# BENEFITS PROCEDURES

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The information provided in this publication is for your convenience and reference as a general guide only and cannot be relied upon as an authoritative source for the law, practices, or policies of CalPERS. While CalPERS tries to include only accurate, timely and complete information in its publications, summaries, guidelines and other advisory printed materials, sometimes information provided in printed materials may be or become inaccurate, untimely, incomplete, unclear or misleading. In all instances, the law then in effect, not this publication, controls the application of the Public Employees' Retirement Law. It is the reader's responsibility to independently verify the accuracy of the information contained in this publication before engaging in a course of action.
The purpose of the Beneficiary Designation Form (my|CalPERS 0772) is to:

1. Provide a means for a member who is not retirement eligible and who is not eligible for the Alternate Death Benefit to designate beneficiaries other than the statutory beneficiaries provided by the retirement law. The statutory beneficiaries are listed under item C of the my|CalPERS 0772.

2. Provide a means for a member who is married or in a registered domestic partnership and is eligible to retire or who is eligible for the Alternate Death Benefit to designate beneficiaries to receive a one-time payment of the member's community property share. The spouse/registered domestic partner, by law, is still entitled to a choice of a monthly allowance or lump sum benefit. However, the amount is limited to just their community property share if the member designates other beneficiaries on this form.

3. Change the designated beneficiaries. (G.C. § 21490 and 21492)

4. Designate any person or legal entity such as a college, university, corporation, trust, or estate as beneficiary (CCR 582 and G.C. § 21490)

Any of the following life events will revoke the Beneficiary Designation Form (my|CalPERS 0772) (G.C. § 21492):

1. Marriage/Registration of Domestic Partnership.

2. Dissolution or annulment of marriage or termination of domestic partnership. (However, a designation filed after the initiation of dissolution of marriage, termination of partnership or annulment is NOT revoked when the dissolution, termination or annulment is finalized).

3. Birth or adoption of a child.

4. Termination of membership that results in a refund of contributions, or termination of employment that results in payment of a monthly retirement allowance.

NOTE:
Following a revoking action, lump sum benefits will be paid to the statutory beneficiaries unless a new Beneficiary Designation Form my|CalPERS 0772 has been filed. Members may designate or change beneficiaries at any time by filing a new Beneficiary Designation. (G.C. § 21492 and 21493)

SPECIAL INSTRUCTIONS
1. Changes on the form are acceptable only when they are clear and initialed by the member.

2. Complete the Beneficiary Designation Form; make a copy for your records, then mail to CalPERS at the address provided on the form.

3. After CalPERS reviews the form, a confirmation letter will be mailed to the member within about 8 weeks. If the form is not acceptable, a new form will be mailed to the member.

NOTE:
The Beneficiary Designation allows a member to designate benefits on a percentage basis if more than one beneficiary is named. The percentages must add up to 100%. If no percentage is indicated, the benefits will be paid equally to each beneficiary.

Also, there is a box the member can check to certify they are not legally married or not in a domestic partnership. If this box is checked, the Justification for Absence of Spouse's or Domestic Partner's Signature (my|CalPERS 0775) form, is not required.
REPORTING AN IMMINENT DEATH OR TERMINAL ILLNESS/
POWER OF ATTORNEY

When an employer becomes aware of an employee’s imminent death, terminal illness, or serious surgery the employer should immediately contact CalPERS by calling 888 CalPERS (or 888 225-7377).

Imminent death or terminal illness implies that the member is not expected to live more than 90 days. This also applies to cases where death may not necessarily be imminent, but competency to act in one’s own behalf may become impaired thereby jeopardizing later desired retirement action.

If a person is competent to complete the Special Power of Attorney (PERS-OSS-138) form located in the CalPERS Special Power of Attorney publication (PUB 30), the person may give his or her “attorney in fact” the power and authority to complete transactions relating to CalPERS, including filing applications, making benefit elections, designating beneficiaries, and endorsing warrants.

NOTE: Due to changes in the Probate Code, a member may now specifically authorize their attorney-in-fact to select a retirement option and name a beneficiary even if the attorney-in-fact is a spouse, registered domestic partner, or other family member.

To expedite processing, the person reporting an imminent death should provide CalPERS with the following information:

1. Member’s name, Social Security number, and birth date.

2. Probable effective retirement date.


4. Name, relationship, birth date, and sex of the person to be designated as the member’s beneficiary.

5. Address and telephone number where information can be communicated.

6. Nature and seriousness of illness, estimated life expectancy, and whether the member is presently competent.

CalPERS will then contact the parties concerned regarding the benefit options available, the filing requirements which must be satisfied, and how best to expedite the filing process.

NOTE: In order for CalPERS to carry out the desired retirement action (e.g., provide an allowance to the beneficiary), it is imperative that the member be alive on the effective date of retirement and an election filed with CalPERS prior to the member’s death (G.C. § 21503 and 21530).

The retirement application/election form can be faxed to CalPERS at (916) 795-1281 with a notation of “Emergency Retirement” in the top margin of the front page. Do not mail the original. The original should be given to the member for their records.

POWER OF ATTORNEY

For information on the CalPERS Special Power of Attorney (PUB 30), please visit our Forms & Publication Center on CalPERS On-line at www.calpers.ca.gov.

NOTE: If the member is married or in a registered domestic partnership and the member’s life expectancy is so short that there is no time to call CalPERS, then you should complete a Disability Retirement Election/Application (myCalPERS 1200) form in the document center of myCalPERS.

You cannot elect an option or name a beneficiary, but you must complete the “Survivor Continuance” section 7 to the best of your knowledge. After the completed form is signed, write “EMERGENCY” in the top margin on the first page, and then fax it to (916) 795-1281.

Keep the original for your records. Upon receipt of the fax, a CalPERS representative will contact you.
**DEATH OF AN ACTIVE MEMBER**

**EMPLOYER NOTIFICATION TO SYSTEM**
Immediately upon learning of an employee’s death, the employer should contact CalPERS at **888 CalPERS** (or 888-225-7377) and provide the following information:
1. Member name, Social Security Number, and birth date,
2. Date of death, cause of death, and date of separation,
3. Name, address, and telephone number of next-of-kin,
4. The birth date and date of marriage/partnership if a spouse/registered domestic partner is next-of-kin.

CalPERS will send you a partially completed, **Report of Separation for Death** (PERS-BSD-738) form with the following information:
1. Employer name and CalPERS ID
2. Member name, CalPERS ID and the last four digits of the member’s Social Security Number
3. Date of death

**INSTRUCTIONS FOR COMPLETION OF PERS-BSD-738**
The employer should verify and, if necessary, correct any information on the form. The employer completes remainder of form as follows:

**PART I — EFFECTIVE DATES**
1. Separation Date – Provide the last day that the member was considered an employee of your organization. This can be the date of death, any day prior to the date of death, or the day after death.
2. Reason for Separation – If separation is not due to death, provide a brief explanation for the reason for separation.
3. Last Day on Pay Status – Provide the date that the member was last on pay status with your organization. This would be the last day the member was subject to CalPERS contributions, whether or not they were deducted from their earnings. Please explain any difference between date of separation and last day on pay status, or, if member was on leave of absence, please provide the dates of absence.
4. Time base – Provide time base. If part-time, also indicate required hours. Required hours are needed for the entire period of employment.

**PART II — PAYROLL/CONTRIBUTION INFORMATION**
1. Dates of pay periods (monthly, semi-monthly, bi-weekly, or quadri-weekly) for the four pay periods prior to the last day on pay status.
2. Amount of full-time pay rate.
3. Gross regular amount earned in each pay period.
4. Amount of regular retirement contributions for each pay period.
5. Amount of special compensation earnings for each pay period.
6. Amount of special compensation contributions for each pay period.
7. Under “Other” column heading, explain other than normal contributions (e.g., retroactive salary increase, etc.). For retroactive pay increases, provide the inclusive dates of the increase as well as the new pay rate, total earnings, and contributions for the period of the increase.

**NOTE:**
- Do not combine contributions for Special Compensation with normal contributions. Use the “special compensation” column.
- Do not deduct retirement contributions from the lump sum vacation payments.
- Do not delay submission of this form awaiting final payroll data. Estimate the last period’s payroll information and label this line “Estimate”.

**PART III — UNUSED SICK LEAVE AND/OR UNUSED EDUCATIONAL LEAVE**
Please indicate the total number of **days** of unused sick leave and educational leave credited to the member. Show partial days to three decimal places.

**PART IV — HEALTH AND DENTAL INSURANCE**
Complete only if the member had health and dental insurance coverage under the Public Employees’ Medical and Hospital Care Act. A request for change in health benefits coverage based upon change in family status (death) may be made by an enrolled surviving family member who continues to receive an allowance.
PART V — SIGNATURE
Have this form signed by an authorized officer; enter title, phone number, extension and date. Fax completed form PERS-BSD-738 to CalPERS immediately at (916) 795-3988.

NOTIFICATION BY OTHER THAN EMPLOYER
When CalPERS is informed of an employee’s death by someone other than the employer, the System will also initiate the PERS-BSD-738 form, partially filled in, and forward to the employer. The employer completes the balance of the form per instructions found on page 2 of the form.

CONTINUATION OF HEALTH BENEFITS
AB-1639 (G.C. section 19849.15) Overview (Does Not Apply to CSU Employees)

Assembly Bill 1639 was passed into law on October 10, 1999, for survivors of State members. This bill was created to prevent the lapse of health coverage between the member’s death and the determination of the survivors’ health benefits eligibility and monthly allowance. The deceased member’s employer must pay the total amount of the premiums for 120 days for eligible survivors; however, the employer may elect to bill survivors for the survivors’ share of the premiums.

Procedures
1. Employer reports the member’s death to CalPERS.
2. Employer completes a Direct Payment Authorization (HBD-21) form using the survivors’ (e.g. spouse or domestic partner; if no spouse or domestic partner, use the information of the youngest survivor) Social Security number and demographic information.
3. Employer enters the Direct Pay enrollment for health benefits only in myCalPERS.
4. Employer sends the completed HBD-21 and 120-day premium check directly to the health plan carrier.
5. Employer bills the spouse or other eligible family member(s) for the employee’s share of the cost.
6. Employer completes the same steps for dental and vision benefits.

HBD-21 Instructions for AB 1639
Employers must complete and submit the following sections of the HBD-21 to the survivor’s health plan for enrollment.

Part A
Employee Information
1. Survivor’s Social Security number
2. Survivor’s full name
3. Survivor’s home phone number
4. Survivor’s home address

Part B
Carrier and Premium
5a. Survivor’s health plan’s name and address
5b. Health plan 4 digit code (e.g., Kaiser 0562)
6a. Gross premium for 120 days of health coverage (4 months)
6b. Do not complete
6c. Do not complete
6d. No signature required
6e. No date required

Part C
Reason for Direct Pay
Always use box 14 (other) and write in the explanation box AB 1639 survivor coverage for 120 days. Leave all other boxes blank.

Part D
Agency Information
15a. Name, address and contact number of the deceased member’s employer
15b. Do not complete
16. Start and end dates of the survivor coverage under AB 1639 (4 month period beginning the first of the month following the member’s death and ending the last day of the 4 month coverage)
17. Do not complete
18. Health Benefit Officer’s signature
19. Date the HBD-21 was completed
20. Employer’s telephone number
When CalPERS is notified of an active employee’s death, a letter (which may not provide an estimate of the benefits payable) and the publication Pre-Retirement Survivor Benefits (PUB-55) will be sent to the next of kin. The booklet explains the benefits which may be payable and provides an Application for Active Member/Non-Member Survivor Benefits (myCalPERS 0675).

If an estimate is not provided, or if only lump sum benefits are payable, the myCalPERS 0675 may serve as the claim form if completed by the designated or statutory beneficiary. If there is a choice of monthly or lump sum benefit an election must be made on the myCalPERS 0675. If the information provided in the initial myCalPERS 0675, along with any designation on file, indicates the proper beneficiary remains to be contacted, a claim form will be sent to the proper beneficiary. Payment of death benefits will be as soon as possible after receipt of the claim form and any other documents required (e.g., marriage, birth, or death certificates). (G.C. § 21498 and 21499)

To determine the beneficiary (ies), CalPERS will check the system for a valid beneficiary designation, filed either by - *Beneficiary Designation Form myCalPERS 0772 (See Beneficiary Designation Form section for more information) or completed online through myCalPERS. If a valid beneficiary designation has been filed and if the member was eligible for retirement, or if the Alternate Death Benefit is payable, the allowance payable to the surviving spouse will be reduced and the beneficiary (ies) designated will receive a one-time payment of the employee’s community property share. If the beneficiary designation is no longer valid or has not been filed, death benefits will normally be paid to the statutory beneficiary as follows:

I. If the member was eligible for retirement or if the Alternate Death Benefit is payable on the date of death (G.C. § 21493):
   a) Member’s surviving spouse or registered domestic partner if married/registered for at least one year prior to the onset of the illness or injury that caused the member’s death,
   b) Unmarried minor child(ren)

II. If the member was not eligible for a monthly allowance (G.C. § 21493):
   a) Member’s registered domestic partner or surviving spouse (whether or not still living together at the time of death); or, if none,
   b) Natural and adopted children, including (in limited circumstances) a natural child adopted by another, share and share alike; or, if none,
   c) Parents, share and share alike; or, if none,
   d) Brothers and sisters, share and share alike; or, if none,
   e) Member’s estate (if probated, or subject to probate); or, if not,
   f) Member’s trust, if one exists; or, if not,
   g) Stepchildren, share and share alike; or, if none,
   h) Grandchildren, including step-grandchildren, share and share alike; or, if none,
   i) Nieces and nephews, share and share alike; or, if none,
   j) Great-grandchildren, share and share alike; or, if none,
   k) Cousins, share and share alike.

