

**GENERAL CONVENTION OF THE EPISCOPAL CHURCH 2018
ARCHIVES' RESEARCH REPORT**

RESOLUTION NO.: 2018-D045
TITLE: Pension Equity for Lay Employees
PROPOSER: Ms. Diane Butler
TOPIC: Employee Benefits

Directly Related: (Attached)

2009-A138 Amend Canons I.8.1 and I.8.3 to Establish a Mandatory Lay Employee Pension System
1991-A137 Provide Certain Lay Employees With Health and Life Insurance Benefits
1991-D165 Require Episcopal Church Bodies to Provide a Pension Plan for Lay Employees

Indirectly Related: (Available in the [Acts of Convention](#) database, searchable by resolution number)

None

In preparing this report, the Archives researched the resolutions in the Acts of Convention database for the period 1976 through 2015, selecting “direct” resolutions that have a substantive bearing on the proposed legislation. The “direct” resolutions are attached and “indirect” resolutions are available in the Acts of Convention database. Committee members who require other research assistance should contact the Archives at 800-525-9329 before Convention or at Convention in the General Convention Secretariat.

D045 Pension Equity for Lay Employees

Proposer	Ms. Diane Butler
Endorsed by	Varghese, The Rev. Winnie; Goodman, The Very Rev. Mark
Sponsored by	
Page numbers	Blue Book: p. N/A; Constitution & Canons: p. N/A
HiA / Leg. Cttee	/
Current Status	Pre-Filed Resolution
Version	Original (as filed)
Review Status	Not yet reviewed

RESOLUTION TEXT

- 1 *Resolved*, the House of _____ concurring, That the 79th General Convention recognizes that the pension plans for lay employees provided for by the 76th General Convention in Resolution 2009-A138 do not provide equity in retirement benefits when compared to the pension plan for clergy provided by the Church Pension Fund pursuant to Canon I.8.1; and be it further
- 2 *Resolved*, That this General Convention affirms that in the interests of justice the pension plans for clergy and lay employees should be as equitable as possible; and be it further
- 3 *Resolved*, That to move towards equity between the pension plans for lay employees and clergy the following changes shall be made to the principles for providing pensions to lay employees as set forth in Resolution 2009-A138 such that principle 1 of that Resolution will now read:
 - 4 1. The lay employee pension system shall provide benefits that shall include defined benefit plan(s) and defined contribution plan(s). Every eligible lay employee shall be offered a choice between participation in either a defined benefit plan or a defined contribution plan.
- 5 Principle 2 of Resolution 2009-A138 will now read:
 - 6 2. If a defined benefit plan is selected by the employee, the employer assessment and/or contribution shall be not less than nine (9) percent of the employee's compensation through 2019. The employer assessment and/or contribution shall increase by one (1) percent of the employee's compensation in 2020 and for each year thereafter until the employer assessment and/or contribution reaches eighteen (18) percent. If a defined contribution plan is selected by the employee, the employer shall contribute not less than five (5) percent of the employee's compensation through 2019. The employer's contribution shall increase by one (1) percent of the employee's compensation in 2020 and for each year thereafter until the employer assessment reaches eighteen (18) percent. The employer shall match at least four (4) percent of the employee's contribution in 2019 and the employer's match of the employee's contribution shall increase by one (1) percent per year until the total contribution of the employer, both by contribution and match, totals eighteen (18) percent.

EXPLANATION

Currently there are two pension plans for lay employees of the church. The Defined Benefit Plan and

the Defined Contribution Plan. The Defined Benefit Plan provides for a 9% contribution paid by the employer; while the Defined Contribution Plan provides for a 5% contribution paid by the employer and the allowance for a 4% contribution by the employee.

The church has long stated that it believes in the mutual ministry of lay and ordained members of the church; yet, the financial compensation plans for ordained members far exceed those offered to most lay employees, even if experience and education backgrounds are similar. Studies have shown that compensation plans for women, whether ordained or lay also lag behind those for men. One way to begin bridging this gap is by equalizing pensions for all employees to the current level offered for those who are ordained.



Resolution Number: 2009-A138
Title: Amend Canons I.8.1 and I.8.3 to Establish a Mandatory Lay Employee Pension System
Legislative Action Taken: Concurred
Final Text:

Resolved, That this Church establish a mandatory lay employee pension system for employees who are scheduled to work a minimum of 1,000 hours annually for any domestic Diocese, Parish, Mission or other ecclesiastical organization or body subject to the authority of the Church, in accordance with the following principles:

