STATE OF NEW YORK

2926--A

2017-2018 Regular Sessions

IN SENATE

January 18, 2017

Introduced by Sens. GOLDEN, AVELLA -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, in relation to increasing the survivor's benefit of a retired state employee

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

Section 1. Subdivision 2 of section 657 of the retirement and social security law, as added by chapter 75 of the laws of 1989, is amended to read as follows:

2. The amount of a survivor's benefit under this section shall be a lump sum of two thousand ***five hundred*** dollars, except that where a retired state employee dies while reemployed as provided in subdivision four of this section or dies within thirty days following retirement pursuant to subdivision one of this section, the amount of the survivor's benefit under this section, if any, shall be two thousand dollars ***or such amount otherwise received pursuant to this subdivision*** less any ordinary death benefit, exclusive of any ordinary death benefit attributable to the reserve-for-increased-take-home-pay, payable on account of the death of such employee under a retirement system or pension plan supported by funds of the state.

§ 2. This act shall take effect immediately.

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

This bill will increase the Survivor's Benefit by $500. For eligible state employees who retired prior to April 1, 1970, the benefit will increase from $2,000 to $2,500 and for eligible state employees who retired after April 1, 1970, the benefit will increase from $3,000 to $3,500.

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

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If this bill is enacted, for the first year, the annual payment of survivor's benefits which will be paid by the State of New York will increase approximately $1.9 million.

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, 2017 actuarial valuation. Distributions and other statistics can be found in the 2017 Report of the Actuary and the 2017 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015, 2016, and 2017 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, 2017 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 estimate, dated November 15, 2017, and intended for use only during the 2018 Legislative Session, is Fiscal Note No. 2018-7, prepared by the Actuary for the New York State and Local Retirement System.