

STATE OF NEW YORK

8217

IN SENATE

April 22, 2020

Introduced by Sen. SEWARD -- 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 Cortland, in the county of Cortland to offer an optional twenty-year retirement plan to firefighter Travis Marshall

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

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 the city of Cortland, in the county of Cortland, a participating employ-
3 er in the New York state and local police and fire retirement system,
4 which previously elected to offer the optional twenty-year retirement
5 plan, established pursuant to section 384-d of the retirement and social
6 security law, to firefighters employed by such city, is hereby author-
7 ized to make participation in such plan available to Travis Marshall, a
8 firefighter employed by the city of Cortland, who, for reasons not
9 ascrivable to his own negligence, failed to make a timely application to
10 participate in such optional twenty-year retirement plan. The city of
11 Cortland may so elect by filing with the state comptroller, within 12
12 months of the effective date of this act, a resolution of its own common
13 council together with certification that such firefighter did not bar
14 himself from participation in such retirement plan as a result of his
15 own negligence. Thereafter, such firefighter may elect to be covered by
16 the provisions of section 384-d of the retirement and social security
17 law, and shall be entitled to the full rights and benefits associated
18 with coverage under such section, by filing a request to that effect
19 with the state comptroller within 6 months of the city of Cortland's
20 filing.

21 § 2. All past costs associated with implementing the provisions of
22 this act shall be borne by the city of Cortland, and may be amortized
23 over a period of ten years.

24 § 3. This act shall take effect immediately.

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

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

LBD15532-02-0

This bill would allow the City of Cortland to elect to reopen the provisions of Section 384-d of the Retirement and Social Security Law for firefighter Travis Marshall.

If this bill is enacted during the 2020 legislative session and Travis Marshall becomes covered under the provisions of Section 384-d, we anticipate that there will be an increase of approximately \$2,600 in the annual contributions of the City of Cortland for the fiscal year ending March 31, 2021. In future years, this cost will vary as the billing rates and salary of Travis Marshall change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of \$13,600, which will be borne by the City of Cortland as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2021. If the City of Cortland elects to amortize this cost over a 10 year period, the cost for the first year would be \$1,790.

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, 2019 actuarial valuation. Distributions and other statistics can be found in the 2019 Report of the Actuary and the 2019 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015, 2016, 2017, 2018, and 2019 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, 2019 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 March 12, 2020, and intended for use only during the 2020 Legislative Session, is Fiscal Note No. 2020-82, prepared by the Actuary for the New York State and Local Retirement System.