


THE CALIFORNIA STATE UNIVERSITY
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Date: July 8, 2003 **Code: TECHNICAL LETTER**
HR/Benefits 2003-18

To: Human Resources Directors
Benefits Officers

From: Cathy Robinson 
Assistant Vice Chancellor
Human Resources Administration

Subject: **1959 Survivor Benefit Program, 5th Level**

Effective January 1, 2000, SB 400 created a new level of benefits for survivors of state employees not covered by Social Security. CalPERS State miscellaneous employees who elected in 1959/60 not to be subject to Social Security and CalPERS eligible employees engaged in public safety occupations (CSU Public Safety – Unit 8) are not covered by Social Security. As such, their survivors are not eligible for Social Security benefits. The 1959 Survivor Benefit is designed to provide a pre-retirement death benefit comparable to that provided by Social Security. Unlike the Social Security pre-retirement death benefit, the benefit under the state program is not indexed for inflation. Consequently, the purchasing power of the benefit erodes over time, and new, higher levels of benefits are periodically enacted. SB 400 created the “5th level” 1959 Survivor Benefit, increasing the monthly benefits. Prior to the enactment of SB 400, eligible CSU employees were covered by the “3rd level” 1959 Survivor Benefit.

CalPERS Approval of Premium Increase for Fiscal Year 2003/04

In May 2003, the CalPERS Board of Administration approved the 1959 Survivor Benefit Program, 5th Level, premium for fiscal year 2003/04. The total premium for this benefit is now \$8 per month per eligible CSU employee with the cost shared by the employee and the CSU. In accordance with Government Code Section 21581, the CSU’s contribution should be set at \$4 per month per eligible employee and the employee’s contribution is to be set at \$4 per month. *However, at the approval of CalPERS, the CSU has chosen to pay \$6 of the premium and maintain the \$2 monthly deduction for eligible employees.*

The State Controller’s Office (SCO) will perform an accounting transfer at the close of the 2003/04 fiscal year for remittance to CalPERS on behalf of the CSU.

Questions regarding this technical letter may be directed to Human Resources Administration at (562) 951-4411. This document is available on Human Resources web site at: <http://www.calstate.edu/HRAdm/memos.shtml>.

CR/br

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