*Any of the following events will, by law, revoke the beneficiary designation (G.C. § 21492):
   a) Marriage or registration of domestic partnership.
   b) Dissolution or annulment of marriage or termination of partnership if initiated after the designation was filed.
   c) Birth or adoption of a child.
   d) Termination of membership that results in a refund of contributions, or termination of employment that results in payment of a monthly retirement allowance
Following the member’s death, a spouse or registered domestic partner may request a Disclaimer of Benefits (BAS-140) form if he/she does not wish to receive their community property interest in the death benefits. If the Disclaimer of Benefits (BAS-140) form is completed, then the entire Basic Death Benefit may be paid to the designated beneficiary (ies) unless the member is survived by a minor child who would become the statutory beneficiary entitled to a monthly allowance.

NOTE:
Original documents (death certificate, marriage certificate, etc.) should NOT be sent to CalPERS. Only clear photocopies of these documents should be submitted. To expedite the death benefit payment process, ensure that the deceased member’s Social Security Number appears in the top right corner of each photocopy so that the documents are associated with the correct file.
**STEP-BY-STEP INSTRUCTIONS**

For step-by-step instructions on completing the forms used to process a Service Retirement, please refer to *A Guide to Completing Your CalPERS Service Retirement Election Application* (PUB 43) or visit the Forms & Publications Directory on the CalPERS Website.

**REQUEST FOR ESTIMATES OR COUNSELING**

Members may wish to receive an estimate of their CalPERS retirement allowance. There are several important things members should know about CalPERS retirement estimates:

1. Members may receive immediate estimates by using the CalPERS On-Line Retirement Estimate Calculators, available on the CalPERS Website, [www.calpers.ca.gov](http://www.calpers.ca.gov). Using the online Retirement Estimate Calculator allows members the flexibility to calculate an estimate using assumptions or projections anticipated by or known to the member, allowing them to determine the best retirement date based on these anticipated changes or projections. This is also the recommended service for members seeking retirement estimates greater than one year in the future. Please note that CalPERS-generated estimates do not project future salary increases, changes in time base, or unreported special compensation.

2. CalPERS generated retirement estimates are processed by the Benefit Services Division. These estimates use the payroll reported by the employer. However, actual final compensation may be different after payroll reconciliation and review, and will be based on compensation allowable by law. Members who are within one year of their expected retirement date may request a CalPERS generated Retirement Estimate if they download, complete, and mail the *Retirement Allowance Estimate Request* form to CalPERS at the address located at the bottom of the form. Members within one year of retirement may request two CalPERS generated estimate requests in a 12-month period. Alternatively, a request form can be mailed to you by calling CalPERS at 888 CalPERS (or 888-225-7377).

3. All information on the Retirement Allowance Estimate Request form must be completed before an estimate can be processed. Important: Please be sure the address and CalPERS ID and/or Social Security number are legible.

4. Retirement benefit estimates will be mailed to the address on file within 30 days of receipt of the request by CalPERS. If the address indicated on the estimate request form does not match the address on file, the estimate request will be rejected. Address changes for an active employee must be submitted by the employer. An inactive employee will be mailed an address change form to submit back to CalPERS.

5. A request for an estimate is NOT an application for retirement. A *Service Retirement Election Application* (myCalPERS 1206) or *Disability Retirement Election Application* (myCalPERS 1200) must be submitted to apply for retirement. An application for retirement may not be used to request an estimate. If the member plans to retire in the near future, the employer should provide the member with the CalPERS brochure *Planning Your Service Retirement* (PUB 1) and the *CalPERS State Miscellaneous and Industrial Benefits Booklet* (PUB 6) or the *CalPERS State Safety Booklet* (PUB 7). These publications provide additional benefits to consider in preparing for retirement.

6. Members are encouraged to take a CalPERS retirement planning class prior to submitting their application for retirement. CalPERS offers classes designed to educate and inform CalPERS members at any stage of their careers. Members are encouraged to take these classes throughout their careers to ensure they understand their benefits and to prepare for retirement. These classes are available both online and in a classroom with an instructor. Visit the *CalPERS Education Center* on our...
website [www.calpers.ca.gov](http://www.calpers.ca.gov) for more information. Members can log into their own myCalPERS account to view the latest schedules and enroll, or call our toll free number 888 CalPERS (or 888-225-7377).

**When to Apply**

An application for retirement should be forwarded to the Benefit Services Division not more than 90 days prior to the desired effective date.

### NOTE:

A disability retirement application should be submitted as soon as a medical condition becomes disabling and prior to the expiration of benefits to ensure the member is eligible for the earliest effective date possible.

This advance notice permits CalPERS to make calculations and begin payments on a timely basis. Members should be advised of this and encouraged to mail their applications to:

CalPERS
Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711

**Additional Notes for Submitting Forms**

If the application is submitted by FAX to the Benefits Services Division, DO NOT send the original hard copy application.

DO NOT submit any original Certificates (Marriage, Birth, Death, etc.). Send only photocopies of important documents, as CalPERS cannot return original documents. Each page should have the member’s Social Security Number or CalPERS ID for identification.

If the application was received within nine months after discontinuance of employment, or, in the case of retirement for disability, if the member was physically or mentally incapacitated to perform his or her duties within nine months from the date the member discontinued state service, the effective date of retirement will be the day following the last day of payroll. (G.C. § 21252)

In the case of an application for retirement filed with the Board more than nine months after discontinuance of the member’s state service, the effective date shall be the first of the month in which the member’s application was received at an office of the Board or by an employee of this system designated by the Board. (G. C. § 21252)

**Who May Apply**

### Service Retirement

A 1st-Tier State member who has reached age 50 and has earned at least five years of credited service may submit an application for retirement. (G.C. § 21060) A State Miscellaneous and Industrial member with a membership date on or after January 1, 2013 must be age 52 (G.C. § 7522.20). A 2nd-Tier member who has reached age 55 and has earned at least ten years of credited service may submit an application for retirement (G.C. § 21074 and 21093(a)).

The application must be submitted by the member and show a definite retirement date. It is the employee’s responsibility, not the employer’s, to see that the retirement application is sent to CalPERS.

A member who is employed on a permanent part-time basis and has worked at least five calendar years for 1st-Tier or ten years for 2nd-Tier may be eligible to retire with less than five or ten years of credited service. The retirement benefit the member will receive will be based on their actual service credit amount. (G.C. § 20962 and 20970)

### Disability or Industrial Disability Retirement

Please refer to the instructions found under “Disability Retirement or Industrial Disability Retirement” in this section of the handbook.

### Requesting Additional Service Credit

All requests for service credit cost information must be received prior to the member’s effective retirement date. The retirement date can be no earlier than the day following receipt of the
request by CalPERS. Therefore, it is important that the member request any additional service credit information well in advance of their retirement to avoid possible delays in the retirement date.

A Guide to Your CalPERS Service Credit Purchase Options (PUB 12) can be downloaded from the CalPERS Website at www.calpers.ca.gov or requested by employers from the CalPERS Central Supply Section by submitting an email request to:
mailto:Public_Agency_Requests@calpers.ca.gov

Service credit requests and questions should be directed to:
CalPERS
Customer Account Services Division
P.O. Box 942704
Sacramento, CA 94229-2704

For more information contact CalPERS at 888 CalPERS (or 888-225-7377) or visit the CalPERS Website at www.calpers.ca.gov.

FINAL COMPENSATION

The final compensation in the calculation of a state employee’s retirement benefit is either 12 or 36 months, depending on the employee’s membership date and employer’s contract.

Recently, new legislation and labor contracts provide retirement contribution increases for employees in certain bargaining units, and changes to the retirement benefits and final compensation period for new employees who have no prior State employment.

It is now essential to pay particular attention to the date the employee was first hired by the State and their bargaining unit or affiliation to ensure contributions paid into this System are correct. Failure to properly report your employees impacts the timeliness and accuracy of benefits paid and could result in a financial hardship for your employees when errors are ultimately discovered and corrected as required by law.

Any questions about bargaining unit agreements should be directed to the California Department of Human Resources (CalHR). Additional information can be found on their website at www.calhr.ca.gov under Policy Memos.

For more information, refer to California Public Employees’ Retirement Law (PERL), G.C. sections 20037–20037.15.

CANCELLATION OF RETIREMENT APPLICATION

If a member desires to cancel the service retirement application or defer retirement to a later date, the member must request to do so within 30 days of receiving the first retirement benefit payment. For cancellation of disability retirement, refer to the instructions found under the “Disability or Industrial Disability Retirement” section. A cancellation is binding; the member must thereafter re-apply whenever the member is ready to retire.

1. Once 30 days after the first retirement payment has been issued (regardless of whether the check is cashed), the member will not be allowed to cancel the retirement.

2. A member may request a refund of accumulated contributions in writing in lieu of retirement prior to the issuance of the first retirement payment. (G.C. § 20730)
MINIMUM REQUIREMENTS FOR SERVICE RETIREMENT

A member shall be retired for service upon written application if the member has reached the minimum retirement age and has earned at least five years of credited service under 1st-Tier or ten years under 2nd-Tier. Minimum retirement age is 50 for 1st-Tier retirement plan. (G.C. § 21060(a)) State Miscellaneous and Industrial members with a membership date on or after January 1, 2013 must be age 52. (G.C. § 7522.20) The minimum retirement age is 55 for 2nd-Tier retirement plan. (G.C. § 21076, 21076.5, and 21093) A member with credited service under both 1st-Tier and 2nd-Tier should contact CalPERS for exceptions to the 2nd-Tier minimum age and service requirement.

A member who is employed on a permanent part-time basis and has worked at least five calendar years may be eligible to retire with less than five years of credited service. Full-time employees must work 10 months of full-time employment or 1,720 hours to equal one year of CalPERS service credit. The retirement benefit the member will receive will be based on their actual service credit amount. (G.C. 20962 and 20970)

SERVICE RETIREMENT PROCESSING — DOCUMENT SEQUENCE

1. Service Retirement Election Application (my|CalPERS 1206) is received in the System from the member. Please note that if the member is married but is not able to obtain the spouse’s signature on the Service Retirement Election Application form, they must complete a Justification for Absence of Spouse’s Signature (my|CalPERS 0775). (G.C. § 21261)

   The application package includes information regarding required marriage and birth date evidence. (G.C. § 20128) Do not submit any original certificates. Send only photocopies of important documents; CalPERS cannot return original documents. Each page of all documents submitted to CalPERS should include the member’s Social Security Number or CalPERS ID in the upper right hand corner for identification.

   The Direct Deposit Authorization (my|CalPERS 1288) form can also be submitted with the election application form. (G.C. § 21296)

2. Sick Leave/Education Leave Employers must certify the separation information by submitting it and any updates online using my|CalPERS. (C.C.R. § 565.1 (a)) Separation information includes the employee’s permanent separation date and any unused sick leave or educational leave balances. If the information is submitted prior to CalPERS processing the member application the additional service credit will be included in the member’s initial retirement benefit. Otherwise the member’s account will be adjusted after the information is submitted.

   It is imperative that you report a permanent separation when an employee retires or otherwise ends employment with your agency regardless of the reason. (G.C. § 20221 (a)) All transactions within my|CalPERS, including health and retirement, rely on the permanent separation date to be reported to determine proper benefit eligibility and cost for both the employer and the member.

   To receive sick leave credit or educational leave credit, the member’s retirement date must be within 120 days from the date of separation from the employer granting the sick leave or educational leave. Educational leave shall ONLY apply to eligible State members in bargaining units that have agreed to the benefit in a memorandum of understanding through collective bargaining. (G.C. § 20963 and 20965)

   NOTE: Sick leave/educational leave information must be reported in 8 hour days only. Employers can take whatever in-house procedures they desire to ensure appropriate sick leave/educational leave days are reported. For instance, the employee’s sick leave/educational leave can be taken off the books the day the certification is completed.

   The Personnel Information Management System (PIMS) is still used to report credit for unused sick leave/educational leave. If your agency needs to correct the reported amounts, you should correct the permanent separation event
on the appointment in myCalPERS which will allow you to update the sick leave/educational leave amounts to the correct number and the member’s account will be adjusted.

**CONVERSION OF SICK LEAVE/EDUCATIONAL LEAVE CREDITS FOR EMPLOYEES WORKING EIGHT HOURS PER DAY**

All employees, regardless of their work schedule (6.6 hours, 10/4/40, 9/8/80, 52 hour, etc.) will have any accumulated unused hours of sick leave service credit/educational leave divided by **eight** to determine the number of days to report to CalPERS for the purposes of enhancing the retirement benefit.

Sick leave is converted to service credit by: days of reported sick leave \* .004 = service credit. (G.C. § 20963) Example: 35 days \* .004 equals .140 years of service credit.

**NOTE:**

The accrual of sick leave/educational leave credits must be consistent for members of the same group or class who work like or similar hours. (G.C. § 20630) Service credit, which was not earned through the “accrual of sick leave/educational leave” policy, may not be credited on an individual basis for the purposes of enhancing the retirement benefit. Unused sick leave/educational leave for which a member receives compensation, (sick leave/educational leave cash out) should not be reported to CalPERS for purposes of enhancing the retirement benefit. (G.C. § 20963 and 20965)

3. **A Retirement Acknowledgment Letter to Participant** (myCalPERS 0964) is sent to the member within 5-10 days of receipt of the **Service Retirement Election Application** (myCalPERS 1206) in our Sacramento Headquarters office letting them know we have begun processing the request. If the member does not receive an acknowledgment letter within 10 days they should contact CalPERS immediately.

