



**THE COUNCIL OF THE CITY OF NEW YORK
FINANCE DIVISION**

LATONIA MCKINNEY, DIRECTOR

FISCAL IMPACT STATEMENT

PRE CONSIDERED SLR: S5484-A / A7185-A
COMMITTEE: State and Federal Legislation

TITLE: AN ACT to amend the retirement and social security law and the general municipal law, in relation to pension benefits of widows or widowers of sanitation workers.

SPONSOR(S): Karen Koslowitz

SUMMARY OF LEGISLATION: This bill would provide Special Accidental Death Benefits (SADB) to eligible beneficiaries of employees of the uniformed Department of Sanitation who are members of the New York City Employees' Retirement System (NYCERS) who die in the performance of duty. The SADB will be equal to the salary of the deceased member at date of death, reduced by any accidental death benefit, reduced by any death benefit paid by social security to the deceased member's eligible beneficiaries, and reduced by any workers' compensation benefit. If the surviving spouse is no longer alive or eligible, then the Accidental Death Benefit is paid in successive order to any surviving children until age twenty-five, or any dependent parents.

Additionally, this bill expands the definition of a Tier 4 and 6 (modified Tier 3) eligible beneficiary for Accidental Death Benefits so that a member's surviving spouse can continue to receive the benefit for life, even if the spouse has remarried.

The SADB would be retroactive to accidental deaths sustained in the performance of duty on or after November 1, 1996.

EFFECTIVE DATE: This law would take effect immediately

FISCAL YEAR IN WHICH FULL FISCAL IMPACT ANTICIPATED: Fiscal 2018

FISCAL IMPACT STATEMENT:

	Effective FY18	FY Succeeding Effective FY19	Full Fiscal Impact FY18
Revenues (+)	\$0	\$0	\$0
Expenditures (-)	(\$6,500,000)	(\$6,500,000)	(\$6,500,000)
Net	(\$6,500,000)	(\$6,500,000)	(\$6,500,000)

IMPACT ON REVENUES: It is anticipated that there would be no impact on revenues resulting from the enactment of this legislation.

IMPACT ON EXPENDITURES: This legislation would increase annual employer contributions by approximately \$6.5 million per year beginning in Fiscal Year 2018.

SOURCE OF FUNDS TO COVER ESTIMATED COSTS: N/A

SOURCE OF INFORMATION: NYC Office of the Actuary Fiscal Note 2017 – 01R

ESTIMATE PREPARED BY: Kendall Stephenson, Economist, City Council Finance Division
ESTIMATE REVIEWED BY: Paul Sturm, Supervising Economist
Raymond Majewski, Deputy Director/ Chief Economist
Eric Bernstein, Counsel, New York City Council Finance Division

LEGISLATIVE HISTORY: This bill will be voted out of the State and Federal Legislation Committee as a Preconsidered SLR on June 15, 2017. Upon successful vote by the Committee, the Preconsidered SLR will be introduced and submitted to the full Council for a vote on June 15, 2017.

DATE PREPARED: June 14, 2017