

7174

I N S E N A T E

April 5, 2016

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

AN ACT to amend chapter 504 of the laws of 2009 amending the retirement and social security law and other laws relating to establishing police and fire retirement provisions, in relation to persons joining a public retirement system on or after July 1, 2009 and before January 10, 2010

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

1 Section 1. Section 8 of part A of chapter 504 of the laws of 2009,
2 amending the retirement and social security law and other laws relating
3 to establishing police and fire retirement provisions, is amended to
4 read as follows:

5 S 8. (A) Notwithstanding any provision of law to the contrary, nothing
6 in this act shall limit the eligibility of any member of an employee
7 organization to join a special retirement plan open to him or her pursu-
8 ant to a collectively negotiated agreement with any state or local
9 government employer, where such agreement is in effect on the effective
10 date of this act and so long as such agreement remains in effect there-
11 after; provided, however, that any such eligibility shall not apply upon
12 termination of such agreement for employees otherwise subject to the
13 provisions of article twenty-two of the retirement and social security
14 law.

15 (B) NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, ANY
16 MEMBER OF THE NEW YORK STATE AND LOCAL POLICE AND FIRE RETIREMENT SYSTEM
17 WHO BECAME A MEMBER ON OR AFTER JULY 1, 2009 AND BEFORE JANUARY 10, 2010
18 MAY ELECT TO BE COVERED BY THE PROVISIONS OF ARTICLE TWENTY-TWO OF THE
19 RETIREMENT AND SOCIAL SECURITY LAW. SUCH MEMBER SHALL ALSO BE PERMITTED
20 TO ELECT ANY SPECIAL RETIREMENT PLAN THAT WOULD HAVE BEEN AVAILABLE TO
21 SUCH MEMBER HAD SUCH MEMBER BEEN COVERED BY THE PROVISIONS OF ARTICLE
22 TWENTY-TWO OF THE RETIREMENT AND SOCIAL SECURITY LAW ON OR AFTER JULY 1,
23 2009 AND BEFORE JANUARY 10, 2010.

24 S 2. Any member wishing to be covered by the provisions of subdivision
25 (b) of section 8 of part A of chapter 504 of the laws of 2009 must file

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

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1 an election to be covered by article twenty-two of the retirement and
2 social security law no later than one hundred eighty days from the
3 effective date of this act on a form provided by the state comptroller.
4 S 3. This act shall take effect immediately.

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

This bill would amend Chapter 504 of the Laws of 2009 to allow an individual who became a member of the New York State and Local Police and Fire Retirement System (PFRS) on or after July 1, 2009 and before January 10, 2010 to elect to be covered by the provisions of Article 22 of the Retirement and Social Security Law. Such member would also be allowed to elect to become covered by any plan that would have been available to such member had such member been covered under Article 22 on or after July 1, 2009 and before January 10, 2010. Any member who becomes covered under a non-contributory plan would no longer be required to make member contributions, and would receive a refund of any member contributions.

If this bill is enacted, there would be a cost to refund past member contributions to any member who becomes covered under a non-contributory plan. There are approximately 80 members who would be eligible to elect the provisions of Article 22, but the exact number of those members who would become covered under non-contributory plans cannot be readily determined. If half of this group becomes non-contributory, there will be an annual cost of approximately \$70,000 which will be shared by the State of New York and all the participating employers in the New York State and Local Police and Fire Retirement System.

The enactment of this legislation would not result in any other costs to the State of New York or the participating employers in the PFRS.

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, 2015 actuarial valuation. Distributions and other statistics can be found in the 2015 Report of the Actuary and the 2015 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 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, 2015 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 11, 2016, and intended for use only during the 2016 Legislative Session, is Fiscal Note No. 2016-79, prepared by the Actuary for the New York State and Local Retirement System.