

STATE OF NEW YORK

6499

2023-2024 Regular Sessions

IN ASSEMBLY

April 12, 2023

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

AN ACT to amend the general municipal law, in relation to special accidental death benefits for widows or widowers of certain deputy sheriff members of the New York city sheriff's department

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

1 Section 1. Subdivision a of section 208-f of the general municipal
2 law, as amended by chapter 457 of the laws of 2017, the opening para-
3 graph as amended by chapter 782 of the laws of 2022, is amended to read
4 as follows:

5 a. Notwithstanding any other provision of law, the special accidental
6 death benefit provided by this section shall be paid to the widow or
7 widower or the deceased member's children under the age of eighteen, or,
8 if a student under the age of twenty-three, if the widow or widower has
9 died, or to the deceased member's parents if the member has no widow,
10 widower, children under the age of eighteen, or a student under the age
11 of twenty-three, of: (i) a deceased member of a pension or retirement
12 system of a police department or paid fire department of a city, town or
13 village; (ii) a deceased paid member of the police force of the police
14 department of the New York city transit authority; (iii) a deceased paid
15 member of the police force of the police department of the New York city
16 housing authority; (iv) a deceased paid member of the uniformed
17 correction force of the New York city department of correction; (v) a
18 deceased paid uniformed member of a county sheriff's department (outside
19 the city of New York); (vi) a deceased employee of the city of New York
20 or the New York city health and hospitals corporation in a title whose
21 duties are those of an emergency medical technician or advanced emergen-
22 cy medical technician (as those terms are defined in section three thou-
23 sand one of the public health law), or in a title whose duties require
24 the supervision of employees whose duties are those of an emergency

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

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1 medical technician or advanced emergency medical technician (as those
2 terms are defined in section three thousand one of the public health
3 law); (vii) a deceased paid bridge and tunnel member of the New York
4 city employees' retirement system; ~~or~~ (viii) a deceased paid member of
5 the uniformed force of the New York city department of sanitation; or
6 (ix) a deceased paid deputy sheriff member of the New York city sher-
7 iff's department, providing the widow or widower is ineligible to
8 receive benefits pursuant to section three hundred sixty-one-a of the
9 retirement and social security law as amended by chapter seven hundred
10 thirty-three of the laws of nineteen hundred ninety and the deceased
11 member:

12 1. Died before the effective date of his or her retirement, as the
13 natural and proximate result of an accident sustained in the performance
14 of duty in the service upon which his membership was based, and

15 2. Did not cause such accident by his or her own willful negligence,
16 and

17 3. At the time of such accident was actually a member of: (i) a
18 pension or retirement system of a police department or paid fire depart-
19 ment of a city, town or village; (ii) a pension or retirement system
20 covering the police force of the police department of the New York city
21 transit authority; (iii) a pension or retirement system covering the
22 police force of the police department of the New York city housing
23 authority; (iv) a pension or retirement system covering the uniformed
24 correction force of the New York city department of correction; (v) a
25 pension or retirement system covering uniformed members of a county
26 sheriff's department (outside the city of New York); (vi) a pension or
27 retirement system covering employees of the city of New York, or the New
28 York city health and hospitals corporation in a title whose duties are
29 those of an emergency medical technician or advanced emergency medical
30 technician (as those terms are defined in section three thousand one of
31 the public health law), or in a title whose duties require the super-
32 vision of employees whose duties are those of an emergency medical tech-
33 nician or advanced emergency medical technician (as those terms are
34 defined in section three thousand one of the public health law); (vii) a
35 pension or retirement system covering paid bridge and tunnel members of
36 the New York city employees' retirement system; ~~or~~ (viii) a pension or
37 retirement system covering paid members of the uniformed force of the
38 New York city department of sanitation; or (ix) a pension or retirement
39 system covering paid deputy sheriff members of the New York city sher-
40 iff's department.

41 § 2. Notwithstanding any provision of law to the contrary, none of the
42 provisions of this act shall be subject to the appropriation requirement
43 of section 25 of the retirement and social security law.

44 § 3. This act shall take effect immediately.

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

SUMMARY OF BILL: This proposed legislation would amend Section 208-f
of the General Municipal Law (GML) to provide Special Accidental Death
Benefits (SADB) to eligible beneficiaries of members of the New York
City Employees' Retirement System (NYCERS) who are employed in certain
Deputy Sheriff titles and die as a natural and proximate result of an
accident sustained in the performance of duty.

