STATE OF NEW YORK

7928

2019-2020 Regular Sessions

IN ASSEMBLY

May 28, 2019

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

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.

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:

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

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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 May 22, 2019, and intended for use only during the 2019 Legislative Session, is Fiscal Note No. 2019-126, prepared by the Actuary for the New York State and Local Retirement System.