4. **First Payment Acknowledgement Letter** (myCalPERS 0924) will be sent to the member prior to receipt of the first retirement check. This letter will provide the date of the first retirement check, the amount the member can expect to receive, and important income tax information. The member should keep these letters along

with other CalPERS documents and review the information immediately to ensure it is correct.

**NOTE:**

The member must notify CalPERS within 30 days of the issuance of their first benefit payment if any changes need to be made in their benefit option election, beneficiary, or retirement date.

5. **Account Detail Information Sheet** is attached to the myCalPERS 0924, which explains the data used to calculate the member’s retirement allowance.

6. **First Acknowledgment Letter for Employers** **Notice of Placement on Retirement Roll** (myCalPERS 0926) is sent to the employer after the employee is placed on the retirement roll. The myCalPERS 0926 provides the employer with the number of sick leave days that were included in the employee’s retirement calculation.

**NOTE:**

The myCalPERS 0926 is mailed to the employer prior to the issuance of the member’s first retirement check, but usually after the member’s separation date.

For future employment of the retiree, please refer to the section on “Employment of a Retiree” and the section on “Reinstatement from Retirement”.

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DEDUCTIONS AFTER RETIREMENT

HEALTH INSURANCE (C.C.R. § 559.501 (d)(e))
Health eligibility continues for a retiree of the CalPERS Health Program under the following conditions:

- The retiree was eligible for CalPERS health enrollment upon permanent separation of employment;
- The retiree receives a monthly retirement allowance from CalPERS; and
- The effective date of retirement is within no more than one full pay period following the effective date of permanent separation of employment.

If the retiree meets all of the above conditions but the effective date of retirement is greater than one full pay period up to 120 calendar days following the effective date of permanent separation, the retiree must submit a request to CalPERS for enrollment. The effective date of coverage will be the first of the month following the date the request is received by CalPERS.

NOTE:
If the retirement effective date is greater than 120 calendar days following the effective date of permanent separation, the retiree will not be eligible to elect enrollment in the CalPERS Health Program.

For questions on health insurance benefits, please refer to the CalPERS Website at www.calpers.ca.gov, or call CalPERS at 888 CalPERS (or 888-225-7377).

DENTAL INSURANCE (C.C.R. § 559.501 (d)(e))
A member must be enrolled in or eligible for a state dental plan on their date of separation from employment and retire within 120 days of separation. For questions on eligibility, please refer to the CalHR Procedures Manual.

CalPERS sends a Notice of Placement on Retirement Roll (myCalPERS 0926) to notify you when a member is placed on the retirement roll.

A Dental Plan Enrollment Authorization (STD-692) must be completed and sent to CalPERS in order to enroll a member in retired coverage.

It is not necessary to have the member’s signature on the form; it can be signed as an “Administrative Doc.” The STD-692 needs to be completed using the retired plan codes, not active. Please list in the “Remarks Section,” the member’s separation date and retirement effective date.

VISION CARE (C.C.R. § 559.501 (d)(e))
The State-sponsored vision plan is available to state annuitants. A member must be eligible for the vision care plan on the date of separation from employment and must retire within 120 days of separation. For additional information contact your personnel office or the California Department of Human Resources at (916) 322-0300.

NOTE:
Most deductions will stop at retirement and will need to be re-established (with the exception of health, dental, and some union memberships).

DIRECT AUTHORIZATIONS
(G.C. § 21264 and 21265)
Direct authorization deductions for union dues, life insurance, credit union payments or shares, or charitable organizations may be established provided that:

1. The organization has contracted with CalPERS to provide this service (members must contact the organization for this information);
2. The member authorizes to have money deducted through the organization;
3. The organization submits the authorization directly to CalPERS; and
4. Authorized deductions are stopped or changed upon receipt of written authorization from the organization.

CalPERS’ function is limited to the mechanics of deducting and determining what deduction authorization is proper. Inquiries concerning these types of “other deductions,” should be directed to the organization.
Deductions after Retirement

**INCOME TAX WITHHOLDING**
Federal and California State income tax deductions will be withheld from monthly or lump sum benefit payments unless the retiree specifically elects no tax withholding. Federal (W4P), and California State (DE4P) tax withholding forms must be completed to elect either a specific dollar amount of withholding, a withholding based on tax tables, or specifically elect no tax withholding. If the election form is not filed with CalPERS, automatic withholding begins based on a married person with three (3) exemptions. Any questions retirees have concerning the taxability of their allowance should be directed to the Internal Revenue Service or California State Franchise Tax Board.

**PAYMENTS FOR PURCHASING SERVICE CREDIT**
A member who previously elected to purchase public service credit, redeposit contributions for service credit, or has arrears contributions, may elect upon retirement to continue any payments due into retirement. In such cases, service credit will be included in the retirement calculation and a monthly payment will be taken from the member’s retirement allowance. Any balance still unpaid upon the member’s death shall be deducted from death benefits otherwise payable. A retired member’s survivor entitled to a monthly survivor allowance may elect to continue such deductions from the monthly allowance in lieu of the lump sum payment otherwise required. The following criteria must be adhered to:

1. No installment payments (deductions) are permitted unless an election has been made prior to retirement.
2. Death benefits against which unpaid balances may be deducted include the lump sum benefit, survivor continuance benefits, and payments under all optional settlements.

**SOCIAL SECURITY INSTRUCTIONS**
Members having Social Security coverage, integrated with System coverage, should contact their local federal Social Security Office about three months before their retirement. Reference material needed by the Social Security Office will be: Social Security number, name of the employer, and documentary proof of birth.

**TEMPORARY ANNUITY PAYMENTS**
Members who are retiring for service can elect to receive an additional monthly allowance from CalPERS.

For members entering CalPERS membership prior to January 1, 2002, the benefit is payable from retirement date to a specific age that the member selects, 59 ½ or any whole age from 60 to 68. The member can name the dollar amount they wish to receive within certain limitations. (G.C.§ 21461)

For members entering CalPERS membership on or after January 1, 2002, their employment must be in a position covered by Social Security and the maximum dollar amount that can be received is the amount of their potential Social Security benefit. They must elect to receive temporary annuity payments until any whole age from 62 to 70. (G.C.§ 21461.5)

This benefit is NOT free. The member’s CalPERS lifetime allowance is permanently reduced to pay for the temporary annuity.

The **Temporary Annuity** publication (PUB 13) can be downloaded and member questions on the program can be directed to the CalPERS Website at [www.calpers.ca.gov](http://www.calpers.ca.gov), or by calling CalPERS at **888 CalPERS** (or **888-225-7377**).
DISABILITY RETIREMENT OR INDUSTRIAL DISABILITY RETIREMENT

You should maintain a supply of A Guide to Completing Your CalPERS Disability Retirement Election Application (PUB 35), which includes the disability retirement application, forms to be completed with step-by-step instructions and important information regarding disability and industrial disability retirement.

Please familiarize yourself with the information in the publication to provide assistance to your employees. CalPERS strongly recommends that members complete and mail the Retirement Allowance Estimate Request form prior to completing the Disability Retirement Election Application (myCalPERS 1200).

DISABILITY RETIREMENT

Retirement for disability, available to all members (Miscellaneous, Industrial, Safety classifications) credited with at least five years of service credit for 1st-Tier and at least 10 years of service credit if 2nd-Tier, is retirement resulting from mental or physical incapacity for the performance of the usual duties. The injury or disease causing the incapacity need not be job-related. (G.C.§ 20026, 20027, and 21150)

NOTE:
A member who is employed on a permanent part-time basis and has worked at least five years for 1st-Tier or ten years for 2nd-Tier may be eligible to retire with less than five or ten years of credited service. The retirement benefit the member will receive will be based on their actual service credit amount. (G.C. § 20962, 20966, and 20970)

INDUSTRIAL DISABILITY RETIREMENT

Retirement for industrial disability, available to all Safety members and those Miscellaneous and Industrial members covered under G.C. section 21151, is retirement resulting from mental or physical incapacity for the performance of the usual duties. The disabling injury or disease must be work-incurred or job-related. Age, service, and contributions are not considered for qualifying purposes. (G.C. § 20026, 20027, and 21151)

Generally, the industrial disability retirement allowance of a member under age 50 will be 50% of final compensation.

PUBLIC EMPLOYEES’ PENSION REFORM ACT OF 2013 (PEPRA)

The Public Employees’ Pension Reform Act of 2013 (PEPRA) allows a calculation for a safety member under age 50 who qualifies for an industrial disability retirement that may result in a higher benefit than 50% of salary. These provisions remain in effect only until January 1, 2018, after which, the new industrial disability retirement provisions will not apply unless the date is extended by statute.

A safety member who retires on or after January 1, 2013 for industrial disability shall receive an industrial disability retirement benefit equal to the greater of the following:

- 50% of final compensation (or more by additional contract provisions). An additional annuity may be payable if the member has contributions associated to non-safety service.
- A service retirement allowance, if qualified for service retirement.
- If under age 50, an actuarially reduced benefit factor (determined by the retirement formula and how many quarter years under age 50) multiplied by the number of years of service credit. (G.C. § 21400)

WHEN TO APPLY

The application for disability retirement shall be made only (G.C. § 21154):

1. While a member is in state service, or
2. For a member, whose contributions will be made under G.C. section 20997, and is absent on military service, or
3. Within four months after the discontinuance of the state service of the member, or while on an approved leave of absence, or
4. While the member is physically or mentally incapacitated to perform their duties from the date of discontinuance of state service to the time of application or motion.

As soon as it is believed the member is unable to perform the job because of an illness or injury, which is expected to be permanent, or last longer than six months, the member or someone on the member’s behalf, should submit an application for disability
Disability Retirement or Industrial Disability Retirement

retirement. The medical condition does not have to be “permanent and stationary” under Workers’ Compensation to submit the application. (G.C. § 21153 and 21252)

EMERGENCY RETIREMENT
CalPERS can expedite retirement processing for members who are facing a terminal illness. If this is the case, CalPERS should be contacted immediately to discuss an emergency retirement. We will make every effort possible to quickly obtain the necessary information and complete our processing. However, for any post-retirement death benefits to be paid, the member must be living on the effective date of retirement. Please refer to the beginning of this chapter for more information. (G.C. § 21153, 21252, and 21503 (d))

WHO CAN APPLY
Application for disability or industrial disability retirement may be made by the member, by a duly authorized official of the employing agency, or any person on behalf of the member. “Duly authorized official” referred to above, is defined in G.C. section 21152 (a)(b)(c).

G.C. section 21153 provides that the employer may not separate a member because of disability who is otherwise eligible to retire for disability. The employer must apply for the disability retirement of such a member unless the member waives the right to retire for disability and elects to either withdraw their contributions or leave them on deposit for a future service retirement.

EMPLOYER ORIGINATED APPLICATION
When an employer is submitting the Disability Retirement Election Application (myCalPERS 1200) on the member’s behalf, the following sections must be completed:

Section 1 - Member Information

Section 2 - Retirement Information - Complete only the employer name and member’s position title. The retirement date is not required.

Section 3 - Disability Information

Section 8 – Workers’ Compensation Information

Section 12 - Employer Originated Application - Signature must be made by the Duly Authorized Official on file with CalPERS or processing will be delayed.

What to Submit with Application —
The following documentation should be submitted with the application the employer files on behalf of the member:

- Job Duty Statement (preferably Job Analysis)
- Physical Requirements of Position/Occupational Title form
- Personnel Records
- Adverse Actions
- SPB Decisions
- Investigation Reports
- Medical information to support application (e.g., Fitness for Duty reports, Doctor Notes, etc.)

NOTE:
Only an employer can cancel an Employer Originated Application. Employers have the right to appeal a CalPERS disability determination.

APPLICATION PROCESS
The member or individual applying on the member’s behalf, other than the employer, is responsible for forwarding all forms to the appropriate party(ies) for completion. (See the “Employer Originated Application” section later in this chapter of this guide for further information).

Estimate — The member’s first step should be to request a Retirement Estimate online at the CalPERS Website, or download, complete and submit the Retirement Allowance Estimate Request (myCalPERS 1211) form also available online. Alternatively, a request can be made by calling CalPERS at 888 CalPERS (or 888-225-7377). Disability estimates are not available using the online Estimate Calculator.

Complete Package — In order for CalPERS to process a request for disability retirement, a complete package must be received within 21 calendar days. If a complete package is not received within this time frame, CalPERS will cancel the member’s application. A complete package consists of:
Disability Retirement or Industrial Disability Retirement

- A completed Disability Retirement Election Application (myCalPERS 1200).
- A completed Authorization to Disclose Protected Health Information (myCalPERS 1203) signed by the member.
- A completed Physician’s Report on Disability (myCalPERS 1204) from a physician who specializes in the member’s disabling condition. The physician must provide a diagnosis on the member’s condition and include information about how it prevents the member from performing their job duties (an incomplete form will delay the review process).
- An Employer Information for Disability Retirement (myCalPERS 1201) form with the job description attached. This form must be used as a cover sheet for the job description and any other documents the employer submits to CalPERS.

NOTE: Submission of the job description should not be delayed for the completion of the Report of Separation & Advance Payroll Information (myCalPERS 1205) form. Employers should return the (myCalPERS 1205) form as soon as information is available.

