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

8048

2015-2016 Regular Sessions

I N A S S E M B L Y

June 5, 2015

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

AN ACT to authorize Leila El-Chehabi to apply for service credit in the New York state teachers' retirement system

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

Section 1. 1. Notwithstanding any other provision of law, Leila El-Chehabi, a member of the New York state teachers' retirement system since 1982, who worked as a full-time teacher for the United States Department of Defense Dependent Schools at Bitburg Air Force Base in Bitburg, Germany from 1987 until 1992, shall be entitled to receive service credit in such retirement system for her time working for the United States government if, on or before December 31, 2015 she: (1) shall file a request to such effect with the New York state teachers' retirement system; and (2) shall pay to the New York state teachers' retirement system an amount which such member would have contributed during such period, together with any interest thereon. The crediting of service pursuant to this act shall be substantially equivalent to the crediting of service in accordance with articles 14 or 15 of the retirement and social security law. Provided, however, no such credit shall be allowed for any service for which Leila El-Chehabi is receiving a benefit or will be entitled to receive a benefit at any future time from some other public or private retirement system or plan in this state or in any other state or from the federal government.

2. Nothing in this act shall authorize or require the retirement system to credit service where not permitted by section 415(n) of the Internal Revenue Code or any regulations promulgated thereunder.

S 2. This act shall take effect immediately.

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

This bill would allow Leila El-Chehabi, an active member of the New York State Teachers' Retirement System with Tier 3 status, to purchase

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

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subsequent service credit from her employment with the United States Department of Defense Dependent Schools at Bitburg Air Force Base in Bitburg, Germany from 1987 until 1992. However, no credit shall be allowed for any service for which she will be entitled to receive a benefit from another retirement system. Ms. El-Chahabi must file a written request with the head of the New York State Teachers' Retirement System on or before December 31, 2015 to that effect.

The cost of this benefit is equal to the increase in the present value of liabilities, which is estimated to be $125,000. This cost would be borne by the employers of members of the New York State Teachers' Retirement System and by Ms. El-Chehabi. The employers of members of the New York State Teachers' Retirement System would be responsible for approximately $109,500 and Ms. El-Chehabi for approximately $15,500.

Employee data is from the System's most recent actuarial valuation files, consisting of data provided by the employers to the Retirement System. Data distributions and statistics can be found in the System's Comprehensive Annual Financial Report (CAFR). System assets are as reported in the System's financial statements, and can also be found in the CAFR. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report.

The source of this estimate is Fiscal Note 2015-31 dated May 26, 2015 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2015 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.