STATE OF NEW YORK

1385

2019-2020 Regular Sessions

IN SENATE

January 14, 2019

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

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 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:

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

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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 claim 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 to 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 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. Therefore, it is not possible to estimate the annual increase in the employers' cost for this bill. Whatever increase in liabilities that arises for service credited under this bill would be shared and spread through the employer contribution rate. It is estimated that the increase in liabilities as a percentage of the member's salary per year of service credited would be 13.6% for Tier 1, 2, 3 and 4 members. The increase in liabilities as a percentage of the member's salary per year of service credited would be 11.1% for Tier 5 members and 10.7% for Tier 6 members. These percentages would be offset by member contribution percentages 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 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 2019-8 dated January 7, 2019 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2019 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.