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

574

2011-2012 Regular Sessions

I N A S S E M B L Y

(PREFILED)

January 5, 2011

Introduced by M. of A. PAULIN, PHEFFER, THIELE, MILLMAN, KAVANAGH, GUNTHER, GALEF, CLARK, CASTRO, CAHILL, JAFFEE -- Multi-Sponsored by -- M. of A. GLICK, GOTTFRIED, MARKEY, McENENY, MOLINARO, PERRY, SWEENEY, TOWNS -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law, in relation to participation by free association libraries in the New York state and local employees' retirement system

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

Section 1. The retirement and social security law is amended by adding a new section 31-g to read as follows:

S 31-G. PARTICIPATION BY FREE ASSOCIATION LIBRARIES. A FREE ASSOCIATION LIBRARY AS DEFINED IN SECTION TWO HUNDRED FIFTY-THREE OF THE EDUCATION LAW AND WHICH MEETS THE CRITERIA SET FORTH IN THIS SECTION, MAY BY RESOLUTION ADOPTED AS PROVIDED IN SECTION SEVEN HUNDRED EIGHT OF THE NOT-FOR-PROFIT CORPORATION LAW BY ITS BOARD OF TRUSTEES AND SUBJECT TO THE APPROVAL OF THE COMPTROLLER, ELECT TO PARTICIPATE IN THE RETIREMENT SYSTEM. ACCEPTANCE OF ITS EMPLOYEES FOR MEMBERSHIP IN THE RETIREMENT SYSTEM SHALL BE MANDATORY WITH THE COMPTROLLER, WHO SHALL DETERMINE THE AMOUNTS OF CONTRIBUTION PAYABLE BY SUCH LIBRARY AND ITS EMPLOYEES, SHALL RESOLVE QUESTIONS OF CREDIT FOR PRIOR SERVICE, AND SHALL IN ALL OTHER RESPECTS ASSURE THAT SUCH EMPLOYEES SHARE THE SAME RIGHTS, OBLIGATIONS AND BENEFITS AS OTHER MEMBERS OF THE RETIREMENT SYSTEM. A FREE ASSOCIATION LIBRARY SHALL BE ELIGIBLE TO JOIN THE RETIREMENT SYSTEM UNDER THE FOLLOWING CONDITIONS:

(A) SUCH LIBRARY SHALL BE CHARTERED BY THE STATE BOARD OF REGENTS;

(B) SUCH LIBRARY SHALL SERVE THE ENTIRE POPULATION OF ITS CHARTERED SERVICE AREA;

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

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(C) THE BOARD OF TRUSTEES OF SUCH LIBRARY SHALL BE ELECTED BY THE VOTERS OF ITS CHARTERED SERVICE AREA;

(D) SUCH LIBRARY'S BUDGET SHALL BE APPROVED BY THE VOTERS OF ITS CHARTERED SERVICE AREA;

(E) AT LEAST FIFTY-ONE PERCENT OF SUCH LIBRARY'S BUDGET SHALL DERIVE FROM PUBLIC SOURCES; AND

(F) SUCH LIBRARY SHALL FILE THE ANNUAL REPORT WITH THE COMPTROLLER AS REQUIRED OF PUBLIC LIBRARIES BY SECTION THIRTY OF THE GENERAL MUNICIPAL LAW.

S 2. This act shall take effect immediately.

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

This bill would permit any free association public library which meets certain specific criteria to elect participation in the New York State and Local Employees' Retirement System.

If this bill is enacted and an eligible corporation elects participation, the future annual cost would depend on the retirement plan adopted.

As a percentage of payroll, we anticipate that the annual contributions of the affected corporation for the fiscal year ending March 31, 2012, will be as follows:

Tier 1	10.5% to 21.3%
Tier 2	9.8% to 19.5%
Tier 3	15.6%
Tier 4	15.6%
Tier 5	12.6%

In addition to the annual contributions discussed above, there will be a deficiency cost to the affected corporation which will be payable for a 25 year period. These costs will depend on the age, service, salary, tier status and plan of the affected employees.

This estimate, dated December 17, 2010, and intended for use only during the 2011 Legislative Session, is Fiscal Note No. 2011-64, prepared by the Actuary for the New York State and Local Employees' Retirement System.