- A completed Physical Requirements of Position/Occupation Title (myCalPERS 0700) form providing detailed information on the specific physical requirements of the member’s position or occupational title.
- A completed Workers’ Compensation Carrier Request (PERS-BSD-92) form from the insurance carrier, if the member has a job-related injury, with medical records attached related to the claimed disability.

All the required forms needed are included in A Guide to Completing Your CalPERS Disability Retirement Election Application (PUB 35). The member should read the entire publication prior to completing any forms so the information submitted is complete and accurate. This will assist CalPERS in making a determination in a timely manner.

NOTE: It is the member’s responsibility to follow up with the employer, workers’ compensation carrier, and treating physician(s) to ensure the requested information is submitted to CalPERS. If the required information is not received within 21 calendar days of application submission, the application will be cancelled.

Application — When the member submits the Disability Retirement Election Application (myCalPERS 1200), the following sections must be completed:

Sections 1 - 8 and 10 & 11 - Completed by the member or by someone on the member’s behalf.

Section 2 - Member does not need to designate a retirement date to begin the process unless requesting service pending disability or industrial disability retirement.

Section 5 - Member must select an option, and to make an informed decision, they must first request an estimate.

Section 11 - Member’s signature must be witnessed by a CalPERS representative or be notarized.

SICK LEAVE/EDUCATION LEAVE

Employers must certify the separation information by submitting it and any updates online using myCalPERS. Separation information includes the employee’s permanent separation date and any unused sick leave or educational leave balances. If the information is submitted prior to CalPERS processing the member application the additional service credit will be included in the member’s initial retirement benefit. Otherwise the member’s account will be adjusted after the information is submitted.

It is imperative that you report a permanent separation when an employee retires or otherwise ends employment with your agency, regardless of the reason. All transactions within myCalPERS, including health and retirement, rely on the permanent separation date to be reported to determine proper benefit eligibility and cost for both the employer and the member.

To receive sick leave credit or educational leave credit, the member’s retirement date must be within 120 days from the date of separation from the employer granting the sick leave or educational leave.
Disability Retirement or Industrial Disability Retirement

leave. Educational leave shall ONLY apply to eligible State members in bargaining units that have agreed to the benefit in a memorandum of understanding through collective bargaining.

NOTE:
Sick leave/educational leave information must be reported in 8 hour days only. Employers can take whatever in-house procedures they desire to ensure appropriate sick leave/educational leave days are reported. For instance, the employee's sick leave/educational leave can be taken off the books the day the certification is completed.

The Personnel Information Management System (PIMS) is still used to report credit for unused sick leave/educational leave. If your agency needs to correct the reported amounts, you should correct the permanent separation event on the appointment in myCalPERS which will allow you to update the sick leave/educational leave amounts to the correct number and the member's account will be adjusted.

Conversin of Sick Leave/Educational Leave Credits for Employees Working Eight Hours Per Day

All employees, regardless of their work schedule (6.6 hours, 10/4/40, 9/8/80, 52 hour, etc.) will have any accumulated unused hours of sick leave service credit/educational leave divided by eight to determine the number of days to report to CalPERS for the purposes of enhancing the retirement benefit.

Sick leave is converted to service credit by: days of reported sick leave X .004 = service credit.
Example: 35 days X .004 equals .140 years of service credit.

NOTE:
The accrual of sick leave/educational leave credits must be consistent for members of the same group or class who work like or similar hours. Service credit, which was not earned through the “accrual of sick leave/educational leave” policy, may not be credited on an individual basis for the purposes of enhancing the retirement benefit. Unused sick leave/educational leave for which a member receives compensation, (sick leave/educational leave cash out) should not be reported to CalPERS for purposes of enhancing the retirement benefit.

Determination — The disability decision is based upon competent medical opinion; and all medical and vocational information provided by the member, employer, and workers’ compensation carrier is considered in the determination. The determination is based on actual/present disability, not prospective inability to perform the job duties. (G.C. § 21156 and 21158) In the event the medical information supplied to CalPERS is insufficient to make a determination, CalPERS may arrange an Independent Medical Examination (IME).

If the member is found to be disabled due to a mental disorder, a valid Power of Attorney may be required before benefits are payable. For Power of Attorney instructions, please refer to the booklet Power of Attorney (PUB 30).

NOTE:
If the member is currently enrolled in the CalPERS health plan and becomes employed in another job pending the determination of disability retirement benefits, eligibility for CalPERS health benefits may be affected after retirement. (C.C.R. § 599.502 and 599.504)

Cancellation of Application — If a member desires to cancel the disability retirement application, other than an employer originated application, the request must be made in writing to be valid. The member’s signature is required. A cancellation is binding; the member must thereafter re-apply whenever they are ready to retire. If the disability retirement has been approved, please refer to the “Member Alternatives Following Disability Determination” section for more information.
Cancellation requests can be mailed to:

CalPERS
P.O. Box 2796
Sacramento, CA 95812-2796

TEMPORARY DISABILITY ALLOWANCE (TDA) — An employer is required to pay the employee a Temporary Disability Allowance (TDA), provided all of the following conditions have been met:

- The employee has exhausted their leave credits; and
- The employee is placed on involuntary leave status; and
- The employer is applying for disability or industrial disability retirement on the employee’s behalf.

To determine the amount of the TDA, submit a Disability Estimate Request (PERS-MSD-1) form. The request should be completed in full and mailed or faxed to:

CalPERS
Benefit Services Division
PO Box 94271
Sacramento, CA 94229-2715
Fax: (916) 795-0701

The request form must include the last day on pay status. The recommended retirement date to use on the application is the first of the month the application will be sent to CalPERS.

If the disability retirement is approved, CalPERS will reimburse the employer the amount of TDA that was paid to the member from the retroactive portion of the retirement allowance. If the amount of TDA exceeds the retroactive amount, the employer will be reimbursed from the member’s monthly retirement allowance at the rate of 10% until the reimbursement is satisfied. If the disability retirement is denied, the employer is responsible for paying the member the difference between the TDA and the employee’s salary. The member also receives leave credits for the time they were on TDA.

For additional information regarding TDA, please refer to CalHR’s Personnel Management Liaison (PML) memo 2002-005.

Member Alternatives Following the Determination

When the member has been found to be “disabled,” the member will be notified of the finding and advised that they must be retired immediately. The member cannot cancel the application for disability retirement after disability has been determined. However:

1. If the member is also eligible and applies to retire for service (prior to the effective date of retirement for disability or within 30 days of notification of disability approval), the member may be retired for service. (G.C. § 21156 (a)(b))

2. The member may also elect to separate from employment and accept a refund of accumulated contributions in lieu of all future rights and benefits under this System. (G.C. § 21172)

3. The member may appeal the approval determination directly to CalPERS.

When the member has been found to be “not disabled” and the application is denied, the member will be notified of the finding and provided the opportunity to appeal the decision. (C.C.R. § 555 and 555.1- 555.4)

NOTE:
All appeals must be submitted in writing directly to CalPERS within 30 days from the date of the notification letter.

Appeals may be mailed to:

CalPERS
PO Box 2796
Sacramento, CA 95812-2796

CalPERS is subject to the Administrative Procedures Act (APA). Therefore, in case of an appeal to the determination, the dispute must be heard by an administrative law judge of the State Office of Administrative Hearings.

The APA is set forth in the Government Code and the statutes describe the requirements and methods for conducting an administrative hearing.

Retirement Effective Date

If the application was received within nine months after discontinuance of employment, or,
in the case of retirement for disability, if the member was physically or mentally incapacitated to perform their duties within nine months from the date the member discontinued state service, the effective date of retirement will be the day following the last day of payroll.

In the case of an application for retirement filed with the Board of Administration more than nine months after discontinuance of the member’s state service, the effective date shall be the first of the month in which the application was received. (G.C. § 21252)

If a member has been approved for disability retirement, the law states the member must be retired immediately. The member may remain on pay status to use sick leave and/or compensating time off for overtime to which the member is entitled. The determination of what sick leave and/or compensating time off that a person is entitled to is a matter that must be resolved by each employer. (G.C. § 21163)

General Disability Calculation
You can get an idea of what the member’s monthly unmodified disability retirement allowance will be. To do so, you need to know three things:

- How many years of service credit the member has;
- The benefit formula (1.8% for State 1st-Tier or 1.125% for State 2nd-Tier); and
- The final compensation — based on the highest consecutive 12 or 36 months of pay rate, not earnings, (usually the last 12 or 36 months of employment). See the Final Compensation topic in this section for information about whether to use 12-month or 36-month compensation.

Find the benefit factor and years of service credit in the following groupings, then follow the instructions using the worksheet on the following page.

STATE 1ST-TIER
A State 1st-Tier member must have at least five years of service credit to be eligible for disability retirement. (G.C. § 21150)

If the member has between five and 10 years, or 18½ or more years of service credit, multiply the years of service by 1.8% to determine the percentage of final compensation.

If the member has between 10 and 18½ years of service credit, add to that figure the number of years until the member will be age 60 and multiply the TOTAL by 1.8% to determine the percentage of final compensation. (The maximum percentage allowable is 33 ½ %.) (G.C. § 21423)

THEN

Multiply the percentage of final compensation by the highest consecutive 12-month or 36-month average monthly salary to find the Unmodified Allowance. (If the member is eligible for service retirement, the member will receive the higher allowance payable, service or disability).

STATE 2nd -TIER
A State 2nd-Tier member must have at least ten years of service credit to be eligible for disability retirement.

If the member has between 10 and 29.629½ years of service credit, add to that figure the number of years until the member will be age 65 (or age 67 under 2nd Tier formula 1.25% @ 67) and multiply the TOTAL by 1.125% to determine the percentage of final compensation. (The maximum percentage allowable is 33 ½ %)

If the member has 29.629 years or more of service credit, multiply the years of service by 1.125% to determine the percentage of final compensation. (G.C. § 21424)

THEN

Multiply the percentage of final compensation by the highest consecutive 12-month or 36-month average monthly salary to find the Unmodified Allowance. (If the member is eligible for service retirement, the member will receive the higher allowance payable, service or disability).
Disability Retirement or Industrial Disability Retirement

Subrogation (G.C.§ 20250, 20252, 20253, 20254, and 20255)
Under the law, if someone other than the employer caused an injury that results in disability retirement benefits being paid to the member, CalPERS has the right to recover up to one-half of the total retirement benefit costs from the responsible party. This is known as the “right of subrogation.” (G.C.§ 20250)

If the member pursues a claim against any person for the same injuries that also entitles the member to a disability retirement from CalPERS (other than a Workers’ Compensation claim or an uninsured motorist claim), the member must inform CalPERS. This is true even if the claim has not yet resulted in a court action. CalPERS has the right to participate in the claim through filing its own action against the responsible party, intervening in the claim or filing a lien against any judgment recovered. If such a claim is settled without notifying CalPERS, we may also be entitled to file a lawsuit against the member for recovery under our subrogation rights.

INSTRUCTIONS FOR COMPLETION OF THE MY CALPERS 1205
Upon approval of an application for disability retirement by the System, the Benefit Services Division will require payroll information to begin the disability retirement payments.

The Report of Separation and Advance Payroll Information (myCalPERS 1205) must be completed by the employer.

The first section is to be completed by the member:

Section 1 – Employing Agency and Member Information:
- Name of Employing Agency
- Member’s name
- Social Security Number or CalPERS ID
- Retirement date requested by the applicant

The following three sections are to be completed by the employer:

Section 2 – Effective Separation or Termination Dates
- Separation Date
- Termination Date
- Last Day of on Pay Status
- Beginning and ending dates of leave of absence with compensation
- Explanation of the difference between the date of separation and last day on pay status, if any.

NOTE:
In the integrated myCalPERS system, the permanent separation date is now part of a series of system validations. Therefore, the permanent separation date must be reported as the day after the last day an employee works for your agency, which is often the day after the last day on payroll. The permanent separation date will frequently be the same day as a member’s retirement date or start date of a new appointment. It is imperative that all Business Partners follow this important business rule to avoid transaction errors due to automatic system validations. If a member goes on leave of absence or is absent without leave, etc., at the time of retirement, then the date of separation and the last day on the payroll may not be the same.

Section 3 – Unused Sick Leave at Time of Separation
If the member has a sick leave balance that was not used at the time of separation from employment, report the total number of 8 hour days, not hours, of unused sick leave.
Section 4 – Certification of Employer

- Signature of Payroll Officer
- Title
- Date
- Phone number

Immediately mail the myCalPERS 1205 form to the address provided on the form. Failure to submit the form on a timely basis may result in a delayed warrant to the recipient.

NOTE:

1. Do not combine contributions for maintenance and Special Compensation with normal contributions. Use the “other” column.
2. Do not deduct retirement contributions from lump sum vacation payments.
3. Do not delay submission of this form awaiting final payroll data. Estimate the last period’s payroll information and label this line “Estimate”.
EMPLOYMENT OF A RETIREE

CIVIL SERVICE ELIGIBILITY
In addition to the retirement law restrictions, all retired annuitant appointments by state agencies must be based on Civil Service Act eligibility: A retired state civil service employee may be appointed as a retired annuitant to a position that is either (a) in the class in which the person had permanent or probationary status or a Career Executive Assignment (CEA) appointment at the time of retirement; or (b) in another class to which the person could have been permanently transferred, reinstated, or demoted at the time of retirement. A CalPERS retiree who is not retired from civil service, i.e. retired from non-state contracting agencies and retired state employees exempt from civil service, can only be appointed as a retired annuitant if he/she qualifies for appointment under other civil service provisions such as emergency appointment, temporary authorization (TAU) appointment or eligibility on a civil service employment list for the position.

