

Content on this page has been transferred from the Financial Services Commission of Ontario (FSCO) site as a PDF for reference. Links that appear as related content have also been transferred and can be found at the end of this document.

Bill 14: Building Opportunity and Securing Our Future Act (Budget Measures, 2014) Receives Royal Assent

On July 24, 2014, Bill 14 received Royal Assent. Schedule 26 of the Bill made the following changes to the Pension Benefits Act:

Asset Transfers - effective on Bill passage

Section 80.1(10) related to asset transfers arising out of public sector divestments have been amended, to extend the time period to July 1, 2016.

Carrigan - effective on Bill passage

Spousal entitlements in sections 44 (joint and survivor pensions) and 48 (pre-retirement death benefits) have been amended; relating to the Ontario Court of Appeal's October 31, 2012 ruling in the case of Carrigan v. Carrigan Estate.

Section 44 amendments clarify the entitlement of a common law spouse to a joint and survivor pension where the member also has a married spouse from whom she/he is living separate and apart on the date the pension begins. Section 44(10) provides a discharge to administrators who commenced payment of a pension prior to the date Bill 14 received Royal Assent if certain circumstances exist.

Section 48 amendments provide that a common law spouse who is living with a member on the date of the member's death is entitled to the member's pre-retirement death benefits, despite the member having a married spouse, from whom she/he was living separate and apart on the date of death, if the member dies on or after the date Bill 14 receives Royal Assent. Section 48(10.1) provides a discharge to administrators who made payment of pre-retirement death benefits prior to October 31, 2012 if certain circumstances exist.

Conversion to Jointly Sponsored Pension Plans (JSPPs) - changes will not come into force until proclamation of the Lieutenant Governor

The addition of two new sections, 80.4 and 81.0.1, which apply to employer-sponsored single employer pension plans (SEPPs) that are public sector plans or that may be prescribed.

Section 80.4 sets out legislation to permit the transfer of assets from employer-sponsored SEPPs to JSPPs, if specified conditions are met. Section 81.0.1 sets out the legislation to allow employer-sponsored SEPPs to be converted to JSPPs, if specified conditions are met.

Under both sections, the plan administrator must provide notice to the members, former members, retired members, other persons entitled to benefits under the SEPP, and to any trade union that represents members about the proposed transaction, in accordance with prescribed

requirements. Consent from these parties (or deemed consent in accordance with prescribed requirements) and the consent of the Superintendent must be obtained prior to any conversion or transfer of assets.

More Information:

- [FAQs: Single Employer Pension Plans \(SEPPs\) to Jointly Sponsored Pension Plans \(JSPPs\)](#)