



ADMINISTRATIVE RULES OF MONTANA



2.43.4618 DISTRIBUTION OF DROP BENEFIT PURSUANT TO FAMILY LAW ORDER

- (1) A family law order (FLO) may distribute all or a portion of a DROP participant's DROP benefit to an alternate payee. To do so, the FLO must specifically reference distribution of a DROP benefit and provide a specific method for determining the amount of the DROP benefit to be paid to the alternate payee.
- (2) The alternate payee named in the FLO is entitled to the same distribution options available to the participant and as allowed by the IRS.
- (3) A FLO may distribute all or a portion of a DROP participant's DROP benefit even if the participant joined the DROP subsequent to approval of the FLO.
- (4) A FLO that does not specifically address a DROP benefit will not be considered to distribute any portion of the payee's DROP benefit to an alternate payee.
- (5) A FLO cannot specifically require or forbid that the payee participate in the DROP.
- (6) To distribute any portion of a participant's DROP benefit, a FLO approved prior to the enactment of the DROP legislation (May 1, 2001) must be amended to specifically address the DROP benefit.
- (7) A DROP benefit cannot be distributed pursuant to a FLO until the DROP participant terminates employment.

Authorizing statute(s): 19-2-403, 19-9-1203, MCA

Implementing statute(s): 19-9-1208, MCA

History: NEW, 2003 MAR p. 1801, Eff. 8/15/03; TRANS, from ARM 2.43.1113, 2008 MAR p. 2467, Eff. 12/1/08.