

6517

I N S E N A T E

January 31, 2014

Introduced by Sen. KENNEDY -- 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 Sean William McCabe to file a request for change of benefit coverage with 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. Notwithstanding any other provision of law, Sean William
2 McCabe, who is currently a member of the New York state and local police
3 and fire retirement system, and who was first employed by the Buffalo
4 Police Department on July 31, 2009, and by virtue of his date of employ-
5 ment became a member of the New York state and local police and fire
6 retirement system covered by the benefits of article 14 of the retire-
7 ment and social security law and who, for reasons not ascribable to his
8 own negligence, elected to participate in the non-contributory retire-
9 ment plan contained in subdivision f of section 384 of such law, and who
10 subsequently filed an election to be covered by the benefits of article
11 22 of such law, shall be deemed to be covered by the benefits of article
12 14 and the retirement plan contained in subdivision f of section 384
13 retroactive to July 31, 2009 if, within one year of the effective date
14 of this act, he shall file a written request to that effect with the
15 state comptroller. Upon the granting of such status, Sean William McCabe
16 shall be granted a refund of any employee contributions made by him to
17 the New York state and local police and fire retirement system.

18 S 2. All past service costs associated with the implementation of this
19 act shall be borne by the city of Buffalo.

20 S 3. This act shall take effect immediately.

FISCAL NOTE.--This bill will grant Tier 3 status in the New York State and Local Police and Fire Retirement System to Sean William McCabe, who currently has Tier 5 status and is employed by the City of Buffalo as a police officer. He originally was assigned Tier 3 status, but he subsequently filed an election form to become covered under the provisions of Tier 5, as permitted pursuant to Chapter 501 of the Laws of 2009. Member contributions made while in Tier 5 status will be refunded.

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

LBD13438-05-4

If this legislation is enacted during the 2014 legislative session, it is estimated that there will be an increase of approximately \$5,600 in the annual contributions of the City of Buffalo for the fiscal year ending March 31, 2015. In future years, this cost will vary as the billing rates and salaries of Sean William McCabe change.

In addition to the annual contributions discussed above, it is estimated that there will be a past service cost of \$12,700 which will be borne by the City of Buffalo as a one-time payment, assuming that such payment will be made on February 1, 2015.

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 January 24, 2014 and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-62, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.