

Superintendent of Pensions

EPPA Update 20-03

Issued: June 3, 2020

Additional COVID-19 Relief Measures

The Government of Alberta is taking action to protect the safety, security, and economic interests of Albertans amidst the ongoing COVID-19 pandemic and economic downturn. In relation to the March 17, 2020 Order in Council 080/2020 declaring a state of public health emergency in Alberta, the President of Treasury Board and Minister of Finance has exercised his authority under section 52.1 of the *Public Health Act* (PHA) to issue an Order modifying certain provisions under the *Employment Pension Plans Act* (EPPA).

Two EPPA requirements have been temporarily modified:

- the need for a witness signature on spousal waiver forms; and
- notice to members of a reduction in member contribution rates.

Witness Signature on Waiver Form

Schedule 6 of the Employment Pension Plans Regulation (EPPR) contains various waiver forms that must be completed by a member's pension partner, in advance of the payment of some pension benefits. That waiver form must also be signed and witnessed by someone other than the member's pension partner (and without the member present).

In light of social distancing requirements, this witness requirement on a waiver form may be difficult to achieve. The requirement for a witness signature on a waiver form will continue, but the signature is permitted to be delayed by up to 60 days.

- Under this approach, a pension plan administrator, may still pay benefits even if the witness statement on the waiver is not signed for up to 60 days.
- If the fully executed waiver is not received within 60 days, the administrator must adjust benefits as if the member had not selected the option requiring the waiver form.

While this change applies to all waiver forms, the Superintendent's Office encourages administrators to obtain a witness signature wherever possible.

Member Contribution Rate Reduction Notice

Section 44(1) of the EPPR requires that if member-required contributions, in certain circumstances, will be changed, the administrator must provide at least 30 days advance notice to members of that change. Given the current economic situation, both members and their employers may seek to reduce contribution rates in order to improve needed cash flow.

Some pension plans (mainly defined contribution) require matching employer and employee contributions. An amendment to a plan text to reduce employer contributions may also coincide and require a reduction in employee contributions as well. Due to challenges associated with issuing the advance notice, this requirement is changed, temporarily, to instead require notice of the change be issued within 60 days after implementation. This change will **only** apply to employee contribution rate reductions.

Relief Period

This Order comes into effect on March 17, 2020.

This Order lapses, unless continued by an order of the Lieutenant Governor in Council under section 52.811(3) of the PHA, at the earliest of the following:

- 60 days after Order in Council 080/2020 lapses under section 52.8(1) of the PHA;
- on termination of this Order by the Minister under section 52.811(2) of the PHA because the Minister is satisfied that this Order is no longer in the public interest; or
- on termination of this Order by the Lieutenant Governor in Council under section 52.811(1)(c) of the PHA.

Further Relief

The Superintendent's Office is continuing to evaluate the situation. Further relief beyond this announcement may be issued as warranted.

Contact Information and Useful Links

Email:	employment.pensions@gov.ab.ca
Phone:	780-427-8322
Fax:	780-422-4283
Toll-free in Alberta:	Dial 310-0000, then the number.
Visit our website:	pensions.alberta.ca
Subscribe to receive email updates:	pensions.alberta.ca/subscribe.html