For more information, see Personnel Management Policy and Procedures manual pages 360.1 – 360.4 available from the California Department of Human Resources. (CalHR)

GENERAL RULES
Government Code sections 7522.56, 7522.57 and 21220 through 21230 provide the requirements for employment of a CalPERS retiree. Section 7522.56 provides that a retired person cannot serve, be employed by, or be employed through a contract directly by, a public employer in the same public retirement system from which the retiree receives benefits without reinstatement from retirement, except as permitted. The general requirements are as follows:

CONDITIONS FOR EMPLOYMENT AFTER RETIREMENT
A CalPERS retiree may work for a CalPERS employer (an employer who contracts with CalPERS for retirement benefits) either because the employment is required during an emergency to prevent the stoppage of public business or because the retiree has skills needed to perform work of limited duration. Retirees may be appointed to retired annuitant-designated positions only. If a retiree is appointed to a permanent regular staff position, regardless of whether part time or full time he or she is unlawfully employed.

The hours worked by a retiree cannot exceed 960 hours in a fiscal year, July 1 through June 30. If the retiree works for more than one employer, the hours worked combined cannot exceed the 960-hour limit. There is no exception to this maximum hour limit. CalPERS considers it the responsibility of both the employer and retiree to ensure the retiree does not work more than 960 hours per fiscal year.

The compensation paid to a retiree is limited to a rate of pay that is not less than the minimum and does not exceed the maximum paid by the employer to employees performing comparable duties, divided by 173.333 to equal an hourly rate. The retiree cannot be paid or receive any other compensation or benefits other than the hourly pay rate. No retirement contributions are collected or paid for employed retirees.

CalPERS retirees employed by CalPERS employers are also referred to as “retired annuitants”.

180-DAY WAIT PERIOD
All employees who retire effective January 1, 2013 or later must serve a 180-day waiting period between the retirement date and the first day of post retirement employment. There are certain exceptions to this wait period as identified below. PLEASE NOTE: None of the following exceptions apply if the retiree receives a Golden Handshake or any other retirement incentive (G.C. section 7522.56(f)). The exceptions for state agencies and California State Universities (CSU) are:

- FIREFIGHTER OR PUBLIC SAFETY OFFICER: The retiree is a firefighter or a public safety officer as defined in G.C. 3301 (peace officer) who performs peace officer or firefighter retired annuitant work. If the retiree is on service retirement, please see the Bona Fide Separation in Service Requirement in this section.
- EMPLOYER RESOLUTION-CERTIFICATION: The state employer obtains the Department of Human
Employment of a Retiree

Employment of a Retiree

Resources’ (CalHR), Senate Committee on Rules, Assembly Committee on Rules, or the Trustees of the California University approval certifying the nature of the employment and that the appointment is necessary to fill a critically needed position before the 180 days has passed. CalPERS must be provided the approved exception to place in the retiree’s CalPERS record. (G.C. § 7522.56)

FERP PARTICIPATION: The retiree is eligible to participate in the Faculty Early Retirement Program (FERP) pursuant to a collective bargaining agreement with the California State University that existed prior to January 1, 2013 or has been included in subsequent agreements.

BONA FIDE SEPARATION IN SERVICE RETIREMENT

If the service retiree is under “normal retirement age” at retirement, limited duration employment with a CalPERS employer is not allowed, even if an exception to the 180-day wait period applies, unless both of the following conditions are met:

1. There was no agreement to return to work as a retired annuitant between the member and the employer before the member retired, and

2. There is a bona fide break in service of 60 days between the retirement date and the date the retiree’s employment will begin.

“Normal retirement age” is the age named in the member’s retirement benefit formula. For example, the “normal retirement age” for a 2% @ 55 retirement benefit formula is 55. If the member has more than one retirement benefit formula, then the “normal retirement age” is the highest benefit formula age, even if the member’s service in that formula was with a previous CalPERS employer and/or several years prior. Members can review their retirement formulas on their Annual Member Statements, available online, via their myCalPERS member account, or mailed (if elected) each November.

Example: Joe Smith is a state miscellaneous member who retired June 30, 2012 at age 52 with 20 years of service. His retirement benefit formula at retirement was 2% at 55. Because he has not reached his “normal retirement age” of 55, he must have a bona fide separation in service which means: (1) he and the CalPERS employer must not have had a predetermined agreement for him to return to work before his retirement, and (2) he must have a 60 day separation between his retirement date and the first day of employment as a retired annuitant. (C.C.R. § 586-586.2)

If the retiree is at or above the normal retirement age, then G.C. section 21220.5 restrictions do not apply.

The only exception to the G.C. section 21220.5 restrictions for retirees under normal retirement age is in emergency situations as defined in G.C. section 8558.

Refer to Circular Letter 200-181-04, Employment after Retirement with a CalPERS Covered Employer dated September 3, 2004, which contains detailed information about the law, applicable regulations and frequently asked questions.

NOTE: No employee or employer contributions are made to CalPERS for retired annuitant employment. Refer to the PIMS manual or CSUC manual for information on how to properly code a retired annuitant appointment.

STATE AGENCY

An otherwise eligible retired state employee may be employed in a retired annuitant-designated position not to exceed 960 hours in any fiscal year for all CalPERS employers; either (1) during an emergency to prevent stoppage of public business or (2) because the retired employee has skills needed in performing work of limited duration.

The compensation for the appointment shall not be less than the minimum, nor exceed the maximum monthly base salary paid to other employees performing comparable duties divided by 173.333 to equal an hourly rate. Retired annuitants cannot receive or be paid any benefit, incentive, compensation in lieu of benefits, or other forms of compensation in addition to the hourly rate (G.C. sections 7522.56 and 21224).
Employment of a Retiree

CALIFORNIA STATE UNIVERSITY (CSU)

CSU Academic Retirees
A CSU academic retiree may be employed, in any fiscal year as a member of the CSU academic staff in a retired-designated position not to exceed 960 hours for all employers or 50 percent of the hours the member was employed during the last fiscal year of service prior to retirement, whichever is less (G.C. sections 7522.56 and 21227).

CSU Non-academic Retirees
A retiree may be employed in a retired annuitant-designated position by a school employer or by the Trustees of CSU (1) during an emergency to prevent stoppage of public business or (2) because the retiree has skills needed in performing work of limited duration if that service does not exceed a total of 960 hours for all CalPERS employers in any fiscal year.

The compensation paid to the retiree cannot be less than the minimum, nor exceed the maximum monthly base salary paid to other employees performing comparable duties divided by 173.333 to equal an hourly rate. Retired annuitants cannot receive any benefit, incentive, compensation in lieu of benefits, or other forms of compensation in addition to the hourly rate (G.C. sections 7522.56 and 21229).

UNEMPLOYMENT BENEFITS AND RETIRED ANNUITANT EMPLOYMENT
California law prohibits the reappointment of a retired annuitant by any public employer if, during the 12-month period prior to reappointment, the retiree received unemployment insurance compensation for prior retired annuitant employment with that public employer.

Upon accepting an offer of employment, the retiree must certify in writing to the employer that he or she is in compliance with this requirement (G.C. 7522.56 (e)(1)).

If a currently employed retiree is discovered to have received unemployment insurance compensation based on prior retired annuitant employment with your agency, the current employment must be terminated on the last day of the current pay period and the retiree shall not be eligible for reappointment with your agency for 12 months following the termination of the current employment. (G.C. sections 21224, 21229 and 7522.56).

A violation of this provision will not result in mandatory reinstatement from retirement for the retiree.

RETIRED ANNUITANT SELF CERTIFICATION FORM
CalHR Form 715, a Retired Annuitant Self-Certification form, can be downloaded from the California Department of Human Resources Website at www.calhr.ca.gov.

AUTHORIZATION FOR RELEASE OF UNEMPLOYMENT INSURANCE RECORDS FOR RETIRED ANNUITANTS
EDD Form DE 1181 can be downloaded from the Employment Development Department Website at www.edd.ca.gov.

California State Universities (CSU) are not required to use these forms when employing retirees; however, they may require retirees to provide a current Unemployment Insurance Benefit (UIB) print out indicating if they have collected unemployment insurance benefits within the previous 12 months.

SPECIAL APPOINTMENTS - THE 180-DAY WAIT PERIOD DOES NOT APPLY
1. FULL TIME STATE BOARD OR COMMISSION: A CalPERS retiree may be appointed to serve on a full time salaried state board or commission as follows: The retiree may serve without reinstatement from retirement as a non-salaried member and receive only the per diem authorized to all members of the board or commission. If the retiree accepts the salary, the retiree must reinstate form retirement (G.C. section 7522.57(c)). Please see the Membership section for membership election information.

2. PART TIME STATE BOARD OR COMMISSION: A CalPERS retiree may be appointed to serve on a part-time state board or commission provided the annual salary is no more than $60,000. This annual salary shall only be increased in any fiscal year in which a general salary increase is provided to state employees. (G.C. section 7522.57(b)).
3. FULL TIME STATE BOARD OR COMMISSION, NOT A CalPERS RETIREE:
A retiree from a public pension system other than CalPERS appointed to a full time salaried board or commission shall choose one of the following:

a. The retiree may serve without reinstatement from retirement as a non-salaried member and receive only the per diem authorized to all members of the board or commission.

b. The retiree may suspend his or her retirement allowance(s) and instate as a new member of CalPERS to serve as a full time salaried board or commission member. This service shall not be eligible for reciprocity with any other retirement system or plan. (G.C section 7522.57(d)).

4. PENAL CODE STATE BOARD: A person retired from a public employer may serve without reinstatement upon appointment to a full time state board pursuant to Section 5075 of the Penal Code. (G.C. section 7522.57(e)).

ELECTIVE POSITIONS - 12/31/2012 & PRIOR
Any retiree may serve as an elective officer without reinstatement from retirement; however, any part of the retirement allowance based on previous service in that same elected office shall be suspended during incumbency in such office (G.C. sections 21221(d) and 21222. This applies only to retirees who were already serving in elective office December 31, 2012 and prior.

ELECTIVE POSITIONS - 1/1/2013 & LATER
Retirees elected on or after January 1, 2013 may be subject to retired annuitant restrictions. Direct specific questions about elected officials and retired annuitant employment to the Benefit Services Division at 888-225-7377.

EMPLOYMENT BY A NON-CALPERS AND NON-PUBLIC RETIREMENT SYSTEM EMPLOYER
A retiree receiving a monthly allowance from CalPERS may be employed by any employer not participating in CalPERS or any non-public retirement system without reinstatement from retirement. (G.C. § 21432)

A CSU academic retiree may be employed with a school employer in a certificated STRS-qualified position without reinstatement provided that he or she has never previously made a STRS-PERS election. Please see the section within this guide: Membership-School Employment: CalPERS or CalSTRS? (G.C. § 7522.56)

EMPLOYMENT OF A RETIREE AS AN “INDEPENDENT CONTRACTOR”, “CONSULTANT”, OR “CONTRACT EMPLOYEE”
Before employing a retiree as an independent contractor, consultant or contract employee, please note the following and contact CalPERS for any questions (Presidential Decision 5-01 and Galt Services Authority case):

- If the retiree will be your employee under common-law employment principles, the employment is subject to the retired annuitant requirements.
- If the position is one in which an active CalPERS member would earn service credit, the employment is subject to the retired annuitant requirements.
- Please note, statutory positions, i.e., positions that are employees of your agency by statute cannot be filled by an independent contractor, consultant or contract employee. If you have a question about whether a position is a statutory employee, please contact the Customer Account Services Division, Membership Analysis & Design Unit.

Direct specific questions about retired annuitant employment to the Benefit Services Division at 888-225-7377 or you may also submit your written questions along with a copy of the proposed contract and scope of duties document to:

CalPERS
Benefit Services Division
P.O. Box 942711
Sacramento, CA 94229-2711

EMPLOYMENT THROUGH A THIRD PARTY EMPLOYER (ALL RETIREEs)
Before employing a retiree through a third party employer or temporary employment agency, please note the following and contact CalPERS for any questions:

- The fact a third party employer may pay the retiree’s wage does not exempt the
Employment of a Retiree

To request reemployment approval:

1. The retiree needs to complete and sign Section 1 of the Request to Work While Receiving Disability/Industrial Disability Retirement Benefits form (my|CalPERS 1199) provided in the Employment After Retirement publication (PUB 33).

2. The prospective employer completes Section 2 of the request form, stating their “intent to hire” the retiree upon CalPERS approval. Attach a copy of the current job duty statement and a completed and signed Physical Requirements of Position/Occupational Title form (my|CalPERS 0700) for the position which the retiree is requesting to work.

3. Provide a medical report from the retiree’s treating physician, who specializes in the member’s disabling condition, stating that he/she has recently examined the retiree, reviewed the job duty statement, along with a completed and signed Physical Requirements of Position/Occupational Title form (my|CalPERS 0700) and finds the retiree is able to perform all tasks without restriction or limitation. CalPERS may require an independent medical evaluation to supplement the doctor’s report. If so, CalPERS will select the physician, schedule the appointment, and pay for the examination. (G.C. § 20129)

Upon approval of the reemployment, the retiree will be required to report monthly earnings to CalPERS, as the disability/industrial disability retirement pension is subject to an earnings limit for as long as the employment continues.

NOTE: No employee or employer contributions are made to CalPERS for these types of employment.

