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

5095--B

2009-2010 Regular Sessions

I N A S S E M B L Y

February 10, 2009

Introduced by M. of A. ABBATE -- Multi-Sponsored by -- M. of A. COOK, PHEFFER, TITONE -- read once and referred to the Committee on Governmental Employees -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- 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

AN ACT to amend the retirement and social security law, in relation to the receipt of full pension benefits for certain Tier II and Tier V police officers and firefighters

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

Section 1. Subdivision b of section 442 of the retirement and social security law is amended by adding a new paragraph 5 to read as follows:

5. A PERSON WHO IS A MEMBER OF AN OPTIONAL TWENTY YEAR RETIREMENT PLAN FOR POLICE OFFICERS AND FIREFIGHTERS IN JURISDICTIONS WHICH HAVE ELECTED TO PROVIDE SUCH PLAN AND WHO HAS ELECTED TO JOIN UNDER SECTION THREE HUNDRED SEVENTY-FIVE-I OR THREE HUNDRED SEVENTY-FIVE-J OF THIS CHAPTER, MAY RETIRE WITHOUT REDUCTION OF HIS OR HER RETIREMENT BENEFIT UPON ATTAINING THE AGE OF FIFTY-FIVE.

S 2. Section 445 of the retirement and social security law is amended by adding a new subdivision d to read as follows:

D. A PERSON WHO IS A MEMBER OF AN OPTIONAL TWENTY YEAR RETIREMENT PLAN FOR POLICE OFFICERS AND FIREFIGHTERS IN JURISDICTIONS WHICH HAVE ELECTED TO PROVIDE SUCH PLAN AND WHO HAS ELECTED TO JOIN UNDER SECTION THREE HUNDRED SEVENTY-FIVE-I OR THREE HUNDRED SEVENTY-FIVE-J OF THIS CHAPTER, MAY RETIRE WITHOUT REDUCTION OF HIS OR HER RETIREMENT BENEFIT UPON ATTAINING THE AGE OF FIFTY-FIVE.

S 3. Subdivision a of section 444 of the retirement and social security law, as amended by chapter 625 of the laws of 2007, is amended to read as follows:

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

LBD08121-04-0

a. Except as provided in subdivision c of section four hundred forty-five-a of this article, subdivision c of section four hundred forty-five-b of this article, subdivision c of section four hundred forty-five-c of this article, subdivision c of section four hundred forty-five-d of this article as added by chapter four hundred seventy-two of the laws of nineteen hundred ninety-five, subdivision c of section four hundred forty-five-e of this article, subdivision c of section four hundred forty-five-f of this article and subdivision c of section four hundred forty-five-h of this article, the maximum retirement benefit computed without optional modification provided to a member of a retirement system who is subject to the provisions of this article, other than a police officer, a firefighter, an investigator member of the New York city employees' retirement system, a member of the uniformed personnel in institutions under the jurisdiction of the New York city department of correction who receives a performance of duty disability retirement allowance, a member of the uniformed personnel in institutions under the jurisdiction of the department of correctional services or a security hospital treatment assistant, as those terms are defined in subdivision i of section eighty-nine of this chapter, who receives a performance of duty disability retirement allowance, a member of a teachers' retirement system, New York city employees' retirement system, New York city board of education retirement system or a member of the New York state and local employees' retirement system or a member of the New York city employees' retirement system or New York city board of education retirement system employed as a special officer, parking control specialist, school safety agent, campus peace officer, taxi and limousine inspector or a police communications member and who receives a performance of duty disability pension, from funds other than those based on a member's own or increased-take-home-pay contributions, shall, before any reduction for early retirement, be sixty per centum of the first fifteen thousand three hundred dollars of final average salary, and fifty per centum of final average salary in excess of fifteen thousand three hundred dollars, and forty per centum of final average salary in excess of twenty-seven thousand three hundred dollars, provided, however, that the benefits provided by subdivision c of section four hundred forty-five-d of this article as added by chapter four hundred seventy-two of the laws of nineteen hundred ninety-five based upon the additional member contributions required by subdivision d of such section four hundred forty-five-d shall be subject to the maximum retirement benefit computations set forth in this section. The maximum retirement benefit computed without optional modification payable to a police officer, an investigator member of the New York city employees' retirement system or a firefighter shall equal that payable upon completion of thirty years of service, except that the maximum service retirement benefit computed without optional modification shall equal that payable upon completion of thirty-two years of service, EXCEPT THAT THE MAXIMUM SERVICE RETIREMENT BENEFIT OF A POLICE OFFICER OR FIREFIGHTER, ENROLLED IN THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM, COMPUTED WITHOUT OPTIONAL MODIFICATION SHALL NOT BE LIMITED BY A MAXIMUM NUMBER OF YEARS OF SERVICE.

S 4. This act shall take effect immediately.

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

This bill will provide Tiers 2 and 5 police officers and firefighters who are covered under Section 384-d of the Retirement and Social Security Law and who subsequently become covered under Sections 375-i or 375-j of such law, to retire without a reduction due to early retirement upon

the attainment of age 55. In addition, this bill will remove the thirty-two year cap on service credit for all Tiers 2 and 5 police officers and firefighters.

If this bill is enacted, for the elimination of the early age reduction under Sections 375-i or 375-j, it is estimated that there will be increases in annual contributions of approximately 0.5% of the annual salaries of all Tiers 2 and 5 members covered under the provisions of Section 384-d. These increases will be borne by all the employers which employ Tiers 2 and 5 members covered by the provisions of Section 384-d.

In addition to the annual contributions discussed above, for the elimination of the early age reduction under Sections 375-i or 375-j, there will be an immediate past service cost of approximately $117 million which will be borne, as a one-time payment, by the employers which employ Tiers 2 and 5 members covered by the provisions of Section 384-d.

Also, in addition to the costs above, for the removal of the thirty-two year cap on service credit for all Tiers 2 and 5 police officers and firefighters will incur an annual cost of approximately $4.5 million to the State of New York and approximately $21.2 million to the participating employers in the New York State and Local Police and Fire Retirement System.

This estimate, dated February 5, 2010 and intended for use only during the 2010 Legislative Session, is Fiscal Note No. 2010-107, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.