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

5700--A

2015-2016 Regular Sessions

I N S E N A T E

May 28, 2015

Introduced by Sen. GOLDEN -- 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 the membership of police officers and firefighters

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

Section 1. Subdivision c of section 440 of the retirement and social security law, as amended by section 2 of part A of chapter 504 of the laws of 2009, is amended to read as follows:

c. Notwithstanding any other provision of law, the provisions and limitations of this article shall apply, as may be appropriate, to all police officers and firefighters who last joined a public retirement system of the state or a municipality thereof, on or after July first, nineteen hundred seventy-six[, but prior to July first, two thousand nine,] ALL CORRECTIONS AND SANITATION MEMBERS OF THE NEW YORK CITY EMPLOYEES' RETIREMENT SYSTEM WHO BECAME MEMBERS ON OR AFTER APRIL FIRST, TWO THOUSAND TWELVE and all employees subject to the provisions of article twenty-two of this chapter; provided, however, that in the case of a conflict between the provisions of this article and article twenty-two of this chapter, the provisions of article twenty-two shall be controlling.

S 2. This act shall take effect immediately.

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

This bill would grant Tier 2 status to Tier 3 police officers and firefighters, and grant them a refund of their member contributions. For members of the New York State and Local Police and Fire Retirement System (NYS&LPFRS), it would affect only those who did NOT file an election to become covered under the provisions of Article 22 (Tier 5).

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

LBD11214-04-5

If this bill is enacted, insofar as this bill would affect the NYS&LPFRS, we anticipate that the employers of affected members would see an increase in their annual contributions for the fiscal year ending March 31, 2016 of approximately 0.3%, 0.7%, and 2.3% of the annual salaries of members covered under Sections 384-d, 384-e, and 381-b, respectively. In future years, this cost will vary as the billing rates of the affected members change.

There would not be a past service cost.

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 May 22, 2015, and intended for use only during the 2015 Legislative Session, is Fiscal Note No. 2015-122, prepared by the Actuary for the New York State and Local Police and Fire Retirement System.