

7256--A

I N S E N A T E

May 8, 2014

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

AN ACT to amend the retirement and social security law, in relation to allowing the transfer of membership in the MTA police retirement program to the New York state and local police and fire retirement system

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

1 Section 1. Subdivision a of section 343 of the retirement and social
2 security law, as amended by chapter 728 of the laws of 2006, the opening
3 paragraph as further amended by section 104 of part A of chapter 62 of
4 the laws of 2011, is amended to read as follows:
5 a. Notwithstanding any other provision of law providing for transfers,
6 any member of any retirement system maintained by the state or a municipi-
7 pality thereof, operating on a sound financial basis and subject to the
8 supervision of the department of financial services of this state may
9 transfer his or her membership pursuant to this section to the New York
10 state and local employees' retirement system, the New York city board of
11 education employees' retirement system, the New York state teachers'
12 retirement system, the New York state and local police and fire retire-
13 ment system or to the New York city employees' retirement system. Any
14 member of the New York state and local police and fire retirement system
15 may transfer his or her membership to any retirement system, other than
16 the hospital retirement system, which is operating on a sound basis and
17 is subject to the supervision of the department of financial services of
18 this state. Any police officer employed by the metropolitan transporta-
19 tion authority who is a member of the MTA police twenty year retirement
20 program of the metropolitan transportation authority defined benefit
21 pension plan (hereinafter referred to in this section as the "MTA police
22 retirement program") may transfer his or her membership in the New York
23 state and local police and fire retirement system and/or the New York

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

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1 city police pension fund to the MTA police retirement program. ANY
2 POLICE OFFICER WHO WAS EMPLOYED BY THE METROPOLITAN TRANSPORTATION
3 AUTHORITY, THE LONG ISLAND RAILROAD COMPANY OR THE METRO-NORTH COMMUTER
4 RAILROAD COMPANY AND WHO IS A MEMBER OF THE MTA POLICE RETIREMENT
5 PROGRAM MAY TRANSFER HIS OR HER MEMBERSHIP IN THE MTA POLICE RETIREMENT
6 PROGRAM TO THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT
7 SYSTEM. Any transfer pursuant to this section may be effectuated only if
8 the member has accepted a position in another branch of the state or
9 municipal service which would make it:

10 1. Impossible for him or her to continue in the retirement system of
11 which he or she has been a member, and

12 2. Possible for him or her to participate in another such system.

13 Notwithstanding the foregoing provisions of this subdivision, any
14 employee who would be eligible to avail himself or herself of the
15 provisions of this section but for being on leave of absence status from
16 a prior employment while in his or her present employment, shall be
17 permitted to transfer his or her retirement system membership pursuant
18 to the provisions of this section.

19 S 2. Subdivision h of section 343 of the retirement and social securi-
20 ty law, as amended by chapter 728 of the laws of 2006, is amended to
21 read as follows:

22 h. Notwithstanding any other provision of law to the contrary, with
23 respect to transfers pursuant to this section which occur on or after
24 the effective date of this subdivision, no determination of a reserve
25 pursuant to subdivision c of this section or transfer thereof pursuant
26 to the first sentence of subdivision d of this section shall be required
27 in the case of any transfer pursuant to this section (other than a
28 transfer from the New York state and local police and fire retirement
29 system to either (1) the New York city police department subchapter two
30 pension fund, (2) the New York city fire department subchapter two
31 pension fund or (3) the MTA police retirement program or a transfer from
32 either (i) the New York city police department subchapter two pension
33 fund or (ii) the New York city fire department subchapter two pension
34 fund to either (A) the New York state and local police and fire retire-
35 ment system or (B) the MTA police retirement program OR A TRANSFER FROM
36 THE MTA POLICE RETIREMENT PROGRAM TO THE NEW YORK STATE AND LOCAL POLICE
37 AND FIRE RETIREMENT SYSTEM). For the purpose of giving the transferring
38 member such status and crediting such service in the second retirement
39 system as such member was allowed in the first retirement system in
40 those cases to which this subdivision shall apply, the transfer shall be
41 deemed complete upon receipt by the second retirement system of:

42 1. a statement from the first retirement system of the transferring
43 member's date of membership in the first retirement system, tier status,
44 service credited to such membership being transferred, and such other
45 information as the second retirement system may require to effectuate
46 the transfer; and

47 2. such member's accumulated contributions from the first retirement
48 system, if same had not been previously withdrawn, or notice from the
49 first retirement system that such member had no accumulated contrib-
50 utions, or notice from the first retirement system that such member's
51 accumulated contributions had been withdrawn and the amount thereof and,
52 as applicable, receipt from such member of such member's accumulated
53 contributions and interest.

54 S 3. This act shall take effect immediately.

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

This bill would allow any police officer who was employed by the Metropolitan Transportation Authority, the Long Island Railroad Company or the Metro-North Commuter Railroad Company and who is a member of the MTA police retirement program to transfer his or her membership in the MTA police retirement program to the New York State and Local Police and Fire Retirement System (PFRS). Upon such transfer, the reserves from the MTA police retirement program will be transferred to the PFRS.

If this bill is enacted, we anticipate that there will be no cost to the State of New York and the participating employers in the PFRS.

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 June 16, 2014, and intended for use only during the 2014 Legislative Session, is Fiscal Note No. 2014-154 prepared by the Actuary for the New York State and Local Police and Fire Retirement System.