

1968--A

2015-2016 Regular Sessions

I N S E N A T E

January 15, 2015

Introduced by Sen. GALLIVAN -- 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

AN ACT to amend the retirement and social security law, in relation to providing equal retirement benefits for persons who have been appointed to the title of superintendent in the department of corrections and community supervision

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

1 Section 1. Clause (ii) of subparagraph (b) of paragraph 2 of subdivi-
2 sion a of section 600 of the retirement and social security law, as
3 amended by section 149 of subpart B of part C of chapter 62 of the laws
4 of 2011, is amended and two new clauses (iii) and (iv) are added to read
5 as follows:
6 (ii) a person who serves in the title of superintendent as of April
7 first, two thousand six, who has had at least seven years of service
8 credited toward the retirement plan established pursuant to this article
9 while employed by the department of corrections and community super-
10 vision and who elects the retirement plan established pursuant to this
11 article on or before September thirtieth, two thousand six. Such
12 election shall be in writing, shall be duly executed and filed with the
13 comptroller and shall be irrevocable as long as such person is in the
14 title of superintendent[.]; OR
15 (III) A PERSON WHO IS APPOINTED TO THE TITLE OF SUPERINTENDENT IN
16 INSTITUTIONS UNDER THE JURISDICTION OF THE DEPARTMENT OF CORRECTIONS AND
17 COMMUNITY SUPERVISION AND WHO ELECTS THE RETIREMENT PLAN ESTABLISHED
18 PURSUANT TO THIS ARTICLE WITHIN NINETY DAYS OF HIS OR HER APPOINTMENT.
19 SUCH ELECTION SHALL BE IN WRITING, SHALL BE DULY EXECUTED AND FILED WITH
20 THE COMPTROLLER AND SHALL BE IRREVOCABLE AS LONG AS SUCH PERSON IS IN
21 THE TITLE OF SUPERINTENDENT; OR

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

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1 (IV) A PERSON WHO SERVES IN THE TITLE OF SUPERINTENDENT ON THE EFFEC-
2 TIVE DATE OF THIS CLAUSE AND WHO ELECTS THE RETIREMENT PLAN ESTABLISHED
3 PURSUANT TO THIS ARTICLE WITHIN NINETY DAYS OF THE EFFECTIVE DATE OF
4 THIS CLAUSE. SUCH ELECTION SHALL BE IN WRITING, SHALL BE DULY EXECUTED
5 AND FILED WITH THE COMPTROLLER AND SHALL BE IRREVOCABLE AS LONG AS SUCH
6 PERSON IS IN THE TITLE OF SUPERINTENDENT.

7 S 2. This act shall take effect immediately.

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

This bill would allow certain Tier 3, 5 and 6 superintendents under the jurisdiction of the department of corrections and community supervision of New York state to become eligible to receive benefits under the provisions of Article of the Retirement and Social Security Law in addition to the half-pay plan at 25 years benefit. Current affected members would have 90 days from the later of the effective date of this bill and their date of being appointed to a superintendent position to file for this benefit.

If this bill is enacted, we anticipate that there will be an immediate past service cost of approximately \$3.74 million which would be borne by the State of New York as a one-time payment. This estimate is based on the assumption that payment would be made on March 1, 2016.

In addition to this cost, there would also be costs for future superintendents who elect this benefit. These costs would depend on the age, service, salary and tier of the affected members, and would be paid by the State of New York as one time payments as they occur.

These estimated costs are based on 27 superintendents with a total annual salary of approximately \$2.9 million or the fiscal year ending March 31, 2014.

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 statement of actuarial opinion contained herein.

This estimate, dated May 7, 2015 and intended for use only during the 2015 Legislative Session, is Fiscal Note No. 2015-109, prepared by the Actuary for the New York State and Local Employees' Retirement System.