

MAINE STATE LEGISLATURE

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5 MR 23, 1127
Retirement Eligible Beneficiaries

STATE OF MAINE

Inter-Departmental Memorandum Date February 22, 1977

W. G. Blodgett, Executive Director Dept. Maine State Retirement System

Donald G. Alexander, Deputy Dept. Attorney General

Disposition of Contributions of Deceased Member

This responds to your memorandum of February 9, 1977, in which you posed a certain fact situation and asked for directions as to the proper disposition of the contributions of the deceased member. The facts are these:

FACTS:

A deceased former member of the Maine State Retirement System who had designated a husband as beneficiary of her retirement account, had subsequently divorced her husband and later died without naming a new beneficiary. Her former husband remarried shortly after his divorce. The former member, Doris S. Anderson, joined the Maine State Retirement System in September of 1947 and had accumulated contributions and interest of approximately \$8,200.00 to the date of her death on September 13, 1973. When Doris Anderson applied for membership in the Maine State Retirement System, she named her husband, Robert S. Anderson, as beneficiary, however, in 1971 they were divorced and Mr. Anderson remarried in 1971. Doris Anderson had not named another beneficiary and appears to have only one survivor, a brother, John B. Stickney. On February 22, 1974, Mr. Anderson advised that, "I am willing to leave the decision as to proper disposition in the hands of the Board of Trustees."

QUESTION:

Based on the above facts, how should the accumulated contributions be distributed?

ANSWER:

Mr. Anderson is entitled to the return of contributions.

DISCUSSION:

It is my understanding that the current practice of the Maine State Retirement System is that where a deceased member designates a beneficiary, that designation of beneficiary is honored even if the beneficiary is divorced from the member at the time of death. This usually applies in situations where the deceased member is male and is divorced and his divorced wife is the designated beneficiary. However, this practice should have no different application where the deceased member is female and the designated beneficiary is her husband from whom she is divorced.

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The only complicating factor in these situations is where the member remarries. That is not the case here. Accordingly, the practice of the Maine State Retirement System should be followed in this case. There is no provision in the retirement law which specifies that divorce annuls a designation of beneficiary. Divorce may limit the benefits of designated beneficiaries in accordance with 5 M.R.S.A. § 1125-1-B. However, this provision in no way limits the applicability of the provisions of § 1124-1-A which would take precedence in this instance unless the designated beneficiary waived benefits.

DONALD G. ALEXANDER
Deputy Attorney General

DGA/EC