



OPTIONAL SETTLEMENT 2

The CalPERS Pre-Retirement Option 2W death benefit — a lifetime allowance for your survivor

PAYABLE WHEN A MEMBER ELIGIBLE TO RETIRE DIES BEFORE RETIRING — THE EMPLOYER MUST PROVIDE IT

DESCRIPTION

If a member eligible to retire dies before retiring, the surviving spouse or partner can receive the monthly allowance the member would have gotten by retiring on the date of death and electing Option 2W — the 100% joint-and-survivor option. Paid for life, in lieu of the lump-sum Basic Death Benefit. The death does not have to be job-related.

WHAT HAS TO BE TRUE?



ELIGIBLE TO RETIRE

At death — safety: generally age 50 with 5 years of service



SPOUSE OR PARTNER

Married/registered before the injury or illness — or 1+ year before death



EMPLOYER PROVIDES IT

Included in risk pools — or contracted separately (\$21548)



PAID FOR LIFE

Then to unmarried children under 18, if any survive

HOW IT'S CALCULATED

STEP 1

Allowance computed **as if the member retired on the date of death** — including contracted sick-leave conversion.

STEP 2

Option 2W applied — the option paying the **same allowance to the survivor**.

RESULT

Survivor receives **100% of that amount, monthly, for life**.

- Counts service from the current employer **and previous CalPERS employers that provide the benefit**.
- Option 2W is no longer offered as a retirement election — but this death benefit remains.
- Paid in lieu of the lump-sum Basic Death Benefit — the survivor elects between them.

EXAMPLE



Member's Option 2W allowance at death: \$7,000 / month

\$7,000 / MONTH

\$84,000 PER YEAR

Paid to the surviving spouse or partner for life

THE PRO-RATION TRAP · MIXED-EMPLOYER CAREERS

WHICH SERVICE COUNTS TOWARD THE SURVIVOR'S ALLOWANCE?

POOLED

Risk-pooled agencies include this benefit automatically — that service counts.

CONTRACTED

Non-pooled agencies that added \$21548 by contract amendment — that service counts.

NOT COVERED

A non-pooled employer — common before 2013 — that never contracted for it: that service may be **excluded**.

With a mixed career, the survivor's allowance is **prorated** — only service under employers that provide the benefit counts. Confirm each employer's contract with CalPERS.

GOOD TO KNOW

⚠ ANY CAUSE OF DEATH

Unlike the Special Death Benefit, the death does **not** have to be job-related — retirement eligibility is the trigger.

📄 IT'S AN ELECTION

CalPERS presents the options — monthly allowance vs. lump sum — and the survivor chooses.

⚠ WORKS WITH OTHERS

Separate from the 1959 Survivor and Special Death Benefits. CalPERS determines which apply.

IS YOUR SERVICE FULLY COVERED?

BCN can review your employers' contracts, flag pro-ration risk, and estimate what your survivor would actually receive.

(510) 769-1088

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General education only. Eligibility and benefits depend on applicable law, the employer's CalPERS contract, and individual circumstances. CalPERS makes the final determination. Confirm current information with CalPERS.