



TRANSPORT WORKERS UNION

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Memorandum Death Gamble Bill **Gounardes (S7224A) / Pheffer Amato (A7563)**

Once MTA employees such as the New York City Transit Authority (NYCTA) members in the 25-Year/Age 55 Retirement Plan become eligible to retire, they face a conundrum: they can retire, start drawing a pension, and complete an option election form, which allows the retiree to choose between a maximum retirement allowance, paying the full amount of the member's pension but ceasing upon their death, or a reduced payout which allows for a continuing benefit to the member's beneficiaries upon the member's death; or stay on the job and continue earning a full salary - but then risk leaving only an ordinary death benefit, worth at most three times the member's salary, to their families should they pass away before they have the opportunity to file for retirement.

This bill would provide parity between NYCTA employees and other types of public servants like earlier tier members of the New York State Teachers Retirement System (TRS), the New York State and Local Employees Retirement System (NYSLRS), and the New York State and Local Police and Fire Retirement System (PFRS) (Ch. 554 of 2000), Nassau County correction officers (Ch. 534 of 2021), Suffolk County correction officers (Ch. 535 of 2021), and other uniformed services who all enjoy a death gamble benefit, in which an employee's family is able to receive the full value of the employee's pension benefit, as if they had retired on the date of their death, in the event that the employee decides to continue working past retirement age. Extending the death gamble benefit to the dedicated civil servants who run New York City's trains and buses will remove a disincentive to continuing service for seasoned public employees who may otherwise wish to keep working but for the reduced benefits their families would receive upon their in-service death.