For specific questions concerning employment of a CalPERS retiree, please review the publication Employment After Retirement (PUB 33) available in the Forms & Publication Center on the CalPERS Website at www.calpers.ca.gov or contact CalPERS at 888 CalPERS (or 888-225-7377).
PUBLIC EMPLOYEES’ PENSION REFORM ACT OF 2013 (PEPRA)

Employees who reinstate from retirement on or after January 1, 2013 with the same employer from which they retired would be entitled to the retirement formula that was in effect on December 31, 2012. (G.C. § 7522.02 and 7522.04)

NOTE:
All State agencies, including CSU, are treated as a single employer under PEPRA. Additionally, all school employers are treated as a single employer as well.

However, such employees who reinstate from retirement with a different employer may be enrolled into one of the new retirement formulas depending on whether or not they are considered a “new member” under PEPRA.

NOTE:
Please see the Membership chapter of this Guide for the definition of a new PEPRA member.

If you wish to hire a retiree in a permanent position, whether full-time or part-time, the retiree must reinstate from service retirement into active CalPERS membership. (G.C. § 20096) A member on service retirement does not need approval prior to beginning active employment. However, to avoid an overpayment of retirement benefits and prevent payroll reporting problems for the employer, it is important to submit the Reinstatement From Service Retirement Application (myCalPERS 0668) in a timely manner.

NOTE:
A retired person on a disability or industrial disability must be approved for reinstatement prior to being hired as a regular employee. (G.C. § 21191, 21192, and 21193)

The publication Reinstatement From Retirement (PUB 37) includes the reinstatement applications for retired members on service, disability, or industrial disability retirement as well as information about the voluntary reinstatement process in general. There is also information about mandatory reinstatement and the other consequences of unlawful or “illegal” employment. The publication is available in the Forms & Publications Center on the CalPERS Website at www.calpers.ca.gov or by calling 888 CalPERS (or 888-225-7377).

Please be aware that reinstatement to an employer other than the one from which the member previously retired can result in the loss of the previous retirement benefits. The retiree should contact the new employer’s personnel office to clarify any questions about health and dental benefits, vision care, unused sick leave and death benefits available to that employer’s employees and retirees before reinstating. A previous Golden Handshake is permanently lost upon reinstatement with any employer.

Reinstatement from retirement affects the cost-of-living adjustment (COLA). The annual COLA increase will begin in the second calendar year after re-retirement.

To retire again following reinstatement (re-retire), the member must submit a new application for retirement. The member should contact the employer’s personnel office or CalPERS prior to retirement to obtain the most current application document(s).

SERVICE RETIREMENT

The Board, pursuant to the provisions of G.C. section 21196, may reinstate a person who has been retired under this System for service upon CalPERS receipt of the completed Reinstatement From Service Retirement Application (myCalPERS 0668). This application is enclosed in the Reinstatement From Retirement publication (PUB 37).

The member is responsible for completing Sections 1 and 3. Section 2 must be completed by a Human Resource or Personnel representative of the employer certifying the start date of the permanent employment.

A person who has been retired under this System for service, following an involuntary termination of the person’s employment, and who is subsequently reinstated to such employment by action on or after October 1, 1965, pursuant to an administrative or judicial proceeding, shall be returned to employment status for the period specified by the judgment. The
requirements of Section 21196 shall not apply in this case (G.C. section 21198).

A person who has been retired under this System for service may be reinstated from retirement pursuant to this article without regard to the requirements of G.C. section 21196, upon the retiree’s application to CalPERS, if upon reinstatement, the retiree will be appointed by the Governor to any state office or employment (G.C. section 21199).

When a person is reinstated from retirement, the retirement allowance is cancelled and the retiree becomes a member of the System as of the date of reinstatement. The retiree’s individual account shall be credited with the actuarial equivalent of the retiree’s annuity at the date of reinstatement, not to exceed the amount of accumulated contributions at the date of retirement (G.C. section 21200).

**Disability/Industrial Disability Retirement**

(G.C. Sections 21191, 21192, 21193 and 21201)

A member retired for disability/industrial disability may request approval from CalPERS to reinstate to another CalPERS covered position.

1. The Board may require any member receiving a disability/industrial disability retirement allowance, under the minimum age for voluntary retirement for service, to undergo a medical examination. If CalPERS determines that such recipient is not incapacitated for duty, the agency shall be notified that such person is eligible for reinstatement to duty. The fact that the member was retired for disability/industrial disability does not prejudice any right to reinstatement to duty, which the member may claim. The member’s disability/industrial disability retirement allowance will be canceled on the effective date of the employer’s job offer (G.C. sections 21192 and 21193).

2. Any retiree may request approval from CalPERS to reinstate, whereby the retirement allowance is canceled and the member resumes active member status, including earning additional service credit towards their subsequent retirement.

   To request approval, the member must:

   - Complete Section 1 of the Request for Reinstatement from Disability/Industrial Disability Retirement form (my|CalPERS 0669) found in the document center of my|CalPERS;
   - Provide a current job duty statement for the position and a completed and signed Physical Requirements of Position/Occupational Title form (my|CalPERS 0700);
   - Provide a current written report from their treating physician, specializing in the member’s disabling condition that indicates

If the member is requesting reinstatement into a different position from which they retired, the prospective employer must complete Section 3 stating their intent to hire the member upon CalPERS approval (G.C. sections 21192 and 21193).

3. A member retired for industrial disability may request approval from CalPERS to reinstate to a position which is classified as Miscellaneous.

   To request approval, the member must:

   - Complete Sections 1 and 2 of the Request for Reinstatement from Disability/Industrial Disability Retirement form (my|CalPERS 0669) found in the document center of my|CalPERS;
   - Provide a current job duty statement and a completed and signed Physical Requirements of Position/Occupational Title form (my|CalPERS 0700) form for the position; and
   - Provide a current written report from their treating physician, specializing in the member’s disabling condition that indicates
the job duty statement and the *Physical Requirements of Position/Occupational Title* (myCalPERS 0700) form were reviewed, that the member was recently examined and is found able to fully perform the tasks of the job duties without limitation or restrictions. CalPERS may require an independent medical evaluation to supplement the doctor’s report. If so, CalPERS will select the physician, schedule the appointment, and pay for the examination.

The prospective employer must:
- Complete Section 3 stating their intent to hire the member upon CalPERS approval (G.C. sections 21192 and 21193);

Upon subsequent retirement, the member’s allowance will be recalculated based on the highest final compensation period during employment using the same retirement benefit formula for industrial disability and adding an annuity for the additional time worked after reinstatement. If the member is eligible for a service retirement after the miscellaneous employment, the member may receive whichever allowance is greater, but will retain the industrial disability retirement classification (G.C. sections 21197 and 21200).

Upon subsequent retirement, the member’s allowance will be recalculated based on the average of the highest pay rate and special compensation during any consecutive 12 or 36 months depending upon membership date using the same retirement benefit formula for industrial disability, and adding an annuity for the additional time worked after reinstatement. If the member is eligible for a service retirement after the miscellaneous employment, the member may receive whichever allowance is greater, but will retain the industrial disability retirement classification (G.C. sections 21197 and 21200).

4. If the member whose disability retirement has been canceled does not re-enter CalPERS covered employment, an amount which is the actuarial equivalent of the member’s annuity at cancellation shall be credited to the individual account, and shall be refunded unless the member is eligible to elect, and does elect, to allow their accumulated contributions to remain in the retirement fund (G.C. section 21172).
NOTIFICATION OF CHANGE IN BENEFICIARY STATUS

It is important for a retired member to contact CalPERS to request a Changing Your Beneficiary or Monthly Benefit After Retirement publication (PUB 98) when any one of the following qualifying events occurs because his or her designated beneficiary’s entitlement to certain CalPERS benefits could be affected.

- Marriage or Registration of Domestic Partnership of the retiree. (G.C. § 21462)
- Legal separation, dissolution or annulment of the retiree’s marriage or termination of the retiree’s domestic partnership, if initiated after the designation was filed. (G.C. § 21462)
- Birth or adoption of a child. (G.C. § 21462)

Should any one of these events occur, a retiree’s existing beneficiary designation for the balance of Option 1 contributions, the lump sum death benefit, or the balance of Temporary Annuity payments are automatically revoked. Once the designation is revoked, lump sum benefits will be paid to the statutory beneficiaries in the following sequence:

1. To the retiree’s spouse/registered domestic partner, or if none;
2. To the retiree’s natural or adopted children, share and share alike, or if none;
3. To the retiree’s parents, share and share alike, or if none;
4. To the retiree’s brothers and sisters, share and share alike, or if none;
5. To the retiree’s estate, if probated. If the estate does not require probate, but there is a trust, benefits will be paid to the trust. If there is no trust, benefits will be paid to the surviving next of kin in the order prescribed by law.

A retiree may designate a new beneficiary by obtaining a Changing Your Beneficiary or Monthly Benefit After Retirement publication (PUB 98), which includes a Post Retirement Lump Sum Beneficiary Designation Form (PERS-BSD-509-P) and returning the completed form to:

CalPERS
PO Box 942715
Sacramento, CA 94229-2715

The publication is available in the Forms & Publications Center on the CalPERS Website at www.calpers.ca.gov.

If the retiree wants his or her statutory beneficiary (ies) to receive the lump sum benefits payable, there is no need to file a PERS-BSD-509P. However, filing PERS-BSD-509P may help us locate the person(s) upon the retiree’s death.

The retiree’s spouse or domestic partner is required to sign the PERS-BSD-509P acknowledging the designation made by the retiree. If the retiree does not certify they have no spouse/partner or the document does not include the spouse’s or partner’s signature, a Justification for Absence of Spouse’s Signature (myCalPERS 0775) must be completed and submitted with their designation.

NOTE:
A retiree’s designation and benefit entitlement to any lump sum death benefit may be affected by any domestic relations court order, which awards a current or ex-spouse or partner a community property interest in the retiree’s CalPERS retirement account. (Family Code Section 2610)

For an explanation of the limited situations under which a retiree may change their optional settlement and/or life beneficiary designation after retirement, please refer to the Changing Your Retirement Option or Life Option Beneficiary publication (PUB 98). The publication is available on the CalPERS Website at www.calpers.ca.gov.

A survivor or beneficiary who is receiving an allowance following the death of the retiree may designate a beneficiary to receive any unpaid allowance by completing and filing a Designation for Beneficiary’s or Survivor’s Prorated Allowance (myCalPERS 0777) form with CalPERS. (G.C. § 21491)
NOTE:
If a retiree marries or enters into a registered domestic partnership, the new spouse/domestic partner is not automatically entitled to a monthly death benefit. (G.C. § 21454, 21453, 21462, and Family Code Section 2610) The retiree would have to modify the Option and name a new beneficiary. A modification will cause a reduction in the retiree’s allowance to provide an ongoing allowance with health and dental coverage to the new spouse or domestic partner. For more information, refer to the Changing Your Beneficiary or Monthly Benefit After Retirement (PUB 98) available on the CalPERS Website at www.calpers.ca.gov.

QUALIFYING FOR ‘POP-UP’ BENEFITS (G.C. § 21456, 21457, AND 21463)

If the retiree elected the Option 2 or 3 benefit on or after January 1, 1990, the retiree’s allowance will increase to a higher allowance, if one of the following events occurs:

- The retiree’s beneficiary dies.
- The retiree’s Option 2 or Option 3 beneficiary is the retiree’s spouse or registered domestic partner and they divorce, legally separate, or the marriage is annulled and they provide CalPERS with a copy of their judgment that awards the member the entire community property interest in their CalPERS benefits.

The retiree’s non-spouse/non-domestic partner beneficiary waives entitlement to the Option 2 or Option 3 benefit by filing a Non-Spouse/Non-Domestic Partner Disclaimer of CalPERS Benefits (myCalPERS 0362) form, which will be provided by CalPERS upon request, which must be signed, notarized and approved by CalPERS.

If the retiree’s retirement date is before January 1, 1990 and one of the three events occurred less than 10 years following the retirement date, the retired member’s allowance may be increased to the actuarial equivalent of the Unmodified Allowance.

If the retiree’s retirement date is before January 1, 1990 and one of the three events occurred more than 10 years following their retirement date, they are not entitled to an allowance increase. There is no ‘pop-up’ increase if the retiree elected Option 2W or 3W (W = waived pop-up). If the retiree feels they are entitled to an increase, they should request theChanging Your Beneficiary or Monthly Benefit After Retirement (PUB 98), which contains a Request for Option 2 or 3 ‘Pop-Up’ Increase form (PERS-0M0015-DMC).

‘POP-UP’ EFFECTIVE DATE (G.C. § 21463, 21456 AND 21457)

Beneficiary Death
The retiree’s allowance will increase to a higher allowance effective on the first of the month following the beneficiary’s month of death.

Dissolution of Marriage, Termination of Domestic Partnership, Legal Separation, or Annulment
The retiree’s allowance will be increased to a higher allowance effective the first of the month following CalPERS receipt of the judgment awarding them total interest in their CalPERS benefit.

Non-Spouse/Non-Domestic Partner Beneficiary Disclaimer
The retiree’s beneficiary will be asked to sign a Non-Spouse/Non-Domestic Partner Disclaimer of CalPERS Benefits (myCalPERS 0362) form, which will be provided by CalPERS upon request, which must be signed, notarized and approved by CalPERS.

The retiree’s allowance will increase effective the first of the month following CalPERS’ receipt of the properly completed and notarized Non-Spouse/Non-Domestic Partner Disclaimer of CalPERS Benefits (myCalPERS 0362) form.

CHANGING BENEFICIARY DESIGNATIONS AND MODIFYING AN OPTION AND/OR LIFE OPTION BENEFICIARY

A retiree who elected the Unmodified Allowance or Option 1 may change the beneficiary for the lump sum retired death benefit, the balance of Option 1 or balance of Temporary Annuity at any time.