Effective Date: Upon enactment.

IMPACT ON BENEFITS: Currently, certain beneficiaries of Deputy Sher-
iffs who die as a natural and proximate result of an accident sustained
in the performance of duty are eligible to receive an Accidental Death
Benefit equal to 50% of Final Salary. Such benefit is subject to a Cost-

of-Living Adjustment (COLA) starting after five years, pursuant to Administrative Code of the City of New York (ACCNY) Section 13-696.

Under the proposed legislation, beneficiaries of Deputy Sheriffs who die as a natural and proximate result of an accident sustained in the performance of duty would receive an Accidental Death Benefit equal to 100% of Final Salary, offset by any social security and workers' compensation benefits paid. For purposes of this Fiscal Note, and consistent with the assumptions and methods described herein, it is assumed that the past four decades' practice of providing 3.0% COLAs on the SADB each year will be continued in the future.

For purposes of this Fiscal Note, it is assumed that SADB under the proposed legislation would only be provided to members who die in the performance of duty after the Effective Date.

FINANCIAL IMPACT - PRESENT VALUES: There is insufficient data available to estimate the number of members who may die as a natural and proximate result of an accident sustained in the performance of duty. Therefore, the estimated financial impact has been calculated on a per event basis equal to the increase in the Present Value of Future Benefits (PVFB) for an average member who could potentially be eligible for SADB provided by this proposed legislation.

Based on the census data and the actuarial assumptions and methods described herein, the enactment of this proposed legislation would increase the PVFB by approximately \$1.1 million, on average, for each eligible Deputy Sheriff who dies as a natural and proximate result of an accident sustained in the performance of duty.

FINANCIAL IMPACT - ANNUAL EMPLOYER CONTRIBUTIONS: Enactment of this proposed legislation would increase employer contributions, where such amount would depend on the number of members affected as well as other characteristics including the age, years of service, and salary history of each member.

Based on the actuarial assumptions and methods described herein, the enactment of this proposed legislation is estimated to increase annual employer contributions by approximately \$135,000, on average, for each eligible Deputy Sheriff who dies as a natural and proximate result of an accident sustained in the performance of duty.

As there is insufficient data currently available to estimate the number of eligible members who might die and be eligible for SADB under the proposed legislation, the financial impact would be recognized at the time of event. Consequently, changes in employer contributions have been estimated assuming that the increase in the PVFB would be amortized over a closed 15-year period (14 payments under the One-Year Lag Methodology) using level dollar payments.

With respect to the timing, increases in employer contributions would depend upon when members would die as a natural and proximate result of an accident sustained in the performance of duty but, generally, increased employer contributions will first occur the second fiscal year following approval of the Accidental Death Benefit.

CENSUS DATA: The estimates presented herein are based on the census data used in the June 30, 2022 actuarial valuation of NYCERS to determine the Preliminary Fiscal Year 2024 employer contributions.

The 146 NYCERS Deputy Sheriffs as of June 30, 2022 had an average age of approximately 42.0 years, average service of approximately 11.6 years, and an average salary of approximately \$85,700.

ACTUARIAL ASSUMPTIONS AND METHODS: The estimates presented herein have been calculated based on the actuarial assumptions and methods used for the Preliminary Fiscal Year 2024 employer contributions of NYCERS.

RISK AND UNCERTAINTY: The costs presented in this Fiscal Note depend highly on the realization of the actuarial assumptions used, demographics of the impacted population and other factors such as investment, contribution, and other risks. If actual experience deviates from actuarial assumptions, the actual costs could differ from those presented herein.

Costs are also dependent on the actuarial methods used, and therefore different actuarial methods could produce different results. Quantifying these risks is beyond the scope of this Fiscal Note.

Not measured in this Fiscal Note are the following:

- * The initial additional administrative costs to implement the proposed legislation.

STATEMENT OF ACTUARIAL OPINION: I, Marek Tyszkiewicz, am the Chief Actuary for, and independent of, the New York City Retirement Systems and Pension Funds. I am an Associate of the Society of Actuaries and a Member of the American Academy of Actuaries. I am a member of NYCERS but do not believe it impairs my objectivity and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. To the best of my knowledge, the results contained herein have been prepared in accordance with generally accepted actuarial principles and procedures and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2023-20 dated April 3, 2023 was prepared by the Chief Actuary for the New York City Employees' Retirement System. This estimate is intended for use only during the 2023 Legislative Session.