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

8141

2013-2014 Regular Sessions

I N A S S E M B L Y

August 30, 2013

Introduced by M. of A. GRAF -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law, in relation to the retirement payable to any sheriff, deputy sheriff, undersheriff or correction officer injured on the job

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

Section 1. Subdivision a of section 607-c of the retirement and social security law, as added by chapter 639 of the laws of 1999, is amended to read as follows:

a. [Any] NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, ANY sheriff, deputy sheriff, undersheriff or correction officer as defined in subdivision a of section sixty-three-b of this chapter, and who are employed in a county which makes an election pursuant to subdivision d of such section sixty-three-b[, who becomes physically or mentally incapacitated for the performance of duties as the natural and proximate result of an injury, sustained in the performance or discharge of his or her duties by, or as the natural and proximate result of any act of any inmate or any person confined in an institution under the jurisdiction of such county, shall be paid a performance of duty disability retirement allowance equal to that which is provided in section sixty-three of this chapter, subject to the provisions of section sixty-four of this chapter] SHALL BE PAID A PERFORMANCE OF DUTY DISABILITY RETIREMENT ALLOWANCE EQUAL TO THAT WHICH IS PROVIDED IN SECTION SIXTY-THREE OF THIS CHAPTER, SUBJECT TO THE PROVISIONS OF SECTION SIXTY-FOUR OF THIS CHAPTER. PROVIDED, HOWEVER, SUCH INDIVIDUAL SHALL HAVE BECOME PHYSICALLY OR MENTALLY INCAPACITATED DURING THE PERFORMANCE OF DUTIES, AND THE PERFORMANCE OF SUCH DUTIES WAS THE NATURAL AND PROXIMATE CAUSE OF SUCH INJURY. THIS PROVISION OF THIS SECTION SHALL ALSO APPLY TO ANY SHERIFF, DEPUTY SHERIFF, UNDERSHERIFF OR CORRECTION OFFICER WHO BECOMES PHYSICALLY OR MENTALLY INCAPACITATED DURING THE PERFORMANCE

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

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OF DUTIES WHEN SUCH PHYSICAL OR MENTAL INCAPACITATION WAS THE RESULT OF ANY ACT OF ANY INMATE OR ANY PERSON CONFINED IN AN INSTITUTION UNDER THE JURISDICTION OF SUCH COUNTY.

S 2. Subdivision f of section 558 of the retirement and social security law, as added by chapter 165 of the laws of 1995, is amended to read as follows:

f. The retirement allowance payable upon retirement for disability incurred in the performance of duty shall consist of a pension of [one-half] THREE-QUARTERS of his or her final average salary plus an annuity which shall be the actuarial equivalent of the member's accumulated contributions, if any.

S 3. This act shall take effect immediately.

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

This bill would allow any sheriff, deputy sheriff, undersheriff or correction officer who is currently covered under the provisions of Section 607-c of the Retirement and Social Security Law (RSSL) who is disabled in the performance of duty to receive a performance of duty disability benefit of 75% of final average salary, less worker's compensation. Currently, Section 607-c requires that this 75% of pay benefit is paid only if the disability is the result of an act of an inmate.

This bill would also allow any sheriff, deputy sheriff or undersheriff who is currently covered under the provisions of Article 14-B of the RSSL who is disabled in the performance of duty to receive a benefit of 75% of final average salary, in addition to worker's compensation. Current law provides a 50% of final average salary disability benefit.

If this bill is enacted, there will be an increase in the annual contributions for the fiscal year ending March 31, 2014 which would depend on the retirement plan coverage of affected members. The annual increase in contributions for members covered under Article 14-B would be approximately 1.5% of affected payroll. The annual increase in contributions for members who are NOT covered under Article 14-B and whose employer has elected to provide the benefits of Section 607-c would be approximately 3.2% of affected payroll.

In addition to the annual costs above, there will be an immediate one-time past service cost which we anticipate will be approximately 6.8% of the payroll of the affected members who are covered under Article 14-B, and approximately 14.6% of the payroll of the affected members who are NOT covered under Article 14-B and whose employers have elected to provide the benefits of Section 607-c.

Pursuant to Section 25 of the Retirement and Social Security Law, the past service cost and increase in annual contribution cost would be borne by the State of New York and would require an itemized appropriation by the State of New York sufficient to pay the cost of the provision. The State may amortize these one-time costs over a period of 5 years.

Summary of relevant resources:

Data: March 31, 2012 Actuarial Year End File with distributions of membership and other statistics displayed in the 2012 Report of the Actuary and 2012 Comprehensive Annual Financial Report.

Assumptions and Methods: 2010, 2011 and 2012 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, 2012 New York State and Local Retirement System Financial Statements and Supplementary Information.

Valuations of Benefit Liabilities and Actuarial Assets: summarized in the 2012 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 June 20, 2013, and intended for use only during the 2013 Legislative Session, is Fiscal Note Number 2013-164 prepared by the Actuary for the New York State and Local Employees' Retirement System.