CAYMAN ISLANDS

PUBLIC SERVICE PENSIONS (AMENDMENT AND VALIDATION) BILL, 2021

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A BILL FOR AN ACT TO AMEND THE PUBLIC SERVICE PENSIONS ACT (2021 REVISION) TO CHANGE THE DEFINITION OF THE CREDITED RATE OF RETURN; TO VALIDATE CERTAIN ACTIONS RELATING TO CALCULATING THE CREDITED RATE OF RETURN; AND FOR INCIDENTAL AND CONNECTED PURPOSES

PUBLISHING DETAILS

Sponsoring Ministry/Portfolio: Portfolio of the Civil Service (PoCS)

Memorandum of

OBJECTS AND REASONS

This Bill seeks to amend the definition of "credited rate of return" in section 3 of the Public Service Pensions Act (2021 Revision) in order to ensure that the definition complies with that which is being used by the Administrator of the Public Service Pensions Board since 8th August 2019, which is the date of commencement of the Public Service Pensions (Amendment) Act, 2019.

Clause 1 provides the short title of the legislation.

Clause 2 amends section 3 of the Public Service Pensions Act (2021 Revision) in order to provide the correct definition of "credited rate of return" which is the one being used by Administrator since 8th August, 2019.

Clause 3 is a validating clause which provides that any administrative action taken by the Administrator on or after 8th August, 2019 in calculating the credited rate of return based on the definitions given in clause 2 is validated.

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ENACTED by the Legislature of the Cayman Islands.

Short title

1. This Act may be cited as the Public Service Pensions (Amendment and Validation) Act, 2021.

Amendment of section 3 of the Public Service Pensions Act (2021 Revision) - definitions

2. The *Public Service Pensions Act (2021 Revision)* is amended in section 3 in the definition of the words "credited rate of return" as follows —

(a) in paragraph (a), by deleting the words "such date as the Cabinet may for this purpose in writing appoint" and substituting the words "and including 31st December, 2018"; and

(b) in paragraph (c), by repealing subparagraph (i) and substituting the following subparagraph —

"(i) where on or after 31st December, 2018 an account adjustment date is the last day of the calendar quarter, the credited rate of return shall be the average rate of investment return on Fund investments for that calendar quarter and the eleven quarters immediately preceding that calendar quarter; and".

Validation

3. Any administrative action taken by the Administrator on or after 8th August, 2019 in calculating the credited rate of return based on the definitions provided in section 2 is validated.

Passed by the Parliament the day of , 2021.

Speaker

Clerk of the Parliament