

# STATE OF NEW YORK

3168

2019-2020 Regular Sessions

## IN SENATE

February 4, 2019

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

AN ACT to amend the general municipal law and the retirement and social security law, in relation to increasing certain special accidental death benefits

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

Section 1. Subdivision c of section 208-f of the general municipal law, as amended by chapter 179 of the laws of 2018, is amended to read as follows:

c. Commencing July first, two thousand ~~[eighteen]~~ nineteen the special accidental death benefit paid to a widow or widower or the deceased member's children under the age of eighteen or, if a student, under the age of twenty-three, if the widow or widower has died, shall be escalated by adding thereto an additional percentage of the salary of the deceased member (as increased pursuant to subdivision b of this section) in accordance with the following schedule:

| calendar year of death<br>of the deceased member | per centum          |               |
|--------------------------------------------------|---------------------|---------------|
| 1977 or prior                                    | <del>[236%]</del>   | <u>246.1%</u> |
| 1978                                             | <del>[226.2%]</del> | <u>236%</u>   |
| 1979                                             | <del>[216.7%]</del> | <u>226.2%</u> |
| 1980                                             | <del>[207.5%]</del> | <u>216.7%</u> |
| 1981                                             | <del>[198.5%]</del> | <u>207.5%</u> |
| 1982                                             | <del>[189.8%]</del> | <u>198.5%</u> |
| 1983                                             | <del>[181.4%]</del> | <u>189.8%</u> |
| 1984                                             | <del>[173.2%]</del> | <u>181.4%</u> |
| 1985                                             | <del>[165.2%]</del> | <u>173.2%</u> |
| 1986                                             | <del>[157.5%]</del> | <u>165.2%</u> |
| 1987                                             | <del>[150.0%]</del> | <u>157.5%</u> |
| 1988                                             | <del>[142.7%]</del> | <u>150.0%</u> |

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

LBD07653-02-9

|    |             |                     |               |
|----|-------------|---------------------|---------------|
| 1  | 1989        | <del>[135.7%]</del> | <u>142.7%</u> |
| 2  | 1990        | <del>[128.8%]</del> | <u>135.7%</u> |
| 3  | 1991        | <del>[122.1%]</del> | <u>128.8%</u> |
| 4  | 1992        | <del>[115.7%]</del> | <u>122.1%</u> |
| 5  | 1993        | <del>[109.4%]</del> | <u>115.7%</u> |
| 6  | 1994        | <del>[103.3%]</del> | <u>109.4%</u> |
| 7  | 1995        | <del>[97.4%]</del>  | <u>103.3%</u> |
| 8  | 1996        | <del>[91.6%]</del>  | <u>97.4%</u>  |
| 9  | 1997        | <del>[86.0%]</del>  | <u>91.6%</u>  |
| 10 | 1998        | <del>[80.6%]</del>  | <u>86.0%</u>  |
| 11 | 1999        | <del>[75.4%]</del>  | <u>80.6%</u>  |
| 12 | 2000        | <del>[70.2%]</del>  | <u>75.4%</u>  |
| 13 | 2001        | <del>[65.3%]</del>  | <u>70.2%</u>  |
| 14 | 2002        | <del>[60.5%]</del>  | <u>65.3%</u>  |
| 15 | 2003        | <del>[55.8%]</del>  | <u>60.5%</u>  |
| 16 | 2004        | <del>[51.3%]</del>  | <u>55.8%</u>  |
| 17 | 2005        | <del>[46.9%]</del>  | <u>51.3%</u>  |
| 18 | 2006        | <del>[42.6%]</del>  | <u>46.9%</u>  |
| 19 | 2007        | <del>[38.4%]</del>  | <u>42.6%</u>  |
| 20 | 2008        | <del>[34.4%]</del>  | <u>38.4%</u>  |
| 21 | 2009        | <del>[30.5%]</del>  | <u>34.4%</u>  |
| 22 | 2010        | <del>[26.7%]</del>  | <u>30.5%</u>  |
| 23 | 2011        | <del>[23.0%]</del>  | <u>26.7%</u>  |
| 24 | 2012        | <del>[19.4%]</del>  | <u>23.0%</u>  |
| 25 | 2013        | <del>[15.9%]</del>  | <u>19.4%</u>  |
| 26 | 2014        | <del>[12.6%]</del>  | <u>15.9%</u>  |
| 27 | 2015        | <del>[9.3%]</del>   | <u>12.6%</u>  |
| 28 | 2016        | <del>[6.1%]</del>   | <u>9.3%</u>   |
| 29 | 2017        | <del>[3.0%]</del>   | <u>6.1%</u>   |
| 30 | 2018        | <del>[0.0%]</del>   | <u>3.0%</u>   |
| 31 | <u>2019</u> |                     | <u>0.0%</u>   |

