

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

5644--A

2013-2014 Regular Sessions

I N S E N A T E

May 31, 2013

Introduced by Sens. ROBACH, GALLIVAN, GRISANTI -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law and the civil service law, in relation to university police officers appointed by the state university of New York

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

1 Section 1. Subdivision 11 of section 302 of the retirement and social
2 security law is amended by adding a new paragraph i to read as follows:
3 I. SERVICE AS A UNIVERSITY POLICE OFFICER APPOINTED BY THE STATE
4 UNIVERSITY OF NEW YORK PURSUANT TO PARAGRAPH L OF SUBDIVISION TWO OF
5 SECTION THREE HUNDRED FIFTY-FIVE OF THE EDUCATION LAW.
6 S 2. Subdivision d of section 375-f of the retirement and social secu-
7 rity law, as separately amended by chapters 674 and 677 of the laws of
8 1986, is amended to read as follows:
9 d. In addition to the retirement allowance provided pursuant to the
10 plans set forth in sections three hundred eighty-three, three hundred
11 eighty-three-a [and], three hundred eighty-three-b AND THREE HUNDRED
12 EIGHTY-THREE-D of this [chapter] ARTICLE, a member of [either] ANY such
13 plan who retires on or after April first, nineteen hundred sixty-nine
14 with more than twenty-five years of total service shall be entitled to
15 receive, in addition to the benefits provided pursuant to [either] ANY
16 such section and notwithstanding the limitations of [either] ANY such
17 section, an additional retirement allowance for such years of service
18 rendered in excess of twenty-five. The additional retirement allowance
19 for such additional years of service shall be computed as if such member
20 had been eligible to have his retirement allowance computed pursuant to

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

LBD11315-02-4

1 the provisions of subdivision b of section three hundred seventy-five-c
2 and of paragraph one of subdivision a of section three hundred seventy-
3 five-d of this [chapter] TITLE.

4 S 3. The retirement and social security law is amended by adding a new
5 section 383-d to read as follows:

6 S 383-D. ALTERNATIVE RETIREMENT BENEFITS FOR UNIVERSITY POLICE OFFI-
7 CERS APPOINTED BY THE STATE UNIVERSITY. A. AS USED IN THIS SECTION, THE
8 TERM "UNIVERSITY POLICE OFFICER" SHALL MEAN A PERSON WHO IS SO APPOINTED
9 PURSUANT TO PARAGRAPH L OF SUBDIVISION TWO OF SECTION THREE HUNDRED
10 FIFTY-FIVE OF THE EDUCATION LAW.

11 B. NOTWITHSTANDING ANY OTHER PROVISION OF LAW PROVIDING FOR TRANSFERS
12 BETWEEN RETIREMENT SYSTEMS, ANY UNIVERSITY POLICE OFFICER IN THE SERVICE
13 OF THE STATE UNIVERSITY WHO IS A MEMBER OF THE NEW YORK STATE EMPLOYEES'
14 RETIREMENT SYSTEM MAY TRANSFER TO THE NEW YORK STATE AND LOCAL POLICE
15 AND FIRE RETIREMENT SYSTEM AND SHALL RECEIVE CREDIT PURSUANT TO AND BE
16 ENTITLED TO THE RETIREMENT BENEFITS AFFORDED IN ACCORDANCE WITH THIS
17 SECTION. UPON ANY SUCH TRANSFER THE MEMBER SHALL BE ENTITLED TO THE
18 AMOUNT OF SERVICE WHICH WOULD HAVE BEEN DEEMED CREDITABLE HAD SUCH
19 MEMBER BEEN SUBJECT TO SUCH SYSTEM DURING THE COURSE OF HIS OR HER
20 MEMBERSHIP WITHIN SUCH SYSTEM. CONTRIBUTIONS TO SUCH SYSTEM SHALL BE
21 MADE IN ACCORDANCE WITH APPROPRIATE PROVISIONS OF LAW RELATING THERETO.
22 APPLICATION FOR SUCH TRANSFER MUST BE MADE TO THE STATE COMPTROLLER ON
23 OR BEFORE DECEMBER THIRTY-FIRST, TWO THOUSAND FOURTEEN. THE PROVISIONS
24 OF SECTION THREE HUNDRED FORTY-THREE OF THIS ARTICLE SHALL APPLY TO ANY
25 MEMBER MAKING APPLICATION FOR TRANSFER UNDER THIS SUBDIVISION.

