

STATE OF NEW YORK

7827

2021-2022 Regular Sessions

IN ASSEMBLY

May 25, 2021

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 retirement benefits for certain employees; and providing for the repeal of such provisions upon the expiration thereof

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

1 Section 1. Subdivision c of section 700 of the retirement and social
2 security law, as added by chapter 578 of the laws of 1989, is amended to
3 read as follows:

4 c. Such election shall be in writing, shall be duly executed and filed
5 with the comptroller and, subject to the provisions of subdivision d of
6 this section, shall be irrevocable as long as such member is in a title
7 defined in subdivision i of section eighty-nine of this chapter. The
8 election shall be filed on or before December thirty-first, nineteen
9 hundred eighty-nine or within one year after such person becomes
10 employed in such title, whichever date is later.

11 § 2. Section 700 of the retirement and social security law is amended
12 by adding a new subdivision d to read as follows:

13 d. Notwithstanding any provision of law to the contrary, a member
14 employed by the office of mental health holding the title of security
15 hospital treatment assistant, senior security hospital treatment assist-
16 ant, security hospital treatment assistant Spanish language, security
17 hospital senior treatment assistant Spanish language, security hospital
18 treatment assistant supervisor or security hospital treatment assistant
19 chief, shall be entitled to file an election, subject to the provisions
20 of article fourteen or article fifteen of this chapter, in its entirety,
21 and shall be subject to none of the provisions of the article not
22 selected by the member. Such election shall be in writing, shall be duly
23 executed and filed with the comptroller and shall be irrevocable.

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

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1 § 3. This act shall take effect on the thirtieth day after it shall
2 have become a law and shall expire and be deemed repealed on the one
3 hundred eightieth day after it shall have become a law.

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

Currently, security hospital treatment assistants (SHTAs) employed by the office of mental health must elect within one year of being employed in such a title to become covered under either an age-55 based plan or a 25-year service based plan. This bill will permit members a one-time election to switch from their current plan in favor of the other plan. The election to switch plans is irrevocable, and the member gives up all rights and privileges of their current plan. The bill has a sunset provision of 180 days.

If this bill is enacted during the 2021 legislative session, we anticipate that there will be an increase of approximately \$2.4 million in the annual contributions of the State of New York for the fiscal year ending March 31, 2022. In future years, this cost will vary as the billing rates and salaries of the affected members change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$16.2 million which will be borne by State of New York as a one-time payment. This estimate is based on the assumption that payment will be made on March 1, 2022.

These estimated costs are based on 649 affected members having an annual salary for the fiscal year ending March 31, 2020 of approximately \$63 million.

Summary of relevant resources:

Membership data as of March 31, 2020 was used in measuring the impact of the proposed change, the same data used in the April 1, 2020 actuarial valuation. Distributions and other statistics can be found in the 2020 Report of the Actuary and the 2020 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2020 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, 2020 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 May 12, 2021, and intended for use only during the 2021 Legislative Session, is Fiscal Note No. 2021-137, prepared by the Actuary for the New York State and Local Retirement System.