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

4193--A

2013-2014 Regular Sessions

I N  S E N A T E

March 13, 2013

Introduced by Sen. GRISANTI -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT in relation to allowing Malcolm Cully 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, Malcolm Cully, who is a member of the New York state and local employees' retirement system, and who was employed by the Buffalo City School district in Erie County for the period beginning July 1973 and ending September 1973, and who for reasons not ascribable to his own negligence did not become a member of the New York state and local employees' retirement system at the time of his 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 him to Tier II status with every right, benefit and privilege which would have been available to him on such date if, within one year of the effective date of this act, he shall file a written request to that effect with the state comptroller. Upon the granting of such retroactive membership, Malcolm Cully shall be granted a refund of any employee contributions made by him 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.--Pursuant to Legislative Law, Section 50:

This bill will deem Malcolm Cully, currently a Tier 3 member of the New York State and Local Employees' Retirement System, to have first become a member of the Retirement System on July 1, 1973, thereby making

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

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him a Tier 2 member. There will be a refund of Tier 3 member contributions.

If this bill is enacted, we anticipate that there will be an increase of approximately $10,700 in the annual contributions of the State of New York for the fiscal year ending March 31, 2015.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $340,000 which would 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, 2015.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2013 actuarial valuation. Distributions and other statistics can be found in the 2013 Report of the Actuary and the 2013 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2010, 2011, 2012 and 2013 Annual Report to the Comptroller on Actuarial Assumptions, and the Codes Rules and Regulations of the State of New York: Audit and Control.

The Market Assets and GASB Disclosures are found in the March 31, 2013 New York State and Local Retirement System Financial Statements and Supplementary Information.

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 October 29, 2013 and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-28, prepared by the Actuary for the New York State and Local Employees' Retirement System.