



RETIREMENT BOARD POLICY AND REFERENCE MANUAL

SUBJECT: POLICY ESTABLISHING PROCEDURES FOR COUNSELING SYSTEM MEMBERS INQUIRING ABOUT DOMESTIC PARTNER BENEFITS	<div style="text-align: right;"> Section: 2-27 Date Adopted/Revised: 4/12/2006 </div>
SYSTEM(S): JOINT	Approved: <div style="text-align: right; font-size: small;">Retirement Administrator</div>

PURPOSE

The purpose of this policy statement is to establish direction for staff when counseling or serving members inquiring about domestic partner benefits. This is necessary because of the diametrically opposing provisions governing the status of a domestic partner under California State statutes and under federal law.

POLICY

The Retirement Boards of the City of Fresno Retirement Systems have recommended and the City Council has adopted the provisions of AB 205 extending to domestic partners the same retirement benefit continuance benefits as spouses. Because the apparent opposition of the state and federal laws has not been resolved, the Retirement Boards have elected to adopt this policy in accordance with their fiduciary duty to guard the tax qualified status of the City of Fresno Defined Benefit Plans under the Internal Revenue Code

Counselors and other Retirement Office staff will take special care to inform members who are considering the benefit provided to domestic partners of the following items:

- Benefits for domestic partners apply only to those members and partners who have registered with the State of California as provided in Family Code Section 295.7 and who have presented the certificate of filing to the Retirement Office along with a change of beneficiary form naming the registered domestic partner.
- A registered domestic partner of a member who filed the required forms designating the domestic partner as his/her beneficiary will receive the same continuance or death benefit options received by a spouse if the member dies.

- A domestic partnership duly registered with the State of California may only be dissolved by proceedings prescribed in the Family Code which sets forth the community property rights of the domestic partner. This process may result in a court-ordered division of retirement benefits with the domestic partner receiving a community property right to a portion of the member's benefit.
- In the granting of a continuance of a service connected disability retirement benefit, the Retirement Boards will abide by the IRS regulations concerning qualification status for surviving spouses with the result that Domestic Partners will not be eligible for the favored tax status. Should the IRS change its position regarding the status of domestic partners in the future, the Boards will reconsider this policy determination.

When counseling a member regarding domestic partner benefits, counselors will provide the member with a copy of the Boards' position statement which outlines the reasons for the taxability differences of the domestic partner benefit from that of a spouse.