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

4295

2015-2016 Regular Sessions

I N S E N A T E

March 11, 2015

Introduced by Sen. PANEPINTO -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

AN ACT in relation to allowing Charles McDonough 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, Charles McDonough, who has been employed by the Town of Grand Island since October 29, 1979, who is a Tier III member of the New York state and local employees' retirement system, and who was employed by the office of parks, recreation and historic preservation at the Beaver Island state park in Erie County for the period beginning June 24, 1975 and ending November 1975; 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, shall be deemed to have become a member of such system as of June 24, 1975 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, Charles McDonough shall be granted a refund of any employee contributions made by him to the New York state and local employees' 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 grant Tier 2 status in the New York State and Local Employees' Retirement System to Charles McDonough, a current Tier 3 member employed by the town of Grand Island, by changing his date of

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

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membership to June 24, 1975, his first date of employment with the office of parks, recreation and historic preservation at the Beaver Island State park in Erie County. There will be a refund of member contributions.

If this legislation is enacted during the 2015 legislative session, we anticipate that there will be an increase of approximately $2,740 in the annual contributions of the town of Grand Island for the fiscal year ending March 31, 2016. In future years, this cost will vary as the billing rates and salary of Charles McDonough change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $103,000 which will be borne by the State of New York. The estimate is based on the assumption that payment will be made on March 1, 2016.

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, 2014 actuarial valuation. Distributions and other statistics can be found in the 2014 Report of the Actuary and the 2014 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2010, 2011, 2012, 2013 and 2014 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, 2014 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 March 3, 2015, and intended for use only during the 2015 Legislative Session, is Fiscal Note No. 2015-78 prepared by the Actuary for the New York State and Local Employees' Retirement System.