

CAYMAN ISLANDS



PUBLIC SERVICE PENSIONS (AMENDMENT) BILL, 2020

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A BILL FOR A LAW TO AMEND THE PUBLIC SERVICE PENSIONS LAW (2020 REVISION) AS A CONSEQUENCE OF THE ENACTMENT OF THE DOMESTIC PARTNERSHIP LAW, 2020; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Governor's Office



Memorandum of OBJECTS AND REASONS

This Bill seeks to amend the Public Service Pensions Law (2020 Revision) (“the principal Law”) as a consequence of the enactment of the Domestic Partnership Law, 2020.

Clause 1 provides the short title and commencement of the legislation.

Clause 2 amends section 3 of the principal Law by including a reference to “domestic partner” in the definition of the words “designated beneficiary”. This clause also inserts definitions of the words “domestic partner” and “domestic partnership”.

Clause 3 amends section 25 of the principal Law to extend the application of the section to domestic partners and former domestic partners. The amendment provides that a pension provided under the principal Law shall not be transferable or assignable by a plan member or beneficiary except for the purpose of satisfying, among other things, an order of a Court for the payment of periodical sums of money towards the maintenance of certain categories of persons, which proposes to now include the domestic partner or former domestic partner of the plan member to whom the pension has been granted.

Clause 4 amends section 39 of the principal Law to extend the application of the section to a surviving domestic partner. The amendment provides that minimum pension payments shall not apply to benefits payable to a surviving domestic partner, in the same way that they shall not apply to benefits payable to a surviving spouse or child, upon the death of the plan member.

Clause 5 amends section 42 of the principal Law to extend the application of the section to a surviving domestic partner. The amendment provides that upon the death of an active, retired or deferred vested defined benefit plan member there shall be paid to the plan member’s surviving domestic partner, in the same way that there shall be paid to the surviving spouse and children, if any, a pension determined in accordance with regulations.

Clause 6 amends section 59 of the principal Law to extend the application of the section to a surviving domestic partner. The amendment provides that upon the death of an active or deferred vested defined contribution plan member there shall be paid to the plan member’s surviving domestic partner, in the same way that there shall be paid to the surviving spouse and children, if any, a pension determined in accordance with the rules prescribed by regulations.

Clause 7 amends section 65 of the principal Law to extend the application of the section to provide for the circumstances where a deceased plan member dies with no domestic partner, in addition to no spouse or children, surviving that member.



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**PUBLIC SERVICE PENSIONS (AMENDMENT)
BILL, 2020**

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ENACTED by the the Governor in accordance with section 81 of the Constitution, after consultation with the Premier and with the prior approval of a Secretary of State.

Short title and commencement

1. (1) This Law may be cited as the Public Service Pensions (Amendment) Law, 2020.
- (2) This Law comes into force immediately after the commencement of the *Domestic Partnership Law, 2020*.

Amendment of section 3 of the Public Service Pensions Law (2020 Revision) – definitions

2. The *Public Service Pensions Law (2020 Revision)*, in this Law referred to as the “principal Law”, is amended in section 3 as follows —
 - (a) in the definition of the words “designated beneficiary”, by deleting the words “spouse or children” and substituting the words “spouse, domestic partner or children”; and

- (b) by inserting, in the appropriate alphabetical sequence, the following definitions —

“**domestic partner**” has the meaning assigned by section 2 of the *Domestic Partnership Law, 2020*; and

“**domestic partnership**” has the meaning assigned by section 2 of the *Domestic Partnership Law, 2020*.”.

Amendment of section 25 – pensions not to be assignable

3. The principal Law is amended in section 25(1)(a)(ii) and (2)(b) by deleting the words “spouse, former spouse” wherever they appear and substituting the words “spouse, domestic partner, former spouse, former domestic partner”.

Amendment of section 39 – minimum pension payments

4. The principal Law is amended in section 39(1) by inserting after the words “surviving spouse” the words “, domestic partner”.

Amendment of section 42 – pensions payable to surviving spouse and children

5. The principal Law is amended in section 42 as follows —
- (a) in the section heading, by inserting after the word “spouse” the words “, domestic partner”; and
 - (b) in subsection (1), by inserting after the words “plan member’s surviving spouse” the words “, domestic partner”.

Amendment of section 59 – pensions payable to surviving spouse and children

6. The principal Law is amended in section 59 as follows —
- (a) in the section heading, by inserting after the word “spouse” the words “, domestic partner”; and
 - (b) by inserting after the words “plan member’s surviving spouse” the words “, domestic partner”.



Amendment of section 65 – benefit paid to beneficiary if no surviving spouse or children

7. The principal Law is amended in section 65 as follows —
- (a) in the section heading, by inserting after the word “spouse” the words “, domestic partner”; and
 - (b) by inserting after the words “no spouse” the words “, no domestic partner”.

Assented to by the Governor the day of , 2020.