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

5828

2015-2016 Regular Sessions

I N A S S E M B L Y

March 5, 2015

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

AN ACT to authorize James W. McCarthy Tier I 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, James W. McCarthy, who was first eligible to join the public retirement system as of May 1, 1968 and who was employed by the Power Authority of the state of New York from May 1, 1968 to August 31, 1968, May 1, 1969 to August 31, 1969 and May 1, 1970 to August 31, 1970 and who for reasons not ascribable to his own negligence was not afforded the opportunity to join the New York state and local employees' retirement system with Tier I status, shall be deemed to have become a member of the New York state and local employees' retirement system as of May 1, 1968; and shall have Tier I status, if, on or before December 31, 2015 he shall file a written request with the state comptroller.

S 2. All costs attributable to the implementation of this act shall be borne by New York state.

S 3. This act shall take effect immediately.

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

This bill will deem James W. McCarthy, an employee of the New York State Office of Court Administration, to have become a member of the New York State and Local Employees' Retirement System on May 1, 1968, his first date of employment with the New York State Power Authority, thereby granting him Tier 1 status. All member contributions will be refunded.

If this bill is enacted, we anticipate that there will be an increase of approximately $11,000 in the annual contributions of New York State for the fiscal year ending March 31, 2016.

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

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In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $255,000 which will be borne by the State of New York as a one-time payment. This 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 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 February 20, 2015, and intended for use only during the 2015 Legislative Session, is Fiscal Note No. 2015-069, prepared by the Actuary for the New York State and Local Employees' Retirement System.