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

3785--B

2013-2014 Regular Sessions

I N S E N A T E

February 15, 2013

Introduced by Sen. LIBOUS -- 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 -- 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, in relation to impairments of health, presumption and staph/MRSA

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

Section 1. The retirement and social security law is amended by adding a new section 363-ddd to read as follows:

S 363-DDD. IMPAIRMENTS OF HEALTH; PRESUMPTION; STAPH/MRSA. NOTWITHSTANDING ANY PROVISION OF THIS CHAPTER OR OF ANY GENERAL, SPECIAL OR LOCAL LAW TO THE CONTRARY, ANY POLICE OFFICER OR FIREFIGHTER WHO IS COVERED BY THE PROVISIONS OF SECTION THREE HUNDRED SIXTY-THREE OF THIS TITLE AND WHO CONTRACTS METHICILLIN RESISTANT STAPHYLOCOCCUS AUREUS (MRSA) OR STAPH/MRSA WILL BE PRESUMED TO HAVE CONTRACTED SUCH DISEASE IN THE PERFORMANCE OR DISCHARGE OF HIS OR HER DUTIES AS THE NATURAL AND PROXIMATE RESULT OF AN ACCIDENT AND TO BE DISABLED FROM THE PERFORMANCE OF HIS OR HER DUTIES UNLESS THE CONTRARY BE PROVEN BY COMPETENT EVIDENCE.

S 2. This act shall take effect immediately.

FISCAL NOTE.-- This bill will affect certain members of the New York State and Local Police and Fire Retirement System by presuming that contracting MRSA or Staph/MRSA will qualify them for an accidental disability retirement, unless the contrary be proven by competent evidence.

If this bill is enacted, it would lead to more disabilities being classified as "accidental". For the disabilities so classified due to this bill, the cost would depend on whether such person would have

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

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otherwise been eligible for an ordinary disability, a performance of duty disability or a service retirement. For those who contract such disease prior to being eligible to receive an ordinary disability retirement, it is estimated that there would be an average per person cost of approximately eight (8) times final average salary. For those who contract such disease who would be eligible to receive an ordinary disability retirement, it is estimated that there would be an average per person cost of approximately four (4) times final average salary. For those who contract such disease who would be eligible to receive a performance of duty disability retirement, it is estimated that there would be an average per person cost of approximately two (2) times final average salary. For those who contract such disease who are eligible for service retirement, it is estimated that there would be an average per person cost of approximately 150% of final average salary.

However, we anticipate that few additional accidental disability retirements will be granted, and thus, the resulting costs are expected to be negligible.

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. 2014-59, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.