STATE OF NEW YORK

7448

2019-2020 Regular Sessions

IN ASSEMBLY

May 3, 2019

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

AN ACT to authorize the widower of Jeannette M. Feminella to file a retirement option election form

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 to the contrary, Dominic J. Feminella, the widower of Jeannette M. Feminella, who was a member of the New York state teachers' retirement system and had filed for retirement effective June 17, 2016, who prior to her death on July 7, 2016, in the presence of a notary public, completed an election to change her originally executed retirement option with the New York state teachers' retirement system to the one hundred percent survivor, and who died before the changed election was received by the New York state teachers' retirement system on July 9, 2016, shall be authorized to file such option election form on behalf of his deceased wife to a one hundred percent survivor option, if within one year of the effective date of this act he shall file a request therefor with the head of the New York state teachers' retirement system. Such retirement option election shall be deemed to have become effective on June 17, 2016. All retirement benefits payable pursuant to the provisions of this act shall be paid to Dominic J. Feminella and shall be in lieu of any other retirement benefits payable; provided, however, if a retirement benefit was made payable prior to the effective date of this act, all monies paid shall be remitted to the retirement system. Upon enactment of this act, Dominic J. Feminella shall renounce all benefits to be paid under the originally executed retirement option effective June 17, 2016 and shall be deemed eligible for the survivor option as authorized by this act.

§ 2. This act shall take effect immediately.

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

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

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This bill would allow Dominic J. Feminella, the widower of Jeannette M. Feminella who was a retired member of the New York State Teachers' Retirement System, to change her originally executed retirement option to the 100% joint and survivor option designating him as the beneficiary. Ms. Feminella retired on June 17, 2016 and died on July 7, 2016, two days before her signed, notarized change of election form was received by the New York State Teachers' Retirement System. Mr. Feminella must file a written request with the head of the New York State Teachers' Retirement System within one year of the effective date of this act. Such retirement option election shall be deemed to have become effective on June 17, 2016. All retirement benefits payable pursuant to the provisions of this act shall be paid to Mr. Feminella and shall be in lieu of any other retirement benefits payable; provided, however, if a retirement benefit was made payable prior to the effective date of this act, all monies paid shall be remitted to the New York State Teachers' Retirement System. Upon enactment of this bill, Mr. Feminella shall renounce all benefits to be paid under the originally executed retirement option filed effective June 17, 2016 and shall be deemed eligible for the survivor option as authorized by this act.

The cost for this benefit is equal to the increase in the present value of benefits, which is estimated to be $250,000. This cost is to be borne by the employers of members of the New York State Teachers' Retirement System. Allowing retired members to change the terms of their option after retirement creates the potential for anti-selection and actuarial losses.

Member 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 2019-23 dated April 19, 2019 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2019 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.