26 C. ANY UNIVERSITY POLICE OFFICER IN THE SERVICE OF THE STATE UNIVERSI-
27 TY WHO ELECTS OR IS REQUIRED TO CONTRIBUTE UNDER THIS SECTION SHALL
28 CONTRIBUTE TO THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT
29 SYSTEM ON THE BASIS OF RETIREMENT UPON HIS OR HER:

30 1. COMPLETION OF TWENTY-FIVE YEARS OF TOTAL CREDITABLE SERVICE; OR

31 2. ATTAINMENT OF AGE SIXTY AS A UNIVERSITY POLICE OFFICER IN THE
32 SERVICE OF THE STATE UNIVERSITY, IF PRIOR THERETO, ON AN ALLOWANCE OF
33 ONE-FIFTIETH OF HIS OR HER FINAL AVERAGE SALARY FOR EACH YEAR OF TOTAL
34 CREDITABLE SERVICE NOT IN EXCESS OF TWENTY-FIVE YEARS. SUCH ELECTION
35 SHALL BE IN WRITING AND SHALL BE DULY EXECUTED AND FILED WITH THE COMP-
36 TROLLER.

37 D. EVERY EMPLOYEE ENTERING OR RE-ENTERING SERVICE AS A UNIVERSITY
38 POLICE OFFICER IN THE SERVICE OF THE STATE UNIVERSITY ON OR AFTER THE
39 EFFECTIVE DATE OF THIS SECTION SHALL CONTRIBUTE ON THE BASIS PROVIDED
40 FOR BY THIS SECTION.

41 E. A MEMBER WHO IS REQUIRED TO CONTRIBUTE IN ACCORDANCE WITH THIS
42 SECTION SHALL CONTRIBUTE, IN LIEU OF THE PROPORTION OF COMPENSATION AS
43 PROVIDED IN SECTION THREE HUNDRED TWENTY-ONE OF THIS ARTICLE, A PROPOR-
44 TION OF HIS OR HER COMPENSATION SIMILARLY DETERMINED. SUCH LATTER
45 PROPORTION SHALL BE COMPUTED TO PROVIDE AT THE TIME WHEN HE OR SHE SHALL
46 FIRST BECOME ELIGIBLE FOR RETIREMENT UNDER THIS SECTION, AN ANNUITY
47 EQUAL TO ONE-ONE HUNDREDTH OF HIS OR HER FINAL AVERAGE SALARY FOR EACH
48 YEAR OF SERVICE AS A MEMBER PRIOR TO THE ATTAINMENT OF THE AGE WHEN HE
49 OR SHE SHALL FIRST BECOME ELIGIBLE FOR RETIREMENT. SUCH MEMBER'S RATE OF
50 CONTRIBUTION PURSUANT TO THIS SECTION SHALL BE APPROPRIATELY REDUCED
51 PURSUANT TO SECTION THREE HUNDRED SEVENTY-A OF THIS ARTICLE FOR SUCH
52 PERIOD OF TIME AS HIS OR HER EMPLOYER CONTRIBUTES PURSUANT TO SUCH
53 SECTION TOWARD PENSIONS-PROVIDING-FOR-INCREASED-TAKE-HOME-PAY. NO SUCH
54 MEMBER SHALL BE REQUIRED TO CONTINUE CONTRIBUTIONS AFTER COMPLETING
55 TWENTY-FIVE YEARS OF SUCH SERVICE.

