

STATE OF NEW YORK

7132

2019-2020 Regular Sessions

IN ASSEMBLY

April 10, 2019

Introduced by M. of A. ABBATE -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law, in relation to allowing retired public employees who participated in World Trade Center rescue, recovery or cleanup operations to seek subsequent employment with the state or a municipal corporation without diminution of retirement benefits

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 212 of the retirement and social security law is
2 amended by adding a new subdivision 4 to read as follows:

3 4. Notwithstanding the provisions of subdivisions one and two of this
4 section, the earning limitations established by this section shall not
5 apply to any person who, prior to the effective date of this subdivi-
6 sion, has filed and received approval for such filed notice of partic-
7 ipation in World Trade Center rescue, recovery or cleanup operations, as
8 defined in section two of this chapter, has retired from public employ-
9 ment, receives a service retirement allowance from such public retire-
10 ment system and seeks subsequent employment with the state or a municipi-
11 pal corporation; provided, however, the provisions of this subdivision
12 shall not apply to a person who retired with a disability retirement
13 benefit.

14 § 2. This act shall take effect immediately.

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

This bill will allow service retirees who previously filed and received approval for notice of participation in World Trade Center rescue, recovery or cleanup operations and become subsequently employed with the state or a municipal corporation to be exempt from the earnings limitations set forth in section two hundred twelve. These provisions shall not apply to disability retirees.

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

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If this bill is enacted, we expect few retirees to be affected. There would be negligible additional annual costs. However, if large numbers of retirees are hired into such positions, there would be additional annual costs which would be shared by the state of New York and all of the participating employers in the System.

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, 2018 actuarial valuation. Distributions and other statistics can be found in the 2018 Report of the Actuary and the 2018 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015, 2016, 2017 and 2018 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, 2018 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 fiscal note does not constitute a legal opinion on the viability of the proposed change nor is it intended to serve as a substitute for the professional judgment of an attorney.

This estimate, dated March 5, 2019, and intended for use only during the 2019 Legislative Session, is Fiscal Note No. 2019-49, prepared by the Actuary for the New York State and Local Retirement System.

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

This bill would add subdivision 4 to Section 212 of the Retirement and Social Security Law to waive the earnings limitation for retired members who filed a notice of participation in the World Trade Center rescue, recovery or cleanup operations, who received approval for such notice prior to the effective date of this subdivision and who seek subsequent employment with the state or a municipal corporation. The provisions of this subdivision would not apply to members retired for disability. This act shall take effect immediately.

The annual cost to the employers of members of the New York State Teachers' Retirement System is estimated to be negligible if this bill is enacted.

Member data is from the System's most recent actuarial valuation files, consisting of data provided by the employers to the Retirement System. Data distributions and statistics can be found in the System's Comprehensive Annual Financial Report (CAFR). System assets are as reported in the System's financial statements, and can also be found in the CAFR. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report.

The source of this estimate is Fiscal Note 2019-20 dated March 27, 2019 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2019 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.