§ 2. Subdivision c of section 361-a of the retirement and social security law, as amended by chapter 179 of the laws of 2018, is amended to read as follows:

c. Commencing July first, two thousand ~~[eighteen]~~ nineteen the special accidental death benefit paid to a widow or widower or the deceased member's children under the age of eighteen or, if a student, under the age of twenty-three, if the widow or widower has died, shall be escalated by adding thereto an additional percentage of the salary of the deceased member, as increased pursuant to subdivision b of this section, in accordance with the following schedule:

| calendar year of death<br>of the deceased member | per centum                        |
|--------------------------------------------------|-----------------------------------|
| 1977 or prior                                    | <del>[236%]</del> <u>246.1%</u>   |
| 1978                                             | <del>[226.2%]</del> <u>236%</u>   |
| 1979                                             | <del>[216.7%]</del> <u>226.2%</u> |
| 1980                                             | <del>[207.6%]</del> <u>216.7%</u> |
| 1981                                             | <del>[198.5%]</del> <u>207.5%</u> |
| 1982                                             | <del>[189.8%]</del> <u>198.5%</u> |
| 1983                                             | <del>[181.4%]</del> <u>189.8%</u> |
| 1984                                             | <del>[173.2%]</del> <u>181.4%</u> |
| 1985                                             | <del>[165.2%]</del> <u>173.2%</u> |
| 1986                                             | <del>[157.5%]</del> <u>165.2%</u> |
| 1987                                             | <del>[150.0%]</del> <u>157.5%</u> |
| 1988                                             | <del>[142.7%]</del> <u>150.0%</u> |
| 1989                                             | <del>[135.7%]</del> <u>142.7%</u> |

|    |             |                       |               |
|----|-------------|-----------------------|---------------|
| 1  | 1990        | [ <del>128.8%</del> ] | <u>135.7%</u> |
| 2  | 1991        | [ <del>122.1%</del> ] | <u>128.8%</u> |
| 3  | 1992        | [ <del>115.7%</del> ] | <u>122.1%</u> |
| 4  | 1993        | [ <del>109.4%</del> ] | <u>115.7%</u> |
| 5  | 1994        | [ <del>103.3%</del> ] | <u>109.4%</u> |
| 6  | 1995        | [ <del>97.4%</del> ]  | <u>103.3%</u> |
| 7  | 1996        | [ <del>91.6%</del> ]  | <u>97.4%</u>  |
| 8  | 1997        | [ <del>86.0%</del> ]  | <u>91.6%</u>  |
| 9  | 1998        | [ <del>80.6%</del> ]  | <u>86.0%</u>  |
| 10 | 1999        | [ <del>75.4%</del> ]  | <u>80.6%</u>  |
| 11 | 2000        | [ <del>70.2%</del> ]  | <u>75.4%</u>  |
| 12 | 2001        | [ <del>65.3%</del> ]  | <u>70.2%</u>  |
| 13 | 2002        | [ <del>60.5%</del> ]  | <u>65.3%</u>  |
| 14 | 2003        | [ <del>55.8%</del> ]  | <u>60.5%</u>  |
| 15 | 2004        | [ <del>51.3%</del> ]  | <u>55.8%</u>  |
| 16 | 2005        | [ <del>46.9%</del> ]  | <u>51.3%</u>  |
| 17 | 2006        | [ <del>42.6%</del> ]  | <u>46.9%</u>  |
| 18 | 2007        | [ <del>38.4%</del> ]  | <u>42.6%</u>  |
| 19 | 2008        | [ <del>34.4%</del> ]  | <u>38.4%</u>  |
| 20 | 2009        | [ <del>30.5%</del> ]  | <u>34.4%</u>  |
| 21 | 2010        | [ <del>26.7%</del> ]  | <u>30.5%</u>  |
| 22 | 2011        | [ <del>23.0%</del> ]  | <u>26.7%</u>  |
| 23 | 2012        | [ <del>19.4%</del> ]  | <u>23.0%</u>  |
| 24 | 2013        | [ <del>15.9%</del> ]  | <u>19.4%</u>  |
| 25 | 2014        | [ <del>12.6%</del> ]  | <u>15.9%</u>  |
| 26 | 2015        | [ <del>9.3%</del> ]   | <u>12.6%</u>  |
| 27 | 2016        | [ <del>6.1%</del> ]   | <u>9.3%</u>   |
| 28 | 2017        | [ <del>3.0%</del> ]   | <u>6.1%</u>   |
| 29 | 2018        | [ <del>0.0%</del> ]   | <u>3.0%</u>   |
| 30 | <u>2019</u> |                       | <u>0.0%</u>   |

§ 3. This act shall take effect July 1, 2019.

FISCAL NOTE.--Pursuant to Legislative Law, Section 50:

This bill would amend both the General Municipal Law and the Retirement and Social Security Law to increase the salary used in the computation of the special accidental death benefit by 3% in cases where the date of death was before 2019.

Insofar as this bill would amend the Retirement and Social Security Law, it is estimated that there would be an additional annual cost of approximately \$547,000 above the approximately \$12.5 million current annual cost of this benefit. This cost would be shared by the State of New York and all participating employers of the New York State and Local Police and Fire Retirement System.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2018 actuarial valuation. Distributions and other statistics can be found in the 2018 Report of the Actuary and the 2018 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015, 2016, 2017 and 2018 Annual Report to the Comptroller on Actuarial Assumptions, and the Codes, Rules and Regulations of the State of New York: Audit and Control.

The Market Assets and GASB Disclosures are found in the March 31, 2018 New York State and Local Retirement System Financial Statements and Supplementary information.

I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

This fiscal note does not constitute a legal opinion on the viability of the proposed change nor is it intended to serve as a substitute for the professional judgment of an attorney.

This estimate, dated January 24, 2019, and intended for use only during the 2019 Legislative Session, is Fiscal Note No. 2019-38, prepared by the Actuary of the New York State and Local Retirement System.