



***Retirement and Insurance Service
Benefits Administration Letter***

Number: 99- 110

Date: December 15,1999

Subject: Court Orders Applying To FEGLI & CSRS/FERS Benefits

FEGLI Court Orders

Benefits Administration Letter (BAL) 98-205 announced that, under Public Law 105-205, a court-certified court order may supercede the FEGLI order of precedence.

To be valid, such a court order must be received by the appropriate agency on or after July 22, 1998, but prior to the insured's death. If the insured is an annuitant or a compensationner (beyond the first 12 months of nonpay status), the court order must be submitted to OPM. If the insured is an active employee or a compensationner during the first 12 months of nonpay status, the court order must be submitted to the employing agency. Agencies were directed to file certified court orders directing payment of FEGLI benefits in employees' Official Personnel Folders.

CSRS/FERS Benefits

Court orders directing payment of CSRS or FERS benefits are filed with OPM's Court Ordered Benefits Branch (COBB) for annuitants, compensationners, and active employees. The same court order may, however, direct payment of FEGLI benefits as well as a portion of CSRS/FERS retirement and/or survivor benefits.

If an individual submits to OPM a certified court order applicable to both the FEGLI and CSRS or FERS benefits of an active employee (or compensationner during the first 12 months of nonpay status), OPM will hold the court order for review and (upon approval) filing for the CSRS/

FERS benefits. OPM will inform the filer that another certified copy must be submitted to the employing agency before it may legally be used to direct the payment of FEGLI benefits.

**Court Order Applying
To Both, Filed With
Employing Agency**

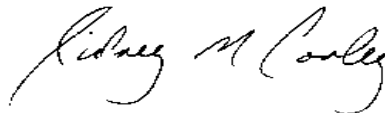
If an individual submits, to the covered individual's employing agency, a certified court order directing payment of both FEGLI and CSRS or FERS benefits of an active employee (or compensationers during the first 12 months of nonpay status), the agency should file the court order in the individual's OPF as BAL 98-205 directed for court orders applicable to FEGLI coverage. The employing agency should inform the filer that another certified copy of the court order must be submitted to OPM before it may legally be used to direct the payment of CSRS or FERS benefits as well. The Attachment provides sample language for a letter to the person filing the court order under these circumstances.

Final Regulations

OPM adopted the interim regulations concerning Public Law 105-205, published April 6, 1999, as a final rule without change as of October 8, 1999.

Former Spouse Responsibilities

It is the responsibility of the former or separated spouse entitled to court-ordered benefits (or his or her representative) to submit the court order(s) to the appropriate office(s).



Sidney M. Conley
Assistant Director
for Retirement Programs

Attachment

Attachment

Sample Agency Letter, Court Order Received Covering FEGLI & CSRS/FERS Benefits

Dear Mrs. Jane Jones:

We have received the court-certified court order you submitted directing payment of Mr. John Jones's Federal Employees' Group Life Insurance (FEGLI) coverage as well as [a portion of] his [Civil Service Retirement System (CSRS) {or} Federal Employees Retirement System (FERS)] [retirement and/{or} survivor benefits]. As the court order pertains to Mr. Jones's FEGLI coverage, we will keep the copy you submitted in Mr. Jones's Official Personnel Folder as long as he is employed with this agency.

However, in order for this court order to apply to Mr. Jones's [CSRS {or} FERS] benefits, a court-certified copy must also be submitted to the U.S. Office of Personnel Management (OPM) at the address below:

U.S. Office of Personnel Management
Court Ordered Benefits Branch
Post Office Box 17
Washington, DC 20044

As Mr. Jones's [former/separated] spouse, it is your responsibility to submit the court order (or have the court order submitted by a representative acting on your behalf) to the appropriate office(s) to establish entitlement to benefits.

Sincerely,

[Agency Name] Personnel Office