STATE OF NEW YORK

10785--A

IN ASSEMBLY

July 10, 2020

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Paulin) -- read once and referred to the Committee on Governmental Employees -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT relating to the service credit of members of the Westchester Correction Officers Benevolent Association

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

Section 1. 1. Notwithstanding any other law, rule or regulation to the contrary, after the effective date of this act any member of the Westchester Correction Officers Benevolent Association who is also an active member of the New York State and Local Employees' Retirement System employed in a correction officer title as defined in section eighty-nine-e of the retirement and social security law shall be eligible to receive service credit in the New York State and Local Employees' Retirement System for any period of unpaid leave of absence, granted while such member was on maternity or bonding leave, pursuant to an existing collective bargaining agreement, so long as such member has returned to paid employment in the same position.

2. A member, upon application to such retirement system, may obtain a total not to exceed three years of service credit for up to three years of unpaid leave.

3. A member must have at least five years of credited service, not including service credit granted in this section, to be eligible to receive the credit authorized pursuant to this section.

§ 2. All costs incurred in implementing the provisions of this act shall be borne by the county of Westchester.

§ 3. This act shall take effect immediately.

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

This bill would allow any member of the Westchester Correction Officers Benevolent Association to be eligible for service credit with the New York State and Local Employees' Retirement System for any period of unpaid leave of absence, granted while such member was on maternity or bonding leave pursuant to a collective bargaining agreement, so long as

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

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such member has returned to paid employment in the same position. There is a 3 year limit on the amount of service credit that may be granted for such unpaid leaves. In addition, such member must have accrued at least 5 years of service credit in order to be eligible to receive the additional service credit for unpaid leave time under this proposal. Further, this bill would not be consistent with the Retirement System's policy that service credit may only be granted for service for which a salary has been paid.

If this bill is enacted during the 2020 legislative session, it is estimated that the past service cost will average approximately 18% of an affected member's or retiree's most recent 12 months of compensation for each year of additional service that is credited. This cost will be borne by the County of Westchester.

There could also be additional costs to the ERS on behalf of members whose salary increases exceed our expectations subsequent to receiving this service, or for members who survive beyond their life expectancy.

Since a member can apply for this service credit at any time prior to retirement, a precise cost cannot be determined until each member, as well as future members, applies for the service credit. Every year a cost will be determined (and billed to Westchester County) based on those benefiting from this provision.

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 October 15, 2020, and intended for use only during the 2020 Legislative Session, is Fiscal Note No. 2020-136, prepared by the Actuary for the New York State and Local Retirement System.