



General Assembly

January Session, 2007

Raised Bill No. 1050

LCO No. 3373

03373 _____ LAB

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

AN ACT CONCERNING RETIREMENT BENEFIT OPTIONS FOR SPOUSES OF CERTAIN DECEASED STATE EMPLOYEES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 5-165a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3 (a) If a member who is continuing to accrue state service or who is
4 on a leave authorized by the state, or otherwise granted pursuant to
5 the terms of the appropriate collective bargaining agreement, dies after
6 July 1, 1982, and (1) after completion of the age and service
7 requirements for retirement under section 5-162, 5-163a, 5-173 or 5-188,
8 or (2) completing twenty-five years of service, [his] such member's
9 spouse, provided they have been lawfully married for at least the
10 twelve months preceding [his] such member's death, shall receive a
11 lifetime income in [an amount equal to fifty per cent of the average of]
12 the amount payable to a contingent annuitant under the options
13 specified in subdivision (2) or (3) of subsection (a) of section 5-165, as
14 elected by such spouse, based on the retirement income that the
15 member would have been entitled to if [he] such member had retired
16 [the day he died had his benefits been paid under the option specified

17 in subdivision (4) of subsection (a) of section 5-165 and the retirement
18 income that the member would have been entitled to if he had retired
19 the day he died and had his benefit been paid under the option
20 specified in subdivision (1) of said subsection] on the date of death.
21 The first payment shall be made as of the first day of the month
22 coincident with or, otherwise, next following [his] such member's date
23 of death. If such member was not eligible to retire at the time of [his]
24 such member's death, such benefit shall be calculated as if [he] such
25 member had reached age fifty-five, but based on [his] such member's
26 service and final average earnings at [his] the date of death.

27 (b) If a member who has terminated with at least twenty-five years
28 of service or retired pursuant to section 5-162, 5-163a, 5-173 or 5-188,
29 but whose benefits in either event are not yet being paid, dies prior to
30 the commencing date of [his] such benefits, [his] such member's
31 spouse, provided they have been lawfully married for at least the
32 twelve months preceding [his] such member's death, shall receive a
33 lifetime income [equal to fifty per cent of the average of] in the amount
34 payable to a contingent annuitant under the options specified in
35 subdivision (2) or (3) of subsection (a) of section 5-165, as elected by
36 such spouse, based on the retirement income that the member would
37 have been entitled to if [his] such member's benefits had commenced
38 [the date he died had his benefit been paid under the option specified
39 in said subdivision (4) and the retirement income that the member
40 would have been entitled to with such benefits being paid under the
41 option specified in said subdivision (1)] on the date of death. If such
42 member was not eligible to retire at the time of [his] death, such benefit
43 shall be calculated as if [he] such member had reached age fifty-five.
44 The first payment shall be made as of the first day of the month
45 coincident with or, otherwise, next following [his] the date of death.

46 (c) If a member who has completed the age and service
47 requirements for retirement under section 5-162, 5-163a, 5-173 or 5-188,
48 and who has elected to receive [his] retirement benefits under
49 subdivision (2) or (3) of subsection (a) of section 5-165, dies prior to the

50 effective date of commencement of benefits but within ninety days
51 after [he] such member first elects to receive [his] retirement benefits
52 under subdivision (2) or (3) of said subsection (a), then [his] such
53 member's beneficiary or contingent annuitant shall receive an income
54 in an amount equal to the benefit that would have been payable to the
55 survivor had the member retired [the day he died] on the date of death
56 and had [his] such benefit been paid under the option [he had] such
57 member elected at the time of [his] death. This subsection shall not
58 apply after ninety days after the date the member first elects to receive
59 [his benefit] benefits under subdivision (2) or (3) of subsection (a) of
60 section 5-165. In the event that income payments to a surviving
61 beneficiary or contingent annuitant are payable under this subsection,
62 such payments shall be in lieu of payments under subsections (a) and
63 (b) of this section.

64 Sec. 2. Section 5-192r of the general statutes is repealed and the
65 following is substituted in lieu thereof (*Effective October 1, 2007*):

66 (a) If a member of tier II who is continuing to earn vesting service or
67 who is on a leave authorized by the state or otherwise granted
68 pursuant to the terms of the appropriate collective bargaining
69 agreement, dies after either (1) completion of the age and service
70 requirements for retirement under section 5-192l, 5-192m or 5-192n, or
71 (2) completion of twenty-five years of vesting service, [his] such
72 member's spouse, provided they have been lawfully married for at
73 least the twelve months preceding [his] such member's death, shall
74 receive a lifetime income in [an amount equal to fifty per cent of] the
75 amount payable to a contingent annuitant under the options specified
76 in subdivision (2) or (3) of subsection (a) of section 5-192q, as elected
77 by such spouse, based on the retirement income that the member
78 would have been entitled to if [he] such member had retired [the day
79 he died, and had his benefit been paid under the option specified in
80 subdivision (1) of subsection (a) of section 5-192q] on the date of death.
81 If such member was not eligible to retire at the time of [his] death, such
82 benefit shall be calculated as if [he] such member had reached age

83 fifty-five, but based on [his] such member's credited service and final
84 average earnings at [his] the date of death. The first payment shall be
85 made as of the first day of the month coincident with or, otherwise,
86 next following [his] the date of death.

87 (b) If a member who has either terminated with at least twenty-five
88 years of service or retired pursuant to section 5-192l, 5-192m or 5-192n,
89 but whose benefits in either event are being deferred, dies prior to the
90 commencement date of [his] such benefits, [his] such member's spouse,
91 provided they have been lawfully married for at least the twelve
92 months preceding [his] such member's death, shall receive a lifetime
93 income [equal to fifty per cent of] in the amount payable to a
94 contingent annuitant under the options specified in subdivision (2) or
95 (3) of subsection (a) of section 5-192q, as elected by such spouse, based
96 on the retirement income that the member would have been entitled to
97 if [his] such member's benefits had commenced [the day he died, with
98 such benefits being paid under the option specified in subdivision (1)
99 of subsection (a) of section 5-192q] on the date of death. If such
100 member had not reached age fifty-five at the date of [his] death, such
101 benefit shall be calculated as if [he] such member had reached age
102 fifty-five. The first payment shall be made as of the first day of the
103 month coincident with or, otherwise, next following [his] the date of
104 death.

105 (c) If a member who has completed the age and service
106 requirements for retirement under section 5-192l, 5-192m or 5-192n and
107 who has elected to receive [his] retirement benefits under subdivision
108 (2) or (3) of subsection (a) of section 5-192q, dies prior to the effective
109 date of commencement of benefits but within ninety days after [he]
110 such member first elects to receive [his] retirement benefits under
111 either of said subdivisions, then [his] such member's beneficiary or
112 contingent annuitant shall receive an income in an amount equal to the
113 benefit that would have been payable to the survivor had the member
114 retired [the day he died] on the date of death and had [his] such
115 member's benefit been paid under the option [he had] elected at the

116 time of [his] death. This subsection shall not apply after ninety days
117 after the date the member first elects to receive [his] such member's
118 benefit under either of said subdivisions. In the event that income
119 payments to a surviving beneficiary or contingent annuitant are
120 payable under this subsection, such payments shall be in lieu of
121 payments under subsections (a) and (b) of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	5-165a
Sec. 2	<i>October 1, 2007</i>	5-192r

Statement of Purpose:

To allow spouses of state employees who die with twenty-five years of service to elect retirement benefits from among options.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]