



PENSION RIGHTS CENTER

Building Retirement Security

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February 2, 2009

Kathie Ann Whipple, Acting Director
U.S. Office of Personnel Management
1900 E St. NW, Room 5303
Washington, DC 20415

Re: Notice to CSRS participants about possible loss of survivor annuities

Dear Ms. Whipple,

We are writing to request that the Office of Personnel Management notify federal employees covered by the Civil Service Retirement System (CSRS) about the potential loss of pre-retirement survivor annuities should they leave federal employment and die before applying for retirement benefits. We are concerned that CSRS participants now considering leaving federal employment and taking a job in the private sector may be unaware that their spouses and former spouses will not receive the survivor annuities they are counting on if the participants die before applying for their annuities.

The Pension Rights Center is a nonprofit consumer organization committed to protecting and promoting retirement security. Our Women's Pension Project is dedicated to preventing poverty among older women. Over the years we have heard from widows who learned that they have no survivor annuity only after the death of their spouses. Because participants in CSRS are not covered by Social Security these pension benefits are, for many of these women, the primary or only source of retirement income.

These widows have told us that neither they nor their husbands realized that CSRS, unlike the Federal Employees Retirement System (FERS), does not provide survivor benefits to a spouse or a former spouse if an employee leaves federal employment and dies before applying for retirement benefits. Employees often delay collecting their retirement benefits while pursuing careers in the private sector. In some instances this delay may increase the value of a CSRS annuity, provided the former employee lives long enough to claim it. However, if a CSRS participant dies before claiming his or her annuity, the surviving spouse is left without a much-needed source of retirement income.

While the law is clear that there is no pre-retirement survivor annuity from CSRS for former employees, OPM can ensure that CSRS workers and their spouses are aware of this rule. We are therefore requesting that OPM send a clear and simple notice to all CSRS employees alerting them to this fact. It is essential that CSRS employees have this information when making decisions that could have such a significant impact on their families.

Thank you for considering our request.

Sincerely,

Rebecca Davis, Coordinator
Women's Pension Project

Karen Ferguson, Director
Pension Rights Center

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