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

7044

I N S E N A T E

April 25, 2012

Introduced by Sen. KENNEDY -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

AN ACT in relation to allowing Karen McClure to file a request for Tier II status 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. Notwithstanding any other provision of law, Karen McClure, who is a member of the New York state and local employees' retirement system, and who was employed as a city auditor in the city of Olean and in the county of Cattaraugus for the period beginning July 1973 and ending September 1973, and who was employed as a treasurer for the county of Cattaraugus for the period beginning July 1974 and ending September 1976, and who for reasons not ascribable to her own negligence did not become a member of the New York state and local employees' retirement system at the time of her hiring and who is currently a Tier III member of the New York state and local employees' retirement system shall be deemed to have become a member of such system as of July 1, 1973 entitling her to Tier II status with every right, benefit and privilege which would have been available to her on such date if, within one year of the effective date of this act, she shall file a written request to that effect with the state comptroller. Upon the granting of such retroactive membership, Karen McClure shall be granted a refund of any employee contributions made by her to the New York state and local retirement system.

S 2. All past service costs associated with the implementation of this act shall be borne by the state of New York.

S 3. This act shall take effect immediately.

FISCAL NOTE.-- This bill will deem Karen McClure to have become a member of the New York State and Local Employees' Retirement System on July 1, 1973, her first date of employment with the city of Olean, thereby granting her Tier 2 status. All member contributions will be refunded.

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

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If this bill is enacted, we anticipate that there will be an increase of approximately $2,500 in the annual contributions of Erie County for the fiscal year ending March 31, 2013.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $78,100 which will be borne by the State of New York as a one-time payment. This estimate is based on the assumption that payment will be made on March 1, 2013.

Summary of relevant resources:

Data: March 31, 2011 Actuarial Year End File with distributions of membership and other statistics displayed in the 2011 Report of the Actuary and 2011 Comprehensive Annual Financial Report.

Assumptions and Methods: 2010 and 2011 Annual Report to the Comptroller on Actuarial Assumptions, Codes Rules and Regulations of the State of New York: Audit and Control.

Market Assets and GASB Disclosures: March 31, 2011 New York State and Local Retirement System Financial Statements and Supplementary Information.

Valuations of Benefit Liabilities and Actuarial Assets: summarized in the 2011 Actuarial Valuations report.

I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

This estimate, dated April 20, 2012 and intended for use only during the 2012 Legislative Session, is Fiscal Note No. 2012-132, prepared by the Actuary for the New York State and Local Employees' Retirement System.