S T A T E O F N E W Y O R K

7547--A

I N S E N A T E

May 15, 2014

Introduced by Sens. GALLIVAN, CARLUCCI -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT authorizing the payment of ordinary disability retirement benefits by the New York state and local police and fire retirement system to the widow of Richard O'Brien

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Notwithstanding the provisions of any general or special law, rule or regulation to the contrary, Richard O'Brien, who was last employed by the New York state division of state police as an investigator, and who was a member of the New York state and local police and fire retirement system at the time of his death on December 7, 2009, and who, for reasons not ascribed to his own negligence, failed to file a timely application for the state police disability retirement benefit provided by section 363-b of the retirement and social security law prior to his death, shall be deemed to have timely filed an application for the benefit on December 7, 2009 if, within one year of the effective date of this act, Stephanie O'Brien, the widow of Richard O'Brien, files with the state comptroller a written request to that effect and a retirement option election form electing to receive retirement benefits pursuant to the terms of the joint allowance-full option with Stephanie O'Brien as the option beneficiary. The approval of said application for a disability retirement benefit provided by section 363-b of the retirement and social security law will constitute a waiver of any rights or benefits to the pre-retirement ordinary death benefit payable upon the death of a member in service pursuant to subdivision b of section 448 of the retirement and social security law. Any amounts paid by the retirement system as the result of the death of Richard O'Brien, whether to his estate, to Stephanie O'Brien or to any other beneficiary prior to the filing of the request for the disability retirement benefit shall be deducted from the disability retirement benefit payable thereafter.

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

LBD15247-03-4

S 2. Any additional costs for this act shall be paid by the state of New York.

S 3. This act shall take effect immediately.

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

This bill would deem Richard O'Brien to have timely filed an application for a disability retirement benefit effective on December 7, 2009. Stephanie O'Brien shall be authorized to file for the disability retirement benefit on his behalf. Further, Stephanie O'Brien must waive all rights and benefits to the ordinary death benefits she would otherwise be entitled to receive. Any payments received from such ordinary death benefit will be deducted from the benefits payable under this legislation.

If this bill is enacted, there would be a one-time cost to the State of New York of approximately $505,000. This estimate is based on the assumption that payment will be made on March 1, 2015.

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, 2013 actuarial valuation. Distributions and other statistics can be found in the 2013 Report of the Actuary and the 2013 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2010, 2011, 2012 and 2013 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, 2013 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 statement of actuarial opinion contained herein.

This estimate, dated May 14, 2014, and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-132, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.