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I N S E N A T E

May 8, 2014

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

AN ACT to amend the retirement and social security law, in relation to providing prior police service credit for police officers employed by employers not participating in the New York state and local police and fire retirement system who are hired by the state or a participating employer in the New York state and local police and fire retirement system

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision b of section 341 of the retirement and social
2 security law is amended by adding a new paragraph 9 to read as follows:

3 9. NOTWITHSTANDING THE FOREGOING PROVISIONS OF THIS SUBDIVISION, ANY
4 POLICE EMPLOYEE WHO HAD PRIOR POLICE SERVICE WITH THE METRO-NORTH COMMU-
5 TER RAILROAD COMPANY, THE LONG ISLAND RAILROAD COMPANY OR THE METROPOL-
6 ITAN TRANSPORTATION AUTHORITY SHALL BE GIVEN CREDIT FOR SUCH SERVICE
7 WHEN HE OR SHE RENDERS AT LEAST TWO YEARS OF MEMBER SERVICE WITH THE
8 STATE OR ANY PARTICIPATING EMPLOYER.

9 S 2. This act shall take effect immediately.

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

This bill would allow members of the New York State and Local Police and Fire Retirement System (PFRS) to receive service credit for service rendered with the Metro-North Commuter Railroad Company, the Long Island Railroad Company or the Metropolitan Transportation Authority. Such members must render at least two (2) years of service with a participating employer to receive credit for such service.

The number of members who could be affected by this legislation cannot be readily determined.

If this bill is enacted, there would be a past service cost on behalf of each member with such service, and would depend on the member's age, credited service, plan, salary and the amount of the additional service credit being granted. It is estimated that the past service cost will average approximately 20% of an affected members' compensation for each such year of additional service. This cost would be reduced by the

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

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member contributions, which vary according to tier coverage, and will range between 0% to 6% of compensation. This cost would be shared by the State of New York and all participating employers in the PFRS.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2013 actuarial valuation. Distributions and other statistics can be found in the 2013 Report of the Actuary and the 2013 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2010, 2011, 2012, and 2013 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, 2013 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 estimate, dated March 17, 2014, and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-100, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.