A retiree can also modify their current retirement election and name a new beneficiary for a lifetime option allowance after a qualifying event (as described below), provided their current
lifetime option beneficiary is not a former or legally separated spouse/domestic partner who has a community property interest in their CalPERS retirement benefit.

NOTE: Electing a modification of option reduces the retiree’s current allowance. The amount of the retiree’s allowance reduction depends upon the retiree’s age and the age of their new beneficiary at the time of the election.

QUALIFYING EVENTS
The following events allow the retiree to modify their allowance or retirement option and name a new beneficiary.

1. Death of Retirement Option Beneficiary
If the retired member elected:
   a) Unmodified Allowance or Option 1
      • The death of their beneficiary is not a qualifying event.
   b) Option 2, 2W, 3, 3W, or 4
      • The retired member can modify their election of the option 2, 2W, 3, 3W, or 4 to another option and name a new beneficiary.

2. Retired Member’s Marriage or Entry into a Registered Domestic Partnership
If the retired member elected:
   a) Unmodified Allowance
      • The retired member can modify their election of the Unmodified Allowance to an Option 1, 2, 2W, 3, 3W, or 4 and name their current spouse/domestic partner as beneficiary.
   b) Option 1
      • The retired member can modify their Option 1 to an Option 2, 2W, 3, 3W, or 4 and name their current spouse/domestic partner as beneficiary.
   c) Option 2, 2W, 3, 3W, or 4
      • If retired member has a former spouse/domestic partner and they are not the Option 2, 2W, 3, 3W, or 4 beneficiary, they can modify their election to an Option 1, 2, 2W, 3, 3W, or 4 and name their current spouse/domestic partner as beneficiary.

NOTE: If the retired member’s former spouse or former domestic partner is the retired member’s beneficiary, see the Dissolution of Marriage, Legal Separation, or Annulment section for information on their ability to modify their allowance or retirement option.

3. Dissolution of Marriage, Termination of Domestic Partnership, Legal Separation, or Annulment
If the retired member elected:
   a) Unmodified Allowance and Option 1
      • This is not a qualifying event.
   b) Option 2, 2W, 3, 3W, or 4
      • If the retired member’s former or legally separated spouse/domestic partner is the Option 2, 2W, 3, 3W, or 4 beneficiary and the dissolution/termination or legal separation judgment on retired community property awards the member the entire interest in the CalPERS retirement, their beneficiary can be changed and they can modify the election to an Option 1, 2, 2W, 3, 3W, or 4 and name a new beneficiary.

NOTE: If the retiree’s former or legally separated spouse or domestic partner is their Option 2, 2W, 3, 3W, or 4 beneficiary and the dissolution/termination or legal separation judgment dividing the community property does not award the retiree the entire interest in their CalPERS retirement, the retiree’s former or legally separated spouse or domestic partner cannot be removed as beneficiary.

4. Non-Spouse/Non-Domestic Partner Beneficiary Disclaims Lifetime Allowance
If the retired member elected:
   a) Unmodified Allowance or Option 1, 2, 2W, 3, 3W, or 4
      • Regardless of what option the retired member chooses, a non-spouse/non-domestic partner beneficiary disclaimer is not a qualifying event for a modification of option. This simply means the non-spouse/non-domestic partner beneficiary relinquished their entitlement to CalPERS benefits.
If a retiree wishes to change their option and/or name a new beneficiary for a lifetime option allowance, the retiree should access the document center in myCalPERS to complete an Application to Modify Option and/or Life Option Beneficiary (myCalPERS 1197) form which is within the Changing Your Beneficiary or Monthly Benefit After Retirement publication (PUB 98).

**Effective Date for Changing an Option (G.C. § 21462)**

If the retiree made an election to change their option within 12 months of the qualifying event, the effective date is the first of the month following CalPERS receipt of the completed election document. Both the retiree and their new beneficiary must be alive on the effective date.

If the retiree makes an election to modify their option more than 12 months after the qualifying event, the modification will not become effective until 12 months after the election is made. Both the retiree and their new beneficiary must be alive on the deferred election effective date.

**Insurance Coverage for a New Spouse/Registered Domestic Partner (G.C. § 22830)**

When a retiree considers a modification of retirement option, they need to remember that continuation of health or dental insurance coverage of a new spouse/domestic partner depends on their being enrolled as a dependent on the retiree’s plan at the time of the retiree’s death and whether the retiree made an election of option that provides the new spouse/domestic partner with a monthly benefit.

If a retiree has CalPERS health insurance, they must immediately notify CalPERS if they divorce, terminate a domestic partnership, or suffer the death of a spouse, domestic partner, or other dependent. Failure to make a timely notification may result in incorrect premium deductions from the retiree’s monthly allowance.
DEATH OF A RETIREE

If you become aware of the death of a retiree, please contact CalPERS with the name, birth date, Social Security Number, and date of death of the deceased, as well as the names, relationships, and addresses of the next of kin. A written or telephone communication detailing this information is acceptable for death notification provided an official of the agency gives it. The form PERS-BSD-738 SHOULD NOT be submitted for a retiree’s death.

INFORMATION FOR FAMILY OF DECEASED
When a CalPERS retiree dies, there are several important steps a spouse/domestic partner or family member can take to help assure prompt payment of any benefits payable by CalPERS.

The first step is to notify CalPERS at 888 CalPERS (or 888-225-7377) or by letter at P.O. Box 1652, Sacramento, CA, 95812-1652. We will need the following information:

1. Name and Social Security number of deceased retiree.
2. The date of death.
3. Name, address, and telephone number of person providing notice of death
4. Name, address, and telephone number of surviving spouse/domestic partner, other next of kin, or the person whom will be settling the estate.
5. If applicable, Social Security number of surviving spouse or registered domestic partner.
6. Date of birth of surviving spouse or registered domestic partner.
7. Date of marriage or registration of domestic partnership.
8. Whether surviving spouse/domestic partner is able to manage their own financial affairs.

The second step is to accumulate documentation. The System will ask for:

1. A photocopy of the certified death certificate.
2. The name, address and phone number of the person handling the estate if the member’s estate requires probate. Letters of administration must be submitted by the executor of the estate before benefits can be paid to the estate.
3. Other documents which are not included in the member file such as marriage certificates or birth certificates.

The third step is completing the Application for Retired Member/Payee Survivor Benefits (myCalPERS 1191) form that is sent by CalPERS. This form is used to determine whether any event has occurred to invalidate the beneficiary designation or to identify persons who might be beneficiaries by law. It is a formal application to receive payment of death or survivor benefits determined payable by CalPERS. The person completing this form is certifying that he/she is the person identified therein. This form should be completed in full and returned to CalPERS with the other documentation, (death certificate, marriage certificate, newspaper clipping, etc.) as quickly as possible. Enclosed with the Application for Retired Member/Payee Survivor Benefits (myCalPERS 1191) form will be a Tax Withholding Election for Survivor Benefits (myCalPERS 1190) form so an election may be made for Federal and State Tax withholding.

HEALTH INSURANCE
If the beneficiary or survivor is entitled to a monthly benefit and continued coverage under the Public Employees’ Medical and Hospital Care Act, as administered by CalPERS, the enrollment shall be continuous. A HBD-12 is completed by CalPERS and a copy will be sent to the beneficiary or survivor. (C.C.R. § 599.502 (E) (8))
**Warrants Issued After Retiree’s Death**

All checks or retirement warrants issued (dated) after the retiree’s death should be promptly returned to the System.* If warrants have been mailed to a bank for direct deposit to the retiree’s account, CalPERS will contact the bank directly to request repayment of warrants issued after the retiree’s death. Any allowance accrued but unpaid prior to the retiree’s death will be paid to the eligible beneficiary. (G.C. § 21510)

* Unless the CalPERS representative specifically tells the surviving spouse/domestic partner the payments do not need to be returned.
COMPLETING THE TAX WITHHOLDING ELECTION FOR DEATH BENEFITS

MONTHLY AND/OR PRORATED PAYMENT INCLUDING ANY ALLOWANCE ADJUSTMENTS

The retirement allowance is treated as payroll wages. Federal income tax will be withheld based on the rate of a married person claiming three exemptions unless the beneficiary or survivor elects no withholding, or elects a different marital status or number of exemptions. If no election is submitted and the rate of married with three exemptions is used, no federal tax will be withheld if the gross monthly payment is less than the IRS minimum level.

If the beneficiary or survivor is a resident of the State of California (or a non-California resident who chooses to have California state taxes withheld), state income tax will also be withheld based on the rate of a married person claiming three exemptions unless they elect no withholding, or elect a different marital status or number of exemptions. For California residents, if no election for state withholding is submitted and the rate of married with three exemptions is used, no taxes will be withheld if the gross monthly payment is less than the Franchise Tax Board minimum level.

OPTION ONE, TEMPORARY ANNUITY PAYMENTS AND RETIRED DEATH BENEFIT (C.C.R. § 589.5 AND G.C. § 22970.88)

If the benefit is payable to a spouse (or ex-spouse awarded a community property interest), death benefits may be non-taxable, partially taxable, or fully taxable. Any taxable portion of the benefit will be subject to 20 percent federal withholding unless rolled over into an IRA. The non-taxable portion of the distribution is not eligible for rollover. This portion will be paid with no taxes deducted and will be reported to the tax authorities as a non-taxable benefit. Special tax rules apply to eligible rollover distributions. The spouse should consult a tax advisor before making a tax election for these benefits.

If someone other than the retiree’s spouse or ex-spouse is a beneficiary of all or a portion of an Option One, Temporary Annuity balance, or Retired Death Benefit, the taxable portion of the benefit will be subject to 20 percent federal withholding unless rolled over into an “inherited” type IRA. The non-taxable portion of the distribution is not eligible for rollover. It will be paid with no taxes deducted and will be reported to the tax authorities as a non-taxable benefit. Special tax rules apply to eligible rollover distributions. The non-spouse beneficiary should consult a tax advisor before making a tax election for these benefits.

If the beneficiary lives in California, CalPERS will automatically withhold 3 percent of the taxable portion of the payment for State taxes unless the payments are rolled over into an IRA. If they do not wish to have State tax withheld from an Option One, Temporary Annuity or retired death benefit payment, they must submit a Tax Withholding Election for Survivor Benefits Including Benefits Eligible for Rollover form (myCalPERS 1192) with the appropriate box checked.
TAX AND INCOME REPORTING INFORMATION

STATEMENT OF BENEFITS PAID AND WITHHOLDING (C.C.R. § 589.5 AND G.C. § 22970.88)
In January of the year following payment, CalPERS provides each retiree and/or beneficiary with a tax statement showing the gross amount(s) of benefits paid during the previous calendar year and the amount of income tax withheld, if any. All payments made by CalPERS are reported to the IRS and California State Franchise Tax Board. Questions about the taxability of CalPERS benefits should be directed to the IRS, the California State Franchise Tax Board, or a tax advisor.

TAXPAYER IDENTIFICATION NUMBER (C.C.R. § 589.5 AND G.C. § 22970.88)
Section 6109 of the IRS Code requires recipients of reportable payments to furnish Taxpayer Identification Numbers (TINs). The Social Security Number (or Employer ID number, if a trust or organization) must be furnished to CalPERS, even if the retiree and/or beneficiary are not required to file a tax return.

NOTICE OF POSSIBLE PENALTIES (C.C.R. § 589.5 AND G.C. § 22970.88)
If the retiree and/or beneficiary elects not to have federal tax and/or California State tax withheld, or not enough federal or California State tax withheld, the retiree and/or beneficiary may be responsible for payment of estimated tax. The retiree and/or beneficiary may also incur penalties under the estimated tax rules if withholding and estimated tax payments are not sufficient. IRS Publication 505, Tax Withholding and Estimated Tax, provides additional information.

CHANGING A TAX WITHHOLDING ELECTION (C.C.R. § 589.5 AND G.C. § 22970.88)
Once a tax withholding election for a monthly benefit is filed, it will remain in effect until another election is filed revoking the original.

To file another election, the retiree and/or beneficiary would need to complete federal form W-4P and state form DE-4P and submit them to CalPERS. This form can be viewed and printed from the Forms & Publications Center on the CalPERS Website.
**MEMBER REFUNDS**

Once a permanent separation has been entered into myCalPERS, an Options at Separation letter is generated to the member. The letter explains the members options based on age and vesting as well as providing tax information if they choose to withdraw their contributions and interest. (G.C. § 20730)

If the member is moving from one CalPERS covered employer to another, he or she may not receive a return of contributions. In addition, if the member is moving to any of the public funded retirement systems with which CalPERS has a reciprocal agreement, the member may not elect to withdraw his or her contributions. If the member is moving to a position covered under CalSTRS, Legislators’ Retirement System, University of California Retirement Plan, or the Judges’ Retirement Systems, he or she may not elect to refund. (G.C. § 20731)

Should the member prefer to leave their funds in CalPERS, they need not respond to the Options at Separation letter. Their contributions will continue to earn interest at the current rate. As long as the contributions remain in CalPERS, members can review their Annual Member Statement which is available online, via their myCalPERS member account, or mailed (if elected) each November to the current address on record. If the member has at least five years of service credit, he or she can apply for a retirement allowance at age 50 or older. If the funds are still in CalPERS when the member reaches age 70, an election to either refund or retire must be made. (G.C. § 20731)

Should the member prefer a refund of contributions and interest, he or she will need to return the Refund/Rollover Election Package (PERS02M0324) directly to CalPERS. The form is located on the CalPERS Website or can be obtained by calling CalPERS and requesting a copy. The member can elect to withdraw his or her contributions and interest as an in-hand distribution or as a rollover to an IRA or other qualified retirement plan. (G.C. § 20734)

A refund will not be issued until the member has been permanently separated from all CalPERS-covered employers via myCalPERS. (G.C. § 20733)

**NOTE:**
A member who is on an extended leave without pay or on a military leave may not receive a refund of their CalPERS retirement contributions. These types of refunds are considered “in service distributions,” which are not allowed by the Internal Revenue Service.
Under the California Public Employees’ Pension Reform Act of 2013, if an employee is convicted of a felony committed in connection with his or her job, the employee forfeits all retirement benefits earned or accrued after the commission of the felony, but not the benefits accrued prior to the commission of the felony.

