S T A T E O F N E W Y O R K

3529

2009-2010 Regular Sessions

I N S E N A T E

March 23, 2009

Introduced by Sens. LARKIN, FLANAGAN, FUSCHILLO, GRIFFO, HANNON, O. JOHNSON, LANZA, LEIBELL, LITTLE, MORAHAN, ROBACH, SALAND, VOLKER, WINNER, YOUNG -- 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 expanding eligibility for military service credit to veterans who served in Turkey during the Gulf War

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

Section 1. Paragraph (d) of subdivision 2 of section 1000 of the retirement and social security law, as added by chapter 548 of the laws of 2000, is amended to read as follows:

(d) hostilities participated in by the military forces of the United States, from the second day of August, nineteen hundred ninety, to the end of such hostilities in case of a veteran who served in the theater of operations including Iraq, Kuwait, Saudi Arabia, Bahrain, TURKEY, Qatar, the United Arab Emirates, Oman, the Gulf of Aden, the Gulf of Oman, the Persian Gulf, the Red Sea, and the airspace above these locations.

S 2. This act shall take effect immediately.

FISCAL NOTE.-- This bill would extend the benefits of Chapter 548, Laws of 2000 to members of public retirement systems in New York State who rendered military service during the period of conflict in Turkey and were assigned to the theater of operations. However, the total service credit granted for any military service shall not exceed three (3) years. Members must have at least five years of credited service (not including military service). Members would be required to make a payment of three percent of their most recent compensation per year of additional service credit granted by this bill.

If this bill is enacted, insofar as this proposal affects the New York State and Local Employees' Retirement System (ERS), there would be an

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

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estimated past service cost which would exceed 10 percent of each member's salary for each year of additional service credit that is purchased.

Insofar as this proposal affects the New York State and Local Police and Fire Retirement System (PFRS), the cost per person would vary greatly. If a member purchases this additional service credit to enable immediate retirement, the cost would exceed 30% of the member's salary for each year of additional service credit that is purchased. For a member on a retirement plan which is capped after reaching a certain number of years of service credit, there would be no benefit from this additional service credit if they will or already have reached the cap without this service credit.

If less than 50 of the active membership have such military service and will benefit by purchasing the service credit, there will be estimated increases in annual contributions of less than $60,000 to employers in the ERS and less than $26,000 to employers in the PFRS.

In addition to the above costs, there would be additional costs for future members of the Retirement System's who have such military service.

This estimate, dated March 12, 2009 and intended for use only during the 2009 Legislative Session, is Fiscal Note No. 2009-177 prepared by the Actuary for the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System.