

STATE OF NEW YORK

8737

IN SENATE

May 10, 2018

Introduced by Sen. YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

AN ACT to authorize the payment of ordinary disability retirement benefits by the New York state teachers' retirement system to the widow of David Waugh

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 Shelly Waugh, the widow of David Waugh, an active member of the New York
3 state teachers' retirement system who died on October 31, 2017 and who
4 prior to his death executed a written document attempting to authorize
5 Shelly Waugh to execute his retirement paperwork with his intent to name
6 Shelly Waugh as the 100 percent survivor of his benefit, is hereby
7 granted the legal authority to act on behalf of David Waugh as if she
8 had been granted said authority in accordance with section 5-1514 of the
9 general obligations law prior to his death.
10 Upon the granting of said authority to Shelly Waugh pursuant to this
11 act, the New York state teachers' retirement system shall be authorized
12 to accept the written statement executed on October 30, 2017 by David
13 and Shelly Waugh, confirming his intention to file a retirement applica-
14 tion and deeming said statement a properly executed power of attorney
15 and statutory gift rider. Shelly Waugh is then authorized to file an
16 application for disability retirement, to be submitted to the retirement
17 system within 1 year of the effective date of this act, and such appli-
18 cation for disability retirement shall sustain the intent of the member
19 to select the 100 percent survivor option with the designation of Shelly
20 Waugh as the beneficiary of said benefit. The application shall be
21 deemed to have been effectively filed with the New York state teachers'
22 retirement system on October 30, 2017 and is furthermore deemed
23 approved.
24 All retirement benefits payable pursuant to the provisions of this act
25 shall be paid to Shelly Waugh in accordance with the disability applica-
26 tion filed with the retirement system and shall be in lieu of any active

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

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1 death benefits and refund of employee contributions payable under the
2 law. Benefits are to be payable commencing October 30, 2017.

3 § 2. Any cost generated as a result of this act shall be paid for by
4 employers of members of the New York state teachers' retirement system.

5 § 3. This act shall take effect immediately.

Fiscal Note.--Pursuant to Legislative Law, Section 50:

This bill would allow Shelly Waugh, the widow of David Waugh, who was an active Tier 4 member of the New York State Teachers' Retirement System who died on October 31, 2017, and who prior to his death executed a written document on October 30, 2017 attempting to authorize Shelly Waugh to be granted the legal authority to act on his behalf, to be granted such legal authority in accordance with Section 5-1514 of the General Obligations Law. Upon the granting of said authority to Shelly Waugh, the New York State Teachers' Retirement System shall be authorized to accept such written document confirming Mr. Waugh's intention to file a retirement application and deem such document as a properly executed power of attorney and statutory gift rider. Mrs. Waugh would then be authorized to file a disability retirement application on her deceased husband's behalf selecting the 100 percent joint and survivor optional benefit designating herself as the beneficiary. Such disability retirement application must be filed by Mrs. Waugh within one year of the effective date of this act, and shall be considered effectively filed on October 30, 2017 and deemed approved. Benefits are to be payable as of October 30, 2017. The benefits payable pursuant to the provisions of this act shall be in lieu of any active death benefit and refund of employee contributions payable under the law.

The cost for this benefit is equal to the increase in the present value of benefits, which is estimated to be \$194,000. This cost is to be borne by the employers of members of the New York State Teachers' Retirement System.

Member data is from the System's most recent actuarial valuation files, consisting of data provided by the employers to the Retirement System. Data distributions and statistics can be found in the System's Comprehensive Annual Financial Report (CAFR). System assets are as reported in the System's financial statements, and can also be found in the CAFR. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report.

The source of this estimate is Fiscal Note 2018-29 dated May 9, 2018 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2018 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.