1 F. A MEMBER CONTRIBUTING ON THE BASIS OF THIS SECTION, AT THE TIME OF
2 RETIREMENT, SHALL BE ENTITLED TO RETIRE AFTER THE COMPLETION OF TWENTY-
3 FIVE YEARS OF TOTAL CREDITABLE SERVICE OR UPON THE ATTAINMENT OF AGE
4 SIXTY BY FILING AN APPLICATION THEREFOR IN A MANNER SIMILAR TO THAT
5 PROVIDED IN SECTION THREE HUNDRED SEVENTY OF THIS ARTICLE. HE OR SHE
6 SHALL RECEIVE, ON RETIREMENT, A RETIREMENT ALLOWANCE CONSISTING OF:

7 1. AN ANNUITY WHICH SHALL BE THE ACTUARIAL EQUIVALENT OF HIS OR HER
8 ACCUMULATED CONTRIBUTIONS AT THE TIME OF HIS OR HER RETIREMENT, PLUS

9 2. A PENSION WHICH, TOGETHER WITH SUCH ANNUITY AND A PENSION WHICH IS
10 THE ACTUARIAL EQUIVALENT OF THE RESERVE-FOR-INCREASED-TAKE-HOME-PAY TO
11 WHICH HE OR SHE MAY THEN BE ENTITLED, IF ANY, SHALL EQUAL ONE-FIFTIETH
12 OF HIS OR HER FINAL AVERAGE SALARY FOR EACH YEAR OF CREDITABLE SERVICE
13 IN SUCH SERVICE. THIS PENSION SHALL NOT EXCEED THE AMOUNT NEEDED TO MAKE
14 THE TOTAL AMOUNT OF THE BENEFITS PROVIDED UNDER THIS PARAGRAPH AND PARA-
15 GRAPH ONE OF THIS SUBDIVISION EQUAL TO ONE-HALF OF FINAL AVERAGE SALARY.

16 3. AN ADDITIONAL PENSION EQUAL TO THE PENSION FOR ANY CREDITABLE
17 SERVICE RENDERED WHILE NOT EMPLOYED AS A UNIVERSITY POLICE OFFICER IN
18 THE SERVICE OF THE STATE UNIVERSITY AS PROVIDED UNDER PARAGRAPHS TWO AND
19 THREE OF SUBDIVISION A OF SECTION THREE HUNDRED SEVENTY-FIVE OF THIS
20 ARTICLE. THIS PENSION SHALL:

21 (I) BE PAYABLE ONLY IF SUCH MEMBER HAS ATTAINED AGE SIXTY AT THE TIME
22 OF RETIREMENT AND HAS NOT COMPLETED TWENTY-FIVE YEARS OF SERVICE AS A
23 UNIVERSITY POLICE OFFICER IN THE SERVICE OF THE STATE UNIVERSITY FOR
24 WHICH HE OR SHE RECEIVES CREDIT UNDER THIS ARTICLE, AND

25 (II) NOT INCREASE THE TOTAL ALLOWANCE TO MORE THAN HE OR SHE WOULD
26 HAVE RECEIVED HAD HIS OR HER TOTAL SERVICE BEEN RENDERED AS A UNIVERSITY
27 POLICE OFFICER IN THE SERVICE OF THE STATE UNIVERSITY. FOR THE PURPOSE
28 ONLY OF DETERMINING THE AMOUNT OF THE PENSION PROVIDED HEREIN, THE ANNU-
29 ITY SHALL BE COMPUTED AS IT WOULD BE:

30 (A) IF NOT REDUCED BY THE ACTUARIAL EQUIVALENT OF ANY OUTSTANDING
31 LOAN, AND

32 (B) IF NOT INCREASED BY THE ACTUARIAL EQUIVALENT OF ANY ADDITIONAL
33 CONTRIBUTIONS, AND

34 (C) IF NOT REDUCED BY REASON OF THE MEMBER'S ELECTION TO DECREASE HIS
35 OR HER ANNUITY CONTRIBUTIONS TO THE RETIREMENT SYSTEM IN ORDER TO APPLY
36 THE AMOUNT OF SUCH REDUCTION IN PAYMENT OF HIS OR HER CONTRIBUTIONS FOR
37 OLD-AGE AND SURVIVORS INSURANCE COVERAGE.

