

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2574 Session of
1996

INTRODUCED BY DeWEESE, SERAFINI, COLAIZZO, ROONEY, STABACK,
LAUGHLIN, SCRIMENTI, BATTISTO, COLAFELLA, TRELLO, TIGUE,
PETRARCA, YOUNGBLOOD, STEELMAN, JOSEPHS AND OLASZ,
APRIL 30, 1996

REFERRED TO COMMITTEE ON STATE GOVERNMENT, APRIL 30, 1996

AN ACT

1 Amending Titles 24 (Education) and 71 (State Government) of the
2 Pennsylvania Consolidated Statutes, further providing for
3 member's options.

4 The General Assembly of the Commonwealth of Pennsylvania
5 hereby enacts as follows:

6 Section 1. Section 8345 of Title 24 of the Pennsylvania
7 Consolidated Statutes is amended by adding subsections to read:

8 § 8345. Member's options.

9 * * *

10 (c) Election to waive joint and survivor annuity.--

11 (1) (i) Each member:

12 (A) may elect at any time during the applicable
13 election period to waive the joint and survivor
14 annuity; and

15 (B) may revoke any such election at any time
16 during the applicable election period.

17 (ii) Any action under subparagraph (i) must meet the

1 requirements of subparagraphs (iii) through (v) and
2 paragraph (2).

3 (iii) An election under this subsection shall not
4 take effect unless:

5 (A) the spouse of the member consents in writing
6 to the election;

7 (B) the election designates a beneficiary or
8 form of benefits that may not be changed without
9 spousal consent, or the consent of the spouse
10 expressly permits designations by the member without
11 any requirement of further consent by the spouse; and

12 (C) the spouse's consent acknowledges the effect
13 of the election and is witnessed by a notary public.

14 (iv) Notwithstanding the provisions of subparagraph
15 (iii), an election shall be valid if it is established to
16 the satisfaction of a retirement system representative
17 that the consent required under subparagraph (iii)(A)
18 cannot be obtained because there is no spouse, because
19 the spouse cannot be located or because of such other
20 circumstances as the board may by regulations prescribe.

21 (v) Any consent by a spouse, or establishment that
22 the consent of a spouse cannot be obtained, under
23 subparagraph (iii) or (iv) shall be effective only with
24 respect to such spouse.

25 (2) The retirement system shall provide to each member,
26 within a reasonable period of time before the annuity
27 starting date, a written explanation of:

28 (i) the terms and conditions of the joint and
29 survivor annuity;

30 (ii) the member's right to make, and the effect of,

an election under paragraph (1)(i)(A) to waive the joint and survivor annuity;

(iii) the rights of the member's spouse under paragraph (1)(iii); and

(iv) the right to make, and the effect of, a revocation of an election under paragraph (1)(i)(B).

(d) Definitions.--As used in this section, the following words and phrases shall have the meanings given to them in this subsection:

"Applicable election period." The 90-day period ending on the annuity starting date.

"Joint and survivor annuity."

(1) An annuity described in subsection (a)(2) or (3) which is the actuarial equivalent of a single annuity for the life of the member.

(2) Any annuity in a form having the effect of an annuity described in paragraph (1).

Section 2. Section 5705 of Title 71 is amended by adding subsections to read:

§ 5705. Member's options.

* * *

(c) Election to waive joint and survivor annuity.--

(1) (i) Each member:

(A) may elect at any time during the applicable election period to waive the joint and survivor annuity; and

(B) may revoke any such election at any time during the applicable election period.

(ii) Any action under subparagraph (i) must meet the requirements of subparagraphs (iii) through (v) and

1 paragraph (2).

2 (iii) An election under this subsection shall not
3 take effect unless:

4 (A) the spouse of the member consents in writing
5 to the election;

6 (B) the election designates a beneficiary or
7 form of benefits that may not be changed without
8 spousal consent, or the consent of the spouse
9 expressly permits designations by the member without
10 any requirement of further consent by the spouse; and

11 (C) the spouse's consent acknowledges the effect
12 of the election and is witnessed by a notary public.

13 (iv) Notwithstanding the provisions of subparagraph
14 (iii), an election shall be valid if it is established to
15 the satisfaction of a retirement system representative
16 that the consent required under subparagraph (iii)(A)
17 cannot be obtained because there is no spouse, because
18 the spouse cannot be located or because of such other
19 circumstances as the board may by regulations prescribe.

20 (v) Any consent by a spouse, or establishment that
21 the consent of a spouse cannot be obtained, under
22 subparagraph (iii) or (iv) shall be effective only with
23 respect to such spouse.

24 (2) The retirement system shall provide to each member,
25 within a reasonable period of time before the annuity
26 starting date, a written explanation of:

27 (i) the terms and conditions of the joint and
28 survivor annuity;

29 (ii) the member's right to make, and the effect of,
30 an election under paragraph (1)(i)(A) to waive the joint

1 and survivor annuity;

2 (iii) the rights of the member's spouse under
3 paragraph (1)(iii); and

4 (iv) the right to make, and the effect of, a
5 revocation of an election under paragraph (1)(i)(B).

6 (d) Definitions.--As used in this section, the following
7 words and phrases shall have the meanings given to them in this
8 subsection:

9 "Applicable election period." The 90-day period ending on
10 the annuity starting date.

11 "Joint and survivor annuity."

12 (1) An annuity described in subsection (a)(2) or (3)
13 which is the actuarial equivalent of a single annuity for the
14 life of the member.

15 (2) Any annuity in a form having the effect of an
16 annuity described in paragraph (1).

17 Section 3. This act shall take effect in 60 days.