

WAC 415-02-380 How will my retirement benefit be affected if I choose a survivor option? If you choose a survivor benefit option, your benefit will be affected as described in this section.

(1) **What is a survivor benefit option?** A survivor benefit option will pay a lifetime monthly benefit to your survivor beneficiary after your death.

(2) **What is a survivor beneficiary?** A survivor beneficiary is the person you designate to receive a lifetime monthly benefit after your death.

(3) **What benefit options are available?** All available benefit options, including survivor benefit options, are described in detail for each system and plan in the following state laws and agency rules:

LEOFF Plan 1:	RCW 41.26.164	WAC 415-104-202
LEOFF Plan 2:	RCW 41.26.460	WAC 415-104-215
PERS Plan 1:	RCW 41.40.188	WAC 415-108-326
PERS Plan 2:	RCW 41.40.660	WAC 415-108-326
PERS Plan 3:	RCW 41.40.845	WAC 415-108-326
PSERS:	RCW 41.37.170	WAC 415-106-600
SERS Plans 2 and 3:	RCW 41.35.220	WAC 415-110-610
TRS Plan 1:	RCW 41.32.530	WAC 415-112-504
TRS Plan 2:	RCW 41.32.785	WAC 415-112-505
TRS Plan 3:	RCW 41.32.851	WAC 415-112-505
WSPRS Plan 1:	RCW 43.43.278	WAC 415-103-215
WSPRS Plan 2:	RCW 43.43.271	WAC 415-103-225

(4) **How will selecting a survivor benefit option affect my monthly retirement benefit?** If you select a survivor benefit option your monthly retirement benefit will be reduced to offset the cost of potentially paying the benefit for a longer period of time. The reduction will be based on survivor option factors that are available on the DRS website.

(5) **Does my survivor beneficiary's age affect how much my monthly retirement benefit will be reduced?** Yes. Your survivor beneficiary's age is used in determining the amount of your monthly retirement benefit and the benefit of your survivor beneficiary. The younger the survivor beneficiary, the longer they are expected to receive a benefit. Your monthly benefit will be reduced accordingly.

(a) **Example:**

Kendra, a PERS Plan 2 member, chooses Option 3 (joint and 50 percent survivorship) at retirement. Her monthly Option 1 nonsurvivor benefit amount, which would stop at the time of her death, is \$2,000.00. She names her nephew, Steve, as her survivor beneficiary. This means, if Kendra dies before Steve, Steve will receive a monthly benefit equal to half the amount Kendra was receiving. Steve is 30 years younger than Kendra. The department will reduce Kendra's monthly retirement benefit using the survivor option factor for a member who is 30 years older than the beneficiary. For illustration purposes in this example only, we will use 0.776 as the corresponding Option 3 benefit factor (actuarial factors change periodically). As a result, Kendra's Option 3 monthly benefit amount will be \$1,552.00 (\$2,000.00 x 0.776).

(b) **Example:**

Mark, a LEOFF Plan 2 member, chooses Option 2 (joint and 100 percent survivorship) at retirement. His monthly Option 1 nonsurvivor benefit amount, which would stop at the time of his death, is \$2,000.00. He names his wife, Susan, as his survivor beneficiary. This

means, if Mark dies before Susan, Susan will receive a monthly benefit equal to the amount Mark was receiving. Mark is five years younger than Susan. The department will reduce Mark's monthly retirement benefit using the survivor option factor for a member who is five years younger than the beneficiary. For illustration purposes in this example only, we will use 0.898 as the corresponding Option 2 benefit factor (actuarial factors change periodically). As a result, Mark's Option 2 monthly benefit amount will be \$1,796.00 (\$2,000.00 x 0.898).

(6) **What if my survivor beneficiary passes away before I do?** If you are receiving a reduced benefit with a survivor option and your survivor passes away before you do, you may request to have your benefit increased to the Option 1 nonsurvivor amount. Your benefit increase will be effective the first of the month following your survivor's passing. DRS may require a copy of your survivor's certified death certificate.

(a) **How will my new benefit amount be calculated?**

(i) If you retired on or after January 1, 1996, and are not a member of LEOFF Plan 1, or if you are a member of WSPRS Plan 1 regardless of your retirement date, your new benefit amount will be calculated as follows:

Your original Option 1 nonsurvivor benefit amount
+ the sum of Cost of Living Adjustments (COLAs) added
to your benefit prior to your survivor's death

(ii) If you retired prior to January 1, 1996, and are not a member of WSPRS Plan 1, or if you are a member of LEOFF Plan 1 regardless of your retirement date, your new benefit amount will be calculated as follows:

Benefit Amount ÷ the Administrative Factor

The "benefit amount" is your retirement benefit as of July 1, 1998, or as of the date of your survivor's death, whichever is later.

The "administrative factor" is the rate that was used to calculate your reduced benefit for the continuing survivor option. If you retired prior to January 1, 1996, the administrative factor is the rate that was in effect on July 1, 1998, and is available for reference on the DRS website.

(b) If you are a PERS Plan 1 member receiving "state-funded long-term care services" as defined in RCW 41.40.189, you are not eligible for the increase described in this subsection if it would make you ineligible for the state-funded long-term care services. You must notify DRS to waive the increase if this applies to you.

[Statutory Authority: RCW 41.50.050. WSR 20-06-040, § 415-02-380, filed 2/27/20, effective 3/29/20. Statutory Authority: RCW 41.50.050(5). WSR 13-18-034, § 415-02-380, filed 8/28/13, effective 10/1/13; WSR 10-16-086, § 415-02-380, filed 7/30/10, effective 9/1/10. Statutory Authority: RCW 41.50.050(5), 41.26.164, 41.26.460, 41.40.188, 41.40.660, 41.40.845, 41.37.170, 41.35.220, 41.32.530, 41.32.785, 41.32.851, 43.43.271. WSR 06-18-009, § 415-02-380, filed 8/24/06, effective 9/24/06. Statutory Authority: RCW 41.50.050(5). WSR 05-23-062, § 415-02-380, filed 11/14/05, effective 12/15/05. Statutory Authority: RCW 41.50.050(5), 41.26.162, 41.26.164, chapter 41.45 RCW. WSR 03-12-014, § 415-02-380, filed 5/27/03, effective 7/1/03. Statutory Authority: RCW 41.50.050(5) and chapter 41.45 RCW. WSR 03-02-087, § 415-02-380, filed 12/31/02, effective 2/1/03; WSR 02-18-048, § 415-02-380, filed 8/28/02, effective 9/1/02.]