38 G. THE INCREASED PENSIONS TO A UNIVERSITY POLICE OFFICER IN THE
39 SERVICE OF THE STATE UNIVERSITY, AS PROVIDED BY THIS SECTION, SHALL BE
40 PAID FROM ADDITIONAL CONTRIBUTIONS MADE BY THE STATE ON ACCOUNT OF SUCH
41 MEMBERS. THE ACTUARY OF THE RETIREMENT SYSTEM SHALL COMPUTE THE ADDI-
42 TIONAL CONTRIBUTION OF EACH MEMBER WHO ELECTS TO RECEIVE THE SPECIAL
43 BENEFITS PROVIDED UNDER THIS SECTION. SUCH ADDITIONAL CONTRIBUTIONS
44 SHALL BE COMPUTED ON THE BASIS OF CONTRIBUTIONS DURING THE PROSPECTIVE
45 SERVICE OF SUCH MEMBER WHICH WILL COVER THE LIABILITY OF THE RETIREMENT
46 SYSTEM FOR SUCH EXTRA PENSIONS. UPON APPROVAL BY THE COMPTROLLER, SUCH
47 ADDITIONAL CONTRIBUTIONS SHALL BE CERTIFIED BY HIM OR HER TO THE CHAN-
48 CELLOR OF THE STATE UNIVERSITY. THE AMOUNT THEREOF SHALL BE INCLUDED IN
49 THE ANNUAL APPROPRIATION OF THE STATE FOR THE STATE UNIVERSITY. SUCH
50 AMOUNT SHALL BE PAID ON THE WARRANT OF THE COMPTROLLER TO THE PENSION
51 ACCUMULATION FUND OF THE RETIREMENT SYSTEM.

52 H. IN COMPUTING THE TWENTY-FIVE YEARS OF COMPLETED SERVICE OF A
53 UNIVERSITY POLICE OFFICER IN THE SERVICE OF THE STATE UNIVERSITY, FULL
54 CREDIT SHALL BE GIVEN AND FULL ALLOWANCE SHALL BE MADE FOR SERVICE OF
55 SUCH MEMBER IN WAR AFTER WORLD WAR I AS DEFINED IN SECTION TWO OF THIS
56 CHAPTER, PROVIDED SUCH MEMBER AT THE TIME OF HIS OR HER ENTRANCE INTO

1 THE ARMED FORCES WAS IN STATE SERVICE, AND FULL CREDIT AND FULL ALLOW-
2 ANCE SHALL BE MADE FOR SERVICE AS A UNIVERSITY PEACE OFFICER PRIOR TO
3 THE EFFECTIVE DATE OF CHAPTER FOUR HUNDRED TWENTY-FOUR OF THE LAWS OF
4 NINETEEN HUNDRED NINETY-EIGHT.

5 I. THE PROVISIONS OF THIS SECTION SHALL BE CONTROLLING NOTWITHSTANDING
6 ANY PROVISION IN THIS ARTICLE TO THE CONTRARY.

7 J. NOTWITHSTANDING ANY PROVISION OF SUBDIVISION D, E OR I OF THIS
8 SECTION TO THE CONTRARY, A MEMBER WHO IS IN THE COLLECTIVE NEGOTIATING
9 UNIT DESIGNATED AS THE AGENCY POLICE SERVICES UNIT AND ESTABLISHED
10 PURSUANT TO ARTICLE FOURTEEN OF THE CIVIL SERVICE LAW AND WHO HAS
11 ELECTED OR IS REQUIRED TO CONTRIBUTE IN ACCORDANCE WITH THIS SECTION
12 MAY, ON OR BEFORE MARCH THIRTY-FIRST, TWO THOUSAND FIFTEEN, ELECT TO
13 COME UNDER THE PROVISIONS OF SECTION THREE HUNDRED SEVENTY-FIVE-H OF
14 THIS ARTICLE. SUCH ELECTION SHALL BE DULY EXECUTED AND FILED WITH THE
15 COMPTROLLER.

16 K. COMMENCING WITH THE EFFECTIVE DATE OF THIS SECTION AND IN A MANNER
17 DETERMINED BY THE HEAD OF THE RETIREMENT SYSTEM, THE STATE, AS EMPLOYER,
18 SHALL MAKE CONTRIBUTIONS TO THE RETIREMENT SYSTEM TO FUND THE PAST
19 SERVICE LIABILITY COSTS ASSOCIATED WITH THE IMPLEMENTATION OF THIS
20 SECTION AS THOSE COSTS ARE CALCULATED BY THE RETIREMENT SYSTEM ACTUARY.
21 SUCH CONTRIBUTIONS MAY, AT THE ELECTION OF THE EMPLOYER, BE AMORTIZED
22 OVER A TEN YEAR PERIOD.

