

STATE OF NEW YORK

7825

2023-2024 Regular Sessions

IN ASSEMBLY

June 15, 2023

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

AN ACT to authorize the widow of Peter Siström to file a retirement option election form on behalf of her deceased husband

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

1 Section 1. Notwithstanding the provisions of any general or special
2 law, rule or regulation to the contrary, Peter Siström, who was last
3 employed by the metropolitan transportation authority and had over twenty-eight
4 years of public service credited in the New York state and
5 local employees' retirement system and exceeded the age of sixty-five,
6 shall be deemed eligible for a service retirement benefit, notwithstanding
7 the fact that he died on September 10, 2021. On or before one year
8 from the effective date of this act, the spouse of Peter Siström, may
9 file with the retirement system an application for service retirement
10 benefits on behalf of Peter Siström with an effective date of retirement
11 of September 9, 2021 and an option election form electing to receive
12 retirement benefits pursuant to the terms of the joint allowance full
13 option with Peter Siström's spouse as the beneficiary. Once such application
14 is received, any rights or benefits payable to Peter Siström's
15 spouse shall be retroactive to September 9, 2021. The filing of a
16 service retirement application will constitute a waiver of any rights or
17 benefits to the ordinary death benefit payable upon the death of a
18 member in service pursuant to section 508 or 606 of the retirement and
19 social security law. Any amounts paid by the New York state and local
20 employees' retirement system as the result of the death of Peter Siström
21 prior to the filing of the request for a service retirement benefit
22 pursuant to this section shall be deducted from the pension reserve and
23 the pension payable thereafter shall be the actuarial equivalent of the
24 pension reserve as so reduced.

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

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1 § 2. All past service costs associated with the implementation of this
2 act shall be borne by the Metropolitan Transportation Authority.
3 § 3. This act shall take effect immediately.

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

This bill would deem deceased member Peter Siström eligible to receive a service retirement benefit effective September 9, 2021. Peter Siström's spouse shall be authorized to file for this service retirement benefit with an option election form electing to receive a joint allowance full option. Upon filing of the service application, all rights and benefits to the ordinary death benefits the beneficiary would otherwise be entitled to receive will be waived. Any payments received from such ordinary death benefit will be deducted from the benefits payable under this legislation.

If this bill is enacted during the 2023 legislative session, there will be an immediate past service cost of approximately \$1.01 million which will be borne by the Metropolitan Transportation Authority as a one-time payment. This estimate assumes that payment will be made on February 1, 2024.

Summary of relevant resources:

Membership data as of March 31, 2022 was used in measuring the impact of the proposed change, the same data used in the April 1, 2022 actuarial valuation. Distributions and other statistics can be found in the 2022 Report of the Actuary and the 2022 Annual Comprehensive Financial Report.

The actuarial assumptions and methods used are described in the 2020, 2021, and 2022 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, 2022 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 June 7, 2023, and intended for use only during the 2023 Legislative Session, is Fiscal Note No. 2023-163, prepared by the Actuary for the New York State and Local Retirement System.