

# STATE OF NEW YORK

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7914--B

2021-2022 Regular Sessions

## IN ASSEMBLY

May 28, 2021

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Introduced by M. of A. ABBATE -- read once and referred to the Committee on Governmental Employees -- recommitted to the Committee on Governmental Employees in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, in relation to authorizing service credit for unpaid or reduced paid child care leave for members of the state police twenty year retirement plan

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

1 Section 1. Section 381-b of the retirement and social security law is  
2 amended by adding a new subdivision h to read as follows:

3 h. Service credit for child care leave. Notwithstanding any other law,  
4 rule or regulation to the contrary, in computing the years of total  
5 creditable service in the division of state police full service credit  
6 shall be given and full allowance shall be made for any period of unpaid  
7 or reduced paid child care leave taken by such member and approved by  
8 the division of state police so long as such member returned to paid  
9 employment in the division of state police and provided such member, (1)  
10 files an application to such retirement system within ninety days  
11 following termination of the child care leave, (2) contributes to the  
12 retirement system an amount which such member would have contributed  
13 during such child care leave, together with interest thereon, based on  
14 the member's most recent twelve months of non-zero compensation imme-  
15 diately prior to the leave of absence and the member's mandatory  
16 contribution rate, and (3) such member shall have at least five years of  
17 credited service, not including service credit granted in this section,  
18 to be eligible to receive the credit authorized pursuant to this subdi-

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

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vision. Service credit provided pursuant to this subdivision shall not exceed one year of credit for each period of approved child care leave.

§ 2. All past service costs incurred in implementing the provisions of this act shall be borne by the state of New York.

§ 3. This act shall take effect immediately.

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

This bill would allow any member of the New York State Police to be eligible for service credit with the New York State and Local Police and Fire Retirement System (NYSLPFRS) for any period of unpaid or reduced paid leave of absence, granted while such member was on approved family leave, so long as such member has returned to paid employment with the division of the state police. The amount of service credit that may be purchased for such family leave is capped at three years. In addition, such member must have accrued at least five years of service credit to be eligible to purchase the additional service credit.

For the additional service to be credited, the member apply is required to contribute an amount equal to their mandatory contribution rate applied to the most recent 12 months of non-zero compensation.

This legislation would not be consistent with the Retirement System's policy that service credit may only be granted for service for which a salary has been paid.

If this bill is enacted during the 2022 legislative session, it is estimated that the past service cost will average approximately 25% of an affected member's most recent 12 months of compensation for each year of additional service that is credited. This cost will be reduced by any contributions required to be paid by the member, which are estimated to be 3% for Tier 5 members and 6% for Tier 6 members. The remaining cost will be borne by the State of New York.

The exact number of current members as well as future members who could be affected by this legislation cannot be readily determined.

Since a member can apply for this service credit at any time prior to retirement, a precise cost cannot be determined until each member, as well as future members, applies for the service credit. Every year, a cost will be determined (and billed to the State of New York) based on those benefiting from this provision.

Summary of relevant resources:

Membership data as of March 31, 2021 was used in measuring the impact of the proposed change, the same data used in the April 1, 2021 actuarial valuation. Distributions and other statistics can be found in the 2021 Report of the Actuary and the 2021 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2020 and 2021 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, 2021 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, 2022, and intended for use only during the 2022 Legislative Session, is Fiscal Note No. 2022-147, prepared by the Actuary for the New York State and Local Retirement System.