a) of the Code, an annuity plan described in Section 403(a) or 403(b) of the Code, or an eligible governmental plan described in Section 457(b) of the Code, that accepts the eligible rollover distribution. Effective January 1, 2008, an eligible retirement plan shall also mean a Roth IRA described in Section 408A of the Code. (7-1-24)

03. Alternate Payees. A distributee includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse, who is the alternate payee under a domestic retirement order, approved as provided in Rule 402 are distributees with regard to the interest of the spouse or former spouse. (7-1-24)

04. Transfers to Non-Spouse Beneficiaries. This Rule 103.05 applies to distributions made on or after July 1, 2008. Notwithstanding any provision of the Judges' Retirement Fund to the contrary that would otherwise limit the options of the Beneficiary of a deceased Member who is not the Member's spouse, the administrator shall, upon the request of such a Beneficiary transfer a lump sum distribution to the trustee of an individual retirement account established under Section 408 of the Code in accordance with the provisions of Code Section 402(e)(11). (7-1-24)

103. -- 250. (RESERVED)

SUBCHAPTER C – ASSUMPTIONS
Rules 251 through 299

251. ACTUARIAL ASSUMPTIONS TO BE SPECIFIED (RULE 251).
Whenever the amount of any benefit is to be determined on the basis of actuarial assumptions, such assumptions will be specified in a manner that precludes employer discretion. (7-1-24)

252. -- 299. (RESERVED)

SUBCHAPTER D – CONTRIBUTION RATES
Rules 300 through 349

300. VACATION AND CONTRACTUAL PAYMENTS SUBJECT TO CONTRIBUTIONS (RULE 300).
Compensation paid for vacation is salary subject to employee and employer contributions. (7-1-24)

301. REPORTS (RULE 301).
The Employer shall provide to the Board such reports, including compensation and contribution reports, as are required by the Board to verify contributions benefits required or provided and unless extended in writing by the executive director such reports shall be provided no later than five (5) business days after each pay date. (7-1-24)

302. -- 349. (RESERVED)

SUBCHAPTER E – DISABILITY RETIREMENT
Rules 350 through 399

350. APPLYING FOR DISABILITY RETIREMENT (RULE 350).
Eligible members may apply for disability retirement, as provided for in Section 1-2001(4)(a), Idaho Code, by completing a required form available from any PERSI office. The application process may include an interview by a Board representative. Applicants must release all medical records and information to the Board or its agent. (7-1-24)

351. INITIAL APPLICATION REVIEW (RULE 351).
Applications will first be reviewed to determine whether the applicant meets applicable eligibility requirements. If eligibility requirements are met, the application will proceed to disability assessment review. If all eligibility requirements are not met, the applicant will be notified in writing. (7-1-24)

352. DISABILITY ASSESSMENT REVIEW (RULE 352).

An applicant will be assessed to determine whether they qualify for disability retirement under the applicable standard. The assessment may include without limitation, records review, medical and psychological examinations, vocational assessments, or any combination thereof as determined by the Board. Failure to timely comply with any request made by the Board during the assessment process shall result in automatic denial of disability retirement. At the conclusion of the assessment process, the Board will notify the applicant in writing whether or not they qualify for disability retirement. (7-1-24)

353. RECONSIDERATION OF DISABILITY ASSESSMENT DECISION (RULE 353).

Applicants, who are denied disability retirement as a result of an adverse disability assessment decision, and wish to contest that decision, are required to participate in a reconsideration process. A request for reconsideration must be made within thirty (30) days of the issuance of the disability assessment decision. Any additional information the applicant wishes to be considered must be submitted within thirty (30) days of the request for reconsideration. The additional information will be reviewed and a reconsideration decision will be issued in writing to the applicant. (7-1-24)

354. ADMINISTRATIVE REVIEW OF THE RECONSIDERATION DECISION (RULE 354).

A reconsideration decision shall be considered a final decision, and may be appealed to the Board for review. In any related administrative hearing, the applicant shall be limited to presenting facts and evidence made available in the reconsideration process. No new or additional evidence may be presented at the hearing. If the applicant has additional facts or evidence that were not made available during the assessment or reconsideration process, the applicant must submit a new application for disability retirement, proceed again through the assessment process, and pay the costs associated with the second or subsequent assessment process. This rule is intended to promote the efficient use of fund resources by encouraging full and complete disclosure of information during the disability assessment process. (7-1-24)

355. DELEGATION (RULE 355).

The Board may, by contract or otherwise, delegate all or part of these processes to third parties. Where such delegation has been made, the term "Board" includes those third parties. Where such delegation has been made, the term "Board" includes those third parties. (7-1-24)

356. REASSESSMENT OF DISABILITY RETIREES (RULE 356).

A disability retiree is subject to reassessment of his disability at any time to determine whether he continues to be disabled under the standard in Section 1-2001(4)(a), Idaho Code. However, after two (2) years of continuous disability retirement, a disability retiree is not required to undergo medical examinations more often than every twelve (12) months. A disability retiree notified that he has been selected for reassessment is under the same obligation as applicants to supply information. (7-1-24)

