STATE OF NEW YORK

4135

2019-2020 Regular Sessions

IN SENATE

March 1, 2019

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

AN ACT to authorize the city of Newburgh, in the county of Orange, to offer an optional twenty year retirement plan to police officer Samuel Kenan Jr.

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

Section 1. Samuel Kenan Jr., a police officer who was previously employed by the city of Newburgh, in the county of Orange, a participating employer in the New York state and local police and fire retirement system, and who is currently employed by the city of Peekskill, for reasons not ascribable to his own negligence failed to make a timely application to participate in the optional twenty year retirement plan established pursuant to section 384-d of the retirement and social security law while employed by the city of Newburgh. Notwithstanding any other provision of law to the contrary, upon the city of Newburgh filing with the state comptroller, within one year of the effective date of this act, a resolution of the city council together with certification that such police officer did not bar himself from participation in such retirement plan as a result of his own negligence, such police officer may elect to be granted full credit in the special twenty year plan for such service rendered with the city of Newburgh by filing a request to that effect with the state comptroller within eighteen months of the effective date of this act.

§ 2. All employer past service costs associated with implementing the provisions of this act shall be borne by the city of Newburgh and may be amortized over a ten year period.

§ 3. This act shall take effect immediately.

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

This bill will grant Samuel Kenan Jr., a Tier 2 member of the New York State and Local Police and Fire Retirement System, additional service

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

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creditable under the provisions of section 384-d of the Retirement and Social Security Law, for time worked as a police officer with the City of Newburgh between May 1996 and October 2001. Such service is currently creditable only in the age 55 retirement plan of section 375-i. Officer Kenan is currently employed by the City of Peekskill and covered under 384-d.

If this bill is enacted, there will be no change in anticipated future annual costs as the member continues to be covered by 384-d. There will be an immediate past service costs of $178,000 to be borne by the City of Newburgh as a one-time payment. This cost assumes a payment date of February 1, 2020. If the City of Newburgh elects to amortize this cost over a 10 year period, the cost for the first year would be $23,700.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as used in the March 31, 2018 actuarial valuation. Distributions and other statistics can be found in the 2018 Report of the Actuary and the 2018 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015, 2016, 2017 and 2018 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, 2018 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 fiscal note does not constitute a legal opinion on the viability of the proposed change nor is it intended to serve as a substitute for the professional judgment of an attorney.

This estimate, dated February 15, 2019, and intended for use only during the 2019 Legislative Session, is Fiscal Note No. 2019-75, prepared by the Actuary for the New York State and Local Retirement System.