



**City of Seattle Equal Benefits Program
Contractor Compliance Guidelines
Pension Plan**

FACT SHEET

Adopting a pension plan that provides for the equal treatment of employees with spouses and employees with domestic partners is an important part of a City contractor's efforts to end discrimination in the workplace. Since most employers are seeking information on the extension of benefits to domestic partners, the information below is written with that focus. However, the concept of equal benefits applies mutually, and where domestic partner benefits exist, spousal benefits must be extended in order to provide equal benefits.

How does the provision of retirement benefits to employees with domestic partners work?

If an employer's retirement plan(s) include spousal benefit provisions, in order to provide equal benefits, whenever legally possible the employer must also offer the same provisions to the domestic partners of its employees.

Some examples of spousal benefit provisions include benefits provided to the spouse upon the death of an active employee; benefits provided to the spouse upon the retirement of the employee, including various annuity options; and spousal consent requirements.

Are there some instances where the law prevents an employer from providing equal benefits?

Yes. In some instances the law governing retirement plans is very specific in limiting the action that the employer can take. For example, the law states that an employee's retirement benefits may only be assigned to an alternate payee under the direction of a qualified domestic relations order (QDRO). This law was written to protect spouses and dependents in the event of divorce. Unless a domestic partner can obtain a QDRO, an employer may not be able to provide equal benefits.

What if providing equal benefits would jeopardize a retirement plan's tax-qualified status?

City Contractors are not expected to take any action that would jeopardize their plan's tax-qualified status.

The information contained in this document is not intended as legal advice and should not be relied on as such.