23 S 4. No employee contributions made to the New York state and local
24 employees' retirement system by any state university police officer who
25 elects to transfer pursuant to this act shall be returned to such offi-
26 cer. Such employee contributions shall be used to offset any past
27 service costs incurred by operation of the provisions of this act.

28 S 5. Notwithstanding subdivision h of section 343 of the retirement
29 and social security law, the provisions of subdivisions c and d of
30 section 343 of the retirement and social security law shall apply and
31 the employer contributions reserve shall be transferred from the appro-
32 priate fund or funds of the New York state and local employees' retire-
33 ment system to the New York state and local police and fire retirement
34 system.

35 S 6. Subdivision 3 of section 58 of the civil service law, as amended
36 by chapter 244 of the laws of 2013, is amended to read as follows:

37 3. As used in this section, the term "police officer" means a police
38 officer in the department of environmental conservation, THE STATE
39 UNIVERSITY POLICE, a member of the regional state park police or a
40 police force, police department, or other organization of a county,
41 city, town, village, housing authority, transit authority or police
42 district, who is responsible for the prevention and detection of crime
43 and the enforcement of the general criminal laws of the state, but shall
44 not include any person serving as such solely by virtue of his or her
45 occupying any other office or position, nor shall such term include a
46 sheriff, under-sheriff, commissioner of police, deputy or assistant
47 commissioner of police, chief of police, deputy or assistant chief of
48 police or any person having an equivalent title who is appointed or
49 employed to exercise equivalent supervisory authority.

50 S 7. Paragraphs (a) and (b) of subdivision 4 of section 58 of the
51 civil service law, as amended by chapter 244 of the laws of 2013, are
52 amended to read as follows:

53 (a) Any person who has received provisional or permanent appointment
54 in the competitive class of the civil service as a police officer of the
55 regional state park police, THE STATE UNIVERSITY OF NEW YORK POLICE, the
56 department of environmental conservation or any police force or police

1 department of any county, city, town, village, housing authority, trans-
2 it authority or police district shall be eligible to resign from any
3 police force or police department, and to be appointed as a police offi-
4 cer in the same or any other police force or police department without
5 satisfying the age requirements set forth in paragraph (a) of subdivi-
6 sion one of this section at the time of such second or subsequent
7 appointment, provided such second or subsequent appointment occurs with-
8 in thirty days of the date of resignation.

9 (b) Any person who has received permanent appointment in the compet-
10 itive class of the civil service as a police officer of the regional
11 state park police, THE STATE UNIVERSITY OF NEW YORK POLICE, the depart-
12 ment of environmental conservation or any police force or police depart-
13 ment of any county, city, town, village, housing authority, transit
14 authority or police district shall be eligible to resign from any police
15 force or police department and, subject to such civil service rules as
16 may be applicable, shall be eligible for reinstatement in the same
17 police force or police department or in any other police force or police
18 department to which he or she was eligible for transfer, without satis-
19 fying the age requirements set forth in paragraph (a) of subdivision one
20 of this section at the time of such reinstatement, provided such rein-
21 statement occurs within one year of the date of resignation.

22 S 8. This act shall take effect immediately.

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

This bill would allow State University Police Officers to elect to transfer to the New York State and Local Police and Fire Retirement System and to be covered by the provisions of a new twenty-five (25) year half pay retirement plan, with additional one-sixtieths of final average salary for each year of service in excess of twenty-five (25) years, but not exceeding fifteen (15) such years. For Tiers 2, 5, and 6 members, the additional one-sixtieths can not exceed seven (7) such years. There will be no refund of Article 14 or Article 15 member contributions for officers who elect to transfer to the Police and Fire Retirement system.

If this bill is enacted, we anticipate that there will be an increase of approximately \$1.4 million 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, it is estimated that there will be an immediate past service cost of \$10.2 million which would be borne by the State of New York, assuming that payment will be made on March 1, 2015. If this cost is amortized over ten (10) years, the cost for the first year, including interest, would be \$1.39 million.

These estimated costs are based on five hundred eighty (580) State University Police Officers with a total estimated salary of approximately \$39 million for the fiscal year ending March 31, 2013.

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 January 24, 2014 and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-61 prepared by the Actuary for the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System.