STATE OF NEW YORK

6908

2017-2018 Regular Sessions

IN ASSEMBLY

March 24, 2017

Introduced by M. of A. JAFFEE -- read once and referred to the Committee on Governmental Employees

AN ACT to authorize L. Peter Quint to change his retirement benefits

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

Section 1. Notwithstanding any other provision of law, L. Peter Quint, who is a retiree of the New York state teachers' retirement system, and who, for reasons not ascribable to his own negligence, duly elected to receive the maximum benefit upon his date of retirement of July 1, 1999 rather than the 100% survivor benefit option, shall be permitted to change his retirement benefit to the 100% survivor benefit option and designate his spouse Deanna Quint as beneficiary of such optional form of benefit if on or before December 31, 2017 he shall file a written request to that effect with the head of the New York State teachers' retirement system.

§ 2. All costs incurred in implementing the provisions of this act shall be borne by the employers of members of the New York State teachers' retirement system.

§ 3. This act shall take effect immediately and shall apply to payments made on or after the effective date of this act.

Pursuant to Legislative Law, Section 50:

This bill would allow L. Peter Quint, a retired member of the New York State Teachers' Retirement System (NYSTRS), who elected the maximum single life benefit upon his date of retirement of July 1, 1999 to change his retirement benefit to the 100% joint and survivor option benefit designating his spouse Deanna Quint as beneficiary of such optional form of benefit. This bill would only apply to payments due to Mr. Quint on or after the effective date of this act. Mr. Quint must file a written request with the head of the NYSTRS on or before December 31, 2017.

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

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The cost of this benefit is equal to the increase in the present value of liabilities, which is estimated to be $93,000. This cost is to be borne by the employers of members of the NYSTRS. Allowing retired members to change the terms of their option after retirement creates the potential for anti-selection and actuarial losses however.

Employee 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 2017-7 dated March 10, 2017 prepared by the Actuary for the New York State Teachers' Retirement System and is intended for use only during the 2017 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.