357. BURDEN ON APPLICANT (RULE 357).

Applicant must demonstrate that, on or before applicant's last day of employment, they were disabled under the disability standard. The last day of employment is the last day applicant earned compensation, including annual leave and sick leave. (7-1-24)

358. STATUTORY STANDARD (RULE 358).

In applying the disability standard in Section 1-2001(4)(a), Idaho Code, the applicant is prevented from further performance of the duties of his office if the applicant is permanently prevented, due to bodily injury or disease, from performing every substantial and material duty of his office. (7-1-24)

359. ATTORNEY'S FEES AND COSTS (RULE 359).

Attorney's fees and costs incurred by an applicant in their efforts to obtain disability retirement are the sole responsibility of the applicant and shall not be paid by the Board except for fees related to judicial review for which applicant is found to be entitled under applicable law. (7-1-24)

360. -- 399. (RESERVED)

SUBCHAPTER F – MISCELLANEOUS PROVISIONS
Rules 400 through 999

400. ADMINISTRATIVE PROCEDURE -- CROSS REFERENCE (RULE 400).

See IDAPA 59.01.01, "Rules of Administrative Procedure of PERSI," concerning rules for administrative procedure.
(7-1-24)

401. APPROVED DOMESTIC RETIREMENT ORDERS (RULE 401).

As permitted under Code Section 414(p)(11), the Plan shall recognize and give effect to domestic retirement orders that have been approved in accordance with Plan procedures. An order shall be approved only if it substantially meets the requirements for a qualified domestic relations order under Code Section 414(p), except for Subsection (9) thereof, as determined by the Administrator or its agent. Amounts segregated for the accounts of alternate payees pursuant to a Plan approved domestic retirement order shall be available for immediate distribution to the alternate payee. Distributions pursuant to a domestic retirement order to an alternate payee who is a spouse or former spouse of the Member shall be taxable to the alternate payee rather than the Member to the extent permitted under Code Section 414(p)(12). Distributions pursuant to a qualified domestic relations order to an alternate payee who is not a spouse or former spouse of the Member shall be taxable to the Member.
(7-1-24)

402. RETIREMENT APPLICATION AND SPOUSAL CONSENT (RULE 402).

A member is required to complete and submit a retirement application and select either a regular or optional retirement allowance. The member's signature must be notarized. The application for retirement indicating the election made by the retiring member shall also be signed by the spouse certifying they understand and consent to the election made by the member. The spouse's signature must be notarized.
(7-1-24)

403. FORFEITURES (RULE 403).

Forfeitures will not be applied to increase the benefits any member would otherwise receive.
(7-1-24)

404. PRE-ERISA VESTING (RULE 404).

Upon any termination of the Plan or upon any complete discontinuance of contributions under the Plan, the rights of all Members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall become one hundred percent (100%) vested.
(7-1-24)

405. EXCLUSIVE PURPOSE (RULE 405).

The Board shall hold the assets of the Judges' Retirement Fund in trust for the exclusive purpose of providing benefits to Members and Beneficiaries and paying reasonable expenses of administration. It shall be impossible by operation of the Judges' Retirement Fund, by termination, by power of revocation or amendment, by the happening of any contingency, by collateral arrangement or by other means, for any part of the corpus or income of the Judges' Retirement Fund, or any funds contributed thereto, to inure to the benefit of any Employer or otherwise be used for or diverted to purposes other than providing benefits to Members and Beneficiaries and defraying reasonable expenses of administering the Judges' Retirement Fund.
(7-1-24)

406. BENEFITS DURING MILITARY SERVICES (RULE 406).

01. Death Benefits.

(7-1-24)

a. This Subsection 407.01 applies to a member of the Judges' Retirement Fund who dies on or after January 1, 2007, while performing qualified military service as defined in Chapter 43, Title 38 of the United States Code.
(7-1-24)

b. The period of military service that results in the member's death will be counted in the determination of whether the member qualifies for the death benefit described in Section 2009-1(b) to the extent required by Code Section 401(a)(37),
(7-1-24)

02. Determination of Return to Employment for Benefit Accrual Purposes.

(7-1-24)

a. This Subsection 407.02 applies to a member of the Judges' Retirement Fund who becomes disabled or dies on or after January 1, 2007, while performing qualified military service as defined in Chapter 43, Title 38 of

the United States Code. (7-1-24)

b. For benefit accrual purposes, a member of the Judges' Retirement Fund shall be treated as having returned to employment on the day before the death or disability and then terminated on the date of death or disability to the extent permitted by Code Section 414(u)(8). (7-1-24)

03. Differential Wage Payments. (7-1-24)

a. This Subsection 407.02 applies to a member of the Judges' Retirement Fund who, on or after January 1, 2009, receives differential wage payments from his or her Employer while performing qualified military service as defined in Chapter 43, Title 38 of the United States Code. (7-1-24)

b. A member of the Judges' Retirement Fund shall be treated as employed by the Employer while performing qualified military service to the extent required by Code Section 3401(h). (7-1-24)

407. -- 999. (RESERVED)