



H.F. xxxx

S.F. 1418
(Wergin)

Executive Summary of Commission Staff Materials

Affected Pension Plan(s): Public Employees Police and Fire Retirement Plan (PERA-P&F)
Relevant Provisions of Law: Proposed special law
General Nature of Proposal: Joint-and-survivor annuity for the surviving spouse of a deceased retiree who elected a single-life annuity
Date of Summary: March 27, 2007

Specific Proposed Changes

- Requires that a joint-and-survivor annuity be created approximately ten years after death of the primary annuitant, who elected a PERA-P&F single life annuity, justified by claimed failure of PERA to provide proper notice of the implications of the various annuity forms.

Policy Issues Raised by the Proposed Legislation

1. Concern about precedent; request is contrary to the prohibition against revising annuity form after benefit commences.
2. Whether there is a valid claim that PERA caused harm and should provide a remedy.
3. Role of the survivor and the now-deceased PERA-P&F retiree in creating the lack of continuing coverage for spouse.
4. Cost to PERA and lack of PERA support for bill.
5. Long delay in seeking remedy.
6. Lack of repayment of single-life/joint-life payment differential.

Potential Amendment

S1418-1A makes the benefit retroactive to 1997, when the PERA-P&F retiree died.

