STATE OF NEW YORK

5618--A

2017-2018 Regular Sessions

IN SENATE

April 20, 2017

Introduced by Sen. ORTT -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT in relation to credit for certain graduate assistant, teacher assistant or teaching assistant work for the purposes of the New York state teachers' retirement system

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Notwithstanding any other provisions of law to the contrary, a member of the New York state teachers' retirement system who joined such system on or prior to July 1, 1992, shall be eligible for credit for service, if service was rendered as a graduate assistant, teacher assistant or teaching assistant during the period July 1, 1982 to September 30, 1991 for a state-operated institution or community college under the jurisdiction of the board of trustees of the state university which participates in such system. Payments for such service shall be made by members subject to article 14 or 15 of the retirement and social security law in accordance with section 609 of such law, in the case of such service rendered prior to such member joining such system, provided the member must be credited with two years of service credit at the time credit for such service is granted. Payments for such service shall be made by members subject to article 14 or 15 of the retirement and social security law in accordance with section 613 of such law, in the case of such service rendered after such member joined such system, together with interest at the rate of five percent per annum from the date such service was rendered to the date of payment.

§ 2. This act shall take effect immediately; provided, however, that if this act shall become a law after June 30, 2018 it shall take effect

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

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immediately and be deemed to have been in full force and effect on and after June 30, 2018. Effective immediately, the addition, amendment and/or repeal of any rules or regulations necessary for the implementation of this act on its effective date are authorized to be made on or before such date.

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

This bill would allow active members of the New York State Teachers' Retirement System with a date of membership on or prior to July 1, 1992 to receive service credit for service rendered as a graduate assistant, teacher assistant or teaching assistant during the period July 1, 1982 to September 30, 1991 for a state-operated institution or community college under the jurisdiction of the board of trustees of the state university which is a participating employer of the New York State Teachers' Retirement System. Payments for such credit must be made by those members subject to Article 14 or 15 of the Retirement and Social Security Law in accordance with section 609 of such law in the case such service was rendered prior to such member joining the New York State Teachers' Retirement System provided the member is credited with two years of service credit at the time credit for such service is granted. Payments for such credit must be made by those members subject to Article 14 or 15 of the Retirement and Social Security Law in accordance with section 613 of such law in the case such service was rendered after such member joined the New York State Teachers' Retirement System together with interest at the rate of five percent per annum from the date such service was rendered to the date of payment.

It is not possible to determine the total annual cost to the employers of members of the New York State Teachers' Retirement System since the total amount of service credit which would be claimed under this bill cannot be estimated. However, the cost to the employers of members of the New York State Teachers' Retirement System is estimated to be $23,200 per year of service credited for Tier 1, 2, 3, 4 and 5 members and $18,000 per year of service credited for Tier 6 members if this bill is enacted. These costs would be offset by member payments as required under this bill if enacted.

Member data is from the System's most recent actuarial valuation files, consisting of data provided by the employers to the Retirement System. Data distributions and statistics can be found in the System's Comprehensive Annual Financial Report (CAFR). System assets are as reported in the System's financial statements, and can also be found in the CAFR. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report.

The source of this estimate is Fiscal Note 2018-8 dated January 22, 2018 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2018 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.