STATE OF NEW YORK

10394

IN SENATE

May 15, 2026

Introduced by Sen. BORRELLO -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

AN ACT in relation to authorizing Michael Hall to file a request for change of benefit coverage with the New York state teachers' retirement system

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, Michael Hall, who is currently a member of the New York state teachers' retirement system, who retired from Oakfield-Alabama Combined School District on January 31, 2004, and who since his date of retirement has been receiving a reduced retirement benefit election pursuant to designating his wife, Bonnie L. Hall, under a survivor option and electing her as his irrevocable beneficiary, and who, for reasons not ascribable to his own negligence, even upon notice in 2004 from the retirement system of his election of the reduced retirement benefit election designating his wife Bonnie L. Hall under a survivor option and electing her as his irrevocable beneficiary, failed to change his retirement option election prior to the expiration of the thirty days in accordance with article 11 of the education law and to elect for the maximum retirement benefit option, shall be authorized to change said reduced retirement benefit option designating his wife, Bonnie L. Hall under a survivor option and electing her as his irrevocable beneficiary to the maximum retirement option, if within one year of the effective date of this act, he shall file a written request on a form prescribed by the New York state teachers' retirement system with the head of said retirement system. Such change of benefit coverage shall be deemed to become effective on January 31, 2004.

§ 2. Any costs attributable to implementation of the retirement election option change, authorized by section one of this act, shall be borne by the employers of members of the New York state teachers' retirement system.

§ 3. 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.

LBD15225-03-6

Bill Description:

This fiscal note is prepared for legislative bill draft #15225-02-6. This bill would authorize Michael Hall, a retired member of the New York State Teacher's Retirement System (NYSTRS), who elected the 100% joint and survivor option benefit to change his option election to the maximum single life benefit effective as of his date of retirement, January 31, 2004. The increase in pension benefit will be paid retroactively to this date. Michael Hall must file a written request with the head of NYSTRS within one year of the effective date of this act.

Cost and Current Law:

The cost of this benefit is equal to the increase in the present value of liabilities, which is estimated to be $211,000. This cost would be borne by the employers of members of the New York State Teachers' Retirement System. Allowing retired members to change their benefit option after retirement weakens the pooling of longevity risk and the pricing of the options and would result in actuarial losses.

Under current law, benefit option elections are generally irrevocable after retirement. Allowing post-retirement changes for individual members may introduce considerations regarding consistent application of such provisions across the membership.

Data:

Member data as of June 30, 2025, prepared for the most recent actuarial valuation was used in determining this cost. The most recent data distributions and statistics can be found in the System's Annual Report for the fiscal year ended June 30, 2025. System assets are as reported in the System's financial statements which can be found in the System's Annual Report. This data will also be provided in the System's Actuarial Valuation Report as of June 30, 2025.

Methods and Assumptions:

A summary of actuarial assumptions and methods will be provided in the System's Actuarial Valuation Report as of June 30, 2025. Further details can be found in the most recent Recommended Actuarial Assumptions 2025 Report.

Actuarial Certification:

We, the undersigned actuaries for the New York State Teachers' Retirement System, certify the following:

1. The actuarial assumptions, methods, and data used are reasonable for the purposes of this fiscal note, internally consistent and are in accordance with standards of practice prescribed by the Actuarial Standards Board and generally accepted actuarial principles and procedures.

2. We relied on member data supplied by the participating employers of the New York State Teachers' Retirement System and assets as supplied in the annual Financial Statements by NYSTRS' Finance Department.

3. Results were prepared based on our current understanding of the proposal as of the date of this fiscal note. If the language or our understanding of the proposal changes, the results could change and require the issuance of a new fiscal note. The next annual update of the actuarial valuation could also produce different results. Results should not be relied upon for any other purpose.

4. This fiscal note was prepared in accordance with New York State Retirement and Social Security Law, New York State Education Law, applicable Internal Revenue Code, and accepted actuarial standards of practice as of the date of this fiscal note. This fiscal note does not constitute a legal opinion on the viability of this legislative proposal.

5. We are members of the American Academy of Actuaries and the Society of Actuaries, and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. We are currently compliant with the Continuing Professional Development Requirement of the Society of Actuaries.

Fiscal Note Identification:

This Fiscal Note, 2026-40, dated April 4, 2026, was prepared by the Office of the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2026 Legislative Session.