- 1. The lay employee pension system shall provide benefits that shall, initially, include defined benefit plan(s) and defined contribution plan(s);
- 2. If a defined benefit plan is selected, the employer assessment and/or contribution shall be not less than nine (9) percent of the employee's compensation; if a defined contribution plan is selected, the employer shall contribute not less than five (5) percent of the employee's compensation and match at least four (4) percent of the employee's contributions. The Trustees of the Church Pension Fund shall have the authority to increase or decrease the assessment and/or contribution percentages required for the lay pension system;
- 3. Existing defined benefit plans will be permitted to continue as long as their plan design delivers pension benefits not less than the pension benefits required by this resolution, as determined by the plan administrator. If the plan does not provide the pension benefits required by this resolution, such plan shall be amended to provide for such pension benefits no later than January 1, 2012.
- 4. The lay employee pension system shall be designed and administered by the Trustees and officers of the Church Pension Fund; the investment managers of the system shall initially include, but not necessarily be limited to, the Church Pension Fund and, in the case of a defined contribution plan offered to school employees, TIAA-CREF;
- 5. The lay employee pension system will be operated on a financially sound basis, as determined by the Trustees of the Church Pension Fund;
- 6. Other societies, organizations or bodies in the Church not mandated to participate may, under the regulations of the Church Pension Fund, elect to come into the lay employee pension system;
- 7. No right or obligation to have assessments paid on compensation paid prior to plan participation will be part of the mandatory lay employee pension system;
- 8. Service in The Episcopal Church prior to plan implementation shall be recognized for vesting purposes;
- 9. The implementation of the mandatory lay employee pension system shall be completed no sooner than January 1, 2011 and no later than January 1, 2012; and
- 10. Further study be undertaken by the Church Pension Fund on the feasibility of inclusion of overseas Episcopal dioceses in the lay employee pension system and report back to the 77th General Convention

And be it further

Resolved, That Canon I.8 shall be amended as follows:

Sec. 1. The Church Pension Fund, a corporation created by Chapter 97 of the Laws of 1914 of the State of New York as subsequently amended, is hereby authorized to establish

and administer the clergy pension system, including life, accident and health benefits, of this Church, substantially in accordance with the principles adopted by the General Convention of 1913 and approved thereafter by the several Dioceses, with the view to providing pensions and related benefits for the Clergy who reach normal age of retirement, for the Clergy disabled by age or infirmity and for the surviving spouses and minor children of deceased Clergy. The Church Pension Fund is also authorized to establish and administer the lay employee pension system of the Church, substantially in accordance with the principles adopted by the General Convention of 2009, with the view to providing pensions and related benefits for the eligible lay employees of this Church, as well as their eligible beneficiaries.

Sec. 3. For the purpose of administering the pension system, The Church Pension Fund shall be entitled to receive and to use all net royalties from publications authorized by the General Convention, and to levy upon and to collect from all Parishes, Missions and other ecclesiastical organizations or bodies subject to the authority of this Church, and any other organizations, or bodies in the Church which under the regulations of The Church Pension Fund shall elect to come into the pension system, assessments based upon the salaries and other compensation paid to Clergy by such Parishes, Missions and other ecclesiastical organizations or bodies for services rendered currently or in the past, prior to their becoming beneficiaries of the Fund. For the purpose of administering the lay employee pension system, The Church Pension Fund shall be entitled to collect from all Parishes, Missions, and other ecclesiastical organizations or bodies subject to the authority of this Church, and any other societies, organizations or bodies in the Church which under the regulations of The Church Pension Fund shall elect to come into the lay employee pension system, assessments and/or contributions based upon the salaries and other compensation paid to eligible lay employees by such Parishes, Missions and other ecclesiastical organizations or bodies.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Anaheim, 2009* (New York: General Convention, 2009), pp. 656-657.



Resolution Number: 1991-A137
Title: Provide Certain Lay Employees With Health and Life Insurance Benefits
Legislative Action Taken: Concurred As Substituted and Amended
Final Text:

Resolved, That all parishes, missions, and other ecclesiastical organizations or bodies subject to the authority of this Church, and any other societies, organizations, or bodies in the Church which under the regulations of the Church Pension Fund have elected or shall elect to come into the pension system, be encouraged to provide for all lay employees who work a minimum of 1,000 hours annually health and life insurance benefits that are comparable to those provided to active clergy in the jurisdiction; and be it further

Resolved, That all dioceses be encouraged to allow employees of parishes and other units under ecclesiastical authority to participate in diocesan health and life insurance benefit programs; and be it further

Resolved, That the Church Pension Fund and its subsidiaries be requested to conduct a study and make recommendations to the 71st General Convention concerning the implementation of a comprehensive employee benefits program for lay church employees.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Phoenix, 1991* (New York: General Convention, 1992), p. 402.



Resolution Number: 1991-D165
Title: Require Episcopal Church Bodies to Provide a Pension Plan for Lay Employees
Legislative Action Taken: Concurred As Amended
Final Text:

Resolved, That all Parishes, Missions, and other ecclesiastical organizations or bodies subject to the authority of this Church, and any other societies, organizations, or bodies in the Church which under the regulations of the Church Pension Fund have elected or shall elect to come into the pension system, shall provide all lay employees who work a minimum of 1,000 hours annually retirement benefits through participation in the Episcopal Church Lay Employees Retirement Plan (ECLERP) or in an equivalent plan, the provisions of which are at least equal to those of ECLERP. Such participation shall commence no later than January 1, 1993. At its commencement, if the plan is a defined benefit plan, the employer contribution shall be not less than 9 percent of the employee's salary; if the plan is a defined contribution plan, the employer shall contribute not less than 5 percent and agree to "match" employee contributions of up to another 4 percent; and be it further

Resolved, That the employer may impose a minimum age of 21 years and a minimum employment period not to exceed one year of continuous employment before an employee would be eligible to participate; and be it further

Resolved, That the Trustees of The Church Pension Fund shall have authority to increase or decrease the contribution percentages required for the lay pension plan; and be it further

Resolved, That each Diocese of this Church shall implement this resolution by Diocesan Canon or appropriate resolution.

Citation: General Convention, *Journal of the General Convention of...The Episcopal Church, Phoenix, 1991* (New York: General Convention, 1992), p. 401.