The employee and prosecuting agency must notify the employer within 60 days of the conviction. The employer must notify CalPERS of the conviction and sentencing date within 90 days of the felony conviction. (G. C. 7522.72 and 7522.74)
IRC SECTION 415 (B) REPLACEMENT BENEFIT PLAN

Internal Revenue Code section 415(b) (IRC 415) is a federal provision that limits the amount of annual retirement benefit an individual can receive from a tax-qualified, defined benefit pension plan such as CalPERS. The annual retirement benefits payable from CalPERS are subject to the dollar limits imposed by IRC 415. This law was enacted to prevent employers from using tax-qualified defined benefit plans as tax shelters. The CalPERS retirement plan may lose its tax-exempt status if it fails to comply with IRC 415.

The IRC 415 places a dollar limit on the annual retirement benefit (allowance) that can be received from CalPERS. CalPERS retirees whose retirement allowances are limited by IRC 415 will receive replacement benefits from a separate fund through the Replacement Benefit Plan (RBP), as permitted by California retirement law effective January 1, 2013. The RBP is funded by replacement benefit contributions paid by the retiree’s former CalPERS employers.

When a retiree’s retirement allowance exceeds the IRC 415 dollar limit CalPERS invoices the retiree’s former employers for the amounts payable from the RBP. The invoice payments are deposited into the Replacement Benefit Fund (RBF). CalPERS issues payment from the RBF to the retiree. Payment of the employer invoices is required before any replacement benefit can be issued to a retiree.

Every CalPERS employer is deemed to participate in the RBP by statute. CalPERS’ authority to administer the RBP is set forth in Government Code section 21750 et seq., and in Title 2 of the Code of Regulations section 589 et seq. Under section 21761,

“all contracting agencies under this system shall be deemed to have elected to contract with the board for administration of the replacement benefit plan.” The Replacement Benefit Custodial Fund (“RBP Fund”) from which amounts exceeding I.R.C. § 415 limits are paid, is separate and apart from the retirement fund. (Gov. Code § 21758, subd. (a)). Employers are required to pay into the RBP Fund “amounts equivalent to the benefits that are not paid from the retirement fund to annuitants because of the application of the payment limitations under Section 415 of Title 26 of the United States Code; and administrative costs assessed to and paid by members enrolled in the replacement benefit plan.” (Gov. Code § 21758, subd. (c), and Cal. Code Regs., tit. 2, § 589.4, subd. (a) and (b)).

For additional information about IRC section 415(b) and the Replacement Benefit Plan, please see the FACT SHEET at http://www.calpers.ca.gov/eip-docs/about/pubs/member/internal-revenue-code-section415.pdf

1 Effective January 1, 2013 only retirees with a CalPERS membership date prior to January 1, 2013 are eligible for the Replacement Benefit Plan in retirement.

2 All statutory references are to the Government Code and all regulation references are to Title 2 unless indicated otherwise.
Important: Please attach a copy of the claim showing the original designation of benefits.

DISCLAIMER OF BENEFITS

I, __________________________ have been notified by, that I
(Please print)
am entitled to receive benefits in the event of the death of:

<table>
<thead>
<tr>
<th>Member's First Name</th>
<th>Middle Initial</th>
<th>Last Name</th>
</tr>
</thead>
</table>

I forgo the benefit of __________________________ plus any Cost of Living increases and other adjustments payable for life.

I, __________________________, WITH FULL UNDERSTANDING OF THE NATURE AND AMOUNT OF THE BENEFIT TO WHICH I AM ENTITLED, HEREBY FOREVER DISCLAIM ALL RIGHTS AND INTEREST I HAVE TO THIS BENEFIT IN ITS ENTIRETY.

I understand, due to my disclaimer of the above-described benefit, that it will be paid as if I were never entitled.

I understand by disclaiming my benefit, I have no right to designate any individual to whom the benefit shall be paid.

I understand that recommends I contact an attorney for legal advice prior to signing this Disclaimer of Benefits, but does not require such consultation.

I understand this Disclaimer of Benefits is irrevocable and will not be set aside for any reason, and I hereby release from any claim I have to this benefit.

I assert I have signed this document in accordance with my own free will and I have not been coerced or forced to sign this document by anyone.

I further assert that I understood the contents and effect of this document before signing it and any questions I had concerning the effect or contents of this document were fully answered by personnel prior to my signing this document.
January 28, 2005

TO:  (Agency name)

From: Benefit Services Division

Subject: (Member name)  
(Member SSA#)

This is to advise you that an application for Service Retirement is being processed for the above member.

You will receive letter PERS-BAS-52, Notice of Placement on Retirement Roll, after the member is placed on the retirement roll. This letter will provide the employees’ effective retirement date and the number of sick leave days that were included in the employee’s retirement calculation.

Please provide your employee with information concerning continuation of health and dental benefits into retirement, if applicable.

Note: If the employee is eligible to continue his/her dental coverage, a new dental enrollment form must be submitted to:

CalPERS, Benefits Services Division
Attn: Warrant/Roll Support Unit #466
PO Box 942716
Sacramento, CA 94229-2716

For information regarding health and dental eligibility or enrollment processing procedures for annuitants, please refer to your Health Benefits Procedure Manual or contact Health Benefit Services Division toll free at (888) CalPERS (225-7277).

BSC-197-W  California Public Employees' Retirement System  
Lincoln Plaza- 400 P Street- Sacramento, CA 95814
Business Partner CalPERS ID:

1. Please describe special compensation listed below in detail.
2. Fax supporting MOU pages for special compensation items.
3. Identify periods covered for any lump sum payments.
4. Please fax formal salary schedule for pay rate(s).

<table>
<thead>
<tr>
<th>Service Period</th>
<th>Pay Rate Reported</th>
<th>Special Compensation Reported</th>
<th>Type</th>
</tr>
</thead>
<tbody>
<tr>
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</table>

* Please fax information within 48 hours time to the fax number above.
Application for Retired Member/Payee Survivor Benefits

Name of the Decedent Member: ____________________________
Social Security Number / CalPERS ID Number: ____________________________

Signature Section

Required Information

This section is required by state law and must be signed by the surviving bene
ficiary. You may refuse to sign, but you will not be entitled to any benefits.

Name (First Name, Middle Initial, Last Name): ____________________________
Daytime Phone: ____________________________

Social Security Number: ____________________________
Gender: Male / Female

Address for Payment:
City: ____________________________  State: ____________________________  ZIP: ____________________________

Address for Other Correspondences:
City: ____________________________  State: ____________________________  ZIP: ____________________________

Section 1

Information About the Member and Immediate Family

Did the deceased have a will? Yes ☐ No ☐ Don’t Know ☐
(Copy is not required unless the estate is named beneficiary and does not require probate.)

Name of Executor/Administrator:
Address: ____________________________
City: ____________________________  State: ____________________________  ZIP: ____________________________

所需的Daytime Phone: ____________________________

Attorney Handling Probate:
Address: ____________________________
City: ____________________________  State: ____________________________  ZIP: ____________________________

所需的Daytime Phone: ____________________________
CalPERS
California Public Employees' Retirement System

Tax Withholding Election for Survivor Benefits

Name of the Deceased: ___________________________ Social Security Number: ___________________________
CalPERS ID Number: ___________________________

Section 1
There are penalties for not paying enough taxes during the year. Estimated tax withholding requirements and penalties are explained in the CalPERS Publication 529: "The Way the System Works." To order this publication, call (800) 529-9676.

Prior to obtaining any public tax or benefit payments, I declare that I wish to have federal tax withheld from any death benefit payment(s) of $__________ in the tax amount of federal tax withheld: $___________.

California State Tax Withholding Election
I wish to have state tax withheld from the death benefit payment(s) of $___________.
A check must be provided for the tax amount withheld: $___________.

Section 2
By signing here, I hereby make the elections checked above.

Your Signature: ___________________________ Social Security Number or Tax Identification Number: ___________________________
Date (mm/dd/yyyy)

Important: Failure to return this form will be considered an election to have taxes withheld.
**California Public Employees' Retirement System**

**Tax Withholding Election for Survivor Benefits Including Benefits Eligible for Rollover**

<table>
<thead>
<tr>
<th>Name of the Decedent</th>
<th>Social Security #: CalPERS ID Number</th>
</tr>
</thead>
</table>

**Important:** Failure to return this form will be considered an election to have taxes withheld.

### Section 1

#### Monthly (Periodic Payments) and/or Prorated Payment

**Federal Tax Withholding Election**

- [ ] I do not elect to have federal tax withheld from my death benefit payment(s).
- [ ] I elect to have federal tax withheld based on:
  - [ ] Single
  - [ ] Married
  - [ ] Number of Exceptions
  - [ ] Number of Exemptions

**In addition, I elect to have the following amount of federal tax withheld:**

**California State Tax Withholding Election**

- [ ] I do not elect to have State tax withheld from my death benefit payment(s).
- [ ] I elect to have State tax withheld based on:
  - [ ] Single
  - [ ] Married
  - [ ] Number of Exceptions
  - [ ] Number of Exemptions

**In addition, I elect to have the following amount of State tax withheld:**

### Section 2

#### Lump Sum (Non-Periodic Payments) Option One and Temporary Annuity Payments

**Federal Tax Withholding Election**

- [ ] I do not elect to have the taxable portion of the lump sum benefit payment rolled into an Individual Retirement Account (IRA). I understand that 20% percent federal tax will be withheld.
- [ ] I elect to have the taxable portion of the lump sum benefit payment rolled into the following individual Retirement Account (IRA):
  - [ ] IRA Information
    - [ ] Name of Financial Institution
    - [ ] Plan Name
  - [ ] Account Number
  - [ ] Address of Institution
  - [ ] City State ZIP Code

**California Tax Withholding Election**

- [ ] I do not elect to have State tax withheld from my lump sum benefit payment.
- [ ] I elect to have State tax withheld from my lump sum benefit payment.
Dear [Name],

Your Service Retirement Allowance:
Your election to receive the Option 2 has been processed.

Your retroactive warrant will be issued on June 04, 2012, and will cover the period of December 02, 2011 through May 31, 2012.

Your monthly retirement benefit is $2,241.64 based on your retirement date of December 02, 2011. This amount does not include any deduction you have authorized this system to make. Your first regular warrant will arrive on or shortly after July 01, 2012 and will cover the period of 06/01/2012 through 06/30/2012. Your future retirement warrant will be mailed to arrive shortly after the first of the month following the month to which they apply.

Beneficiary/Survivor Allowance:
Upon your death, benefits will be paid to your beneficiary in accordance with the designation indicated on your retirement election document. If you elected a benefit which requires marriage and/or birth documentation and you have not submitted these documents, please send them immediately to Benefits Services Division. If the documents are not in file at the time of your death, it may be necessary to delay payment of benefits to your beneficiary.

Income Tax Information:
The following information regarding your contributions will assist you in the determination of the taxability of your benefit.

<table>
<thead>
<tr>
<th>CONTRIBUTIONS</th>
<th>TOTAL CONTRIBUTIONS AND INTEREST</th>
<th>INTEREST</th>
<th>TAXED CONTRIBUTIONS</th>
<th>NON-TAXED CONTRIBUTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Normal</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

[CalPERS 0924]

Page 1 of 3
Notice of Placement on Retirement Roll:

This is to advise you that the employee named above has been placed on our 05/2012 Service Retirement roll with an effective date of May 01, 2012 and a separation date of April 30, 2012. 0.0 days of unused sick leave have been credited to the member's account. 0.0 days of unused education leave have been credited to the member's account. The employee's separation date is the date following the employee's last day in employment status. The date can be equal to but no later than the retirement date. Please notify us immediately if separation did not occur by the date.

For information regarding employment of a retired member, please see your "Procedure Manual for Reporting to the California Public Employees' Retirement System." If any of the information above is not correct, please contact us.

If you have any questions, please visit our Web site www.calpers.ca.gov, or you may contact us toll free at 888 CalPERS (or 888-225-7377).

Benefit Services Division
Dear [Name],

This letter is to acknowledge receipt of your application for Service Retirement effective July 01, 2012.

If you are currently enrolled in a CalPERS basic health plan you may continue your health insurance into retirement. Please contact your personnel office to ensure your health benefits are continued until your retirement processing is completed.

You may be entitled to receive a disability retirement if you are unable to work because of an illness or injury. To request a service pending disability retirement, you must complete a Disability Retirement Election Application. Please note that your retirement date cannot be earlier than the day following your last day on pay status.

CalPERS will send you a letter providing the date of your first retirement check, the amount you can expect to receive, and important income tax information. This letter is usually sent after you have separated from employment but before you receive your first retirement benefit check. Changes to the benefit option election you make, beneficiary you designate, or the retirement date you request, cannot be made after you receive your first full retirement benefit check.

[Retirement Type]
[Last Day on Payroll]
[Date of Birth]

Federal Tax:
State Tax:

CalPERS ID:

Page 1 of 2