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

7051

I N S E N A T E

March 9, 2010

Introduced by Sen. SAVINO -- (at request of the State Comptroller) -- 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 allowing members of the New York state and local police and fire retirement system who retire to elect the alternative option and providing for cessation of membership in such system upon occurrence of certain conditions

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

Section 1. Subdivision a-1 of section 514 of the retirement and social security law, as added by chapter 106 of the laws of 1996, is amended to read as follows:

a-1. A member of the New York state and local employees' retirement system OR THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM who retires pursuant to the provisions of this article, may elect, in lieu of the options set forth in subdivision a of this section, the following optional settlement:

Alternative Option. The actuarial equivalent of the member's retirement allowance at the time of retirement, in the form of a smaller retirement allowance payable to such members for life and some other benefit or benefits paid either to the member or to such person or persons as he shall nominate, provided such other benefit or benefits, together with such smaller allowance, shall be certified by the actuary of such retirement system to be of equivalent actuarial value to his retirement allowance and shall be approved by the head of such retirement system and provided further that nothing herein shall require such retirement system to pay a benefit in violation of paragraph nine of subsection a of section four hundred one of the Internal Revenue Code of 1986, as amended, 26 U.S.C. S 401(a)(9).

S 2. The opening paragraph of section 517-a of the retirement and social security law, as added by chapter 774 of the laws of 1986, is amended to read as follows:

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

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With respect to the New York state employees' retirement system AND THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM, membership in the retirement system shall cease upon the occurrence of any one of the following conditions:

S 3. This act shall take effect immediately.

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

This bill would make technical changes to Article 14 of the Retirement and Social Security Law affecting members who joined the New York State and Local Police and Fire Retirement System (PFRS) on and after July 1, 2009. Members would be allowed to elect an actuarially equivalent alternate retirement option upon retirement. Further, it would establish certain conditions upon which membership shall cease.

If this bill is enacted, there would be no additional costs.

This estimate, dated March 3, 2010, and intended for use only during the 2010 Legislative Session, is Fiscal Note Number 2010-117 prepared by the Actuary for the New York State and Local Police and Fire Retirement System.