

# STATE OF NEW YORK

5207

2019-2020 Regular Sessions

## IN SENATE

April 16, 2019

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

AN ACT to amend the retirement and social security law, in relation to establishing a twenty year retirement plan for members or officers of law enforcement

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

1 Section 1. The retirement and social security law is amended by adding  
2 a new section 383-e to read as follows:

3 § 383-e. Retirement of officers of state law enforcement; twenty year  
4 retirement plan. a. Membership. Every non-seasonally appointed sworn  
5 member or officer of the division of law enforcement in the department  
6 of environmental conservation, a forest ranger in the service of the  
7 department of environmental conservation, which shall mean a person who  
8 serves on a full-time basis in the title of forest ranger I, forest  
9 ranger II, forest ranger III, assistant superintendent of forest fire  
10 control, superintendent of forest fire control or any successor titles  
11 or new titles in the forest ranger title series in the department of  
12 environmental conservation, a police officer in the department of envi-  
13 ronmental conservation, the regional state park police, and university  
14 police officers who enter or re-enter service in any such title shall be  
15 covered by the provisions of this section, and every member described in  
16 this subdivision in such service on or before one year prior to the  
17 effective date of this section may elect to be covered by the provisions  
18 of this section by filing an election therefor with the comptroller. To  
19 be effective, such election must be duly executed and acknowledged on a  
20 form prepared by the comptroller for that purpose.

21 b. Retirement allowance. A member, covered by the provisions of this  
22 section at the time of retirement, shall be entitled to retire upon  
23 completion of twenty years of total creditable service in such titles,  
24 and shall retire upon the attainment of the mandatory retirement age

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

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1 prescribed by this section, by filing an application therefor in a  
2 manner similar to that provided in section three hundred seventy of this  
3 article.

4 1. Upon completion of twenty years of such service and upon retire-  
5 ment, each such member shall receive a pension which, together with an  
6 annuity for such years of service as provided in paragraph four of this  
7 subdivision, shall be sufficient to provide him with a retirement allow-  
8 ance of one-half of his final average salary.

9 2. Upon completion of more than twenty years of such service and upon  
10 retirement, each such member shall receive, for each year of service in  
11 excess of twenty, an additional pension which, together with an annuity  
12 for each such year as provided in paragraph four of this subdivision,  
13 shall be equal to one-sixtieth of his final average salary, provided,  
14 however, that the pension payable pursuant to this section shall not  
15 exceed three-quarters of final average salary.

16 3. Upon attainment of the mandatory retirement age without completion  
17 of twenty years of such service, each such member shall receive a  
18 pension which, together with an annuity for such years of service as  
19 provided in paragraph four of this subdivision, shall be equal to one-  
20 fortieth of his final average salary for each year of creditable service  
21 in such titles. Every such member shall also be entitled to an addi-  
22 tional pension equal to the pension for any creditable service rendered  
23 while not an employee in such titles as provided under paragraphs three  
24 and four of subdivision a of section three hundred seventy-five of this  
25 article. This latter pension shall not increase the total allowance to  
26 more than one-half of his final average salary.

27 4. The annuity provided under paragraphs one, two and three of this  
28 subdivision shall be the actuarial equivalent, at the time of retire-  
29 ment, of the member's accumulated contributions based upon the rate of  
30 contribution fixed under section three hundred eighty-three of this  
31 title and upon the salaries earned while in such service. Such annuity  
32 shall be computed as it would be if it were not reduced by the actuarial  
33 equivalent of any outstanding loan nor by reason of the member's  
34 election to decrease his contributions toward retirement in order to  
35 apply the resulting amount toward payment of contributions for old age  
36 and survivor's insurance. Any accumulated contributions in excess of the  
37 amount required to provide the annuity computed pursuant to this para-  
38 graph shall be used to increase the member's retirement allowance.

39 c. Credit for previous service. In computing the years of total cred-  
40 itable service for each member described herein, full credit shall be  
41 given and full allowance shall be made for service rendered as a police  
42 officer or state university peace officer or member of a police force or  
43 department of a state park authority or commission or an organized  
44 police force or department of a county, city, town, village, police  
45 district, authority or other participating employer or member of the  
46 capital police force in the office of general services while a member of  
47 the New York state and local police and fire retirement system, of the  
48 New York state and local employees' retirement system or of the New York  
49 city police pension fund and for all service for which full credit has  
50 been given and full allowance made pursuant to the provisions of section  
51 three hundred seventy-five-h of this article provided, however, that  
52 full credit pursuant to the provisions of such section shall mean only  
53 such service as would be creditable service pursuant to the provisions  
54 of section three hundred eighty-three, three hundred eighty-three-a,  
55 three hundred eighty-three-b, as added by chapter six hundred seventy-  
56 four of the laws of nineteen hundred eighty-six, three hundred eighty-

1 three-b, as added by chapter six hundred seventy-seven of the laws of  
2 nineteen hundred eighty-six, three hundred eighty-three-c or three  
3 hundred eighty-three-d of this title or pursuant to the provisions of  
4 title thirteen of the administrative code of the city of New York for  
5 any member contributing pursuant to this section who transferred to the  
6 jurisdiction of the department of environmental conservation including  
7 but not limited to environmental conservation officers and forest  
8 rangers, regional state park police or state university of New York  
9 peace officers.

10 d. Retirement for cause. Upon receipt of a certificate from the head  
11 of the entity where such member is employed or his or her designee, a  
12 member as described in subdivision a of this section, who has accrued  
13 twenty-five or more years of service credit under this section shall be  
14 retired on the first day of the second month next succeeding the date  
15 such certificate was filed with the comptroller.

16 e. Credit for military service. In computing the years of total cred-  
17 itable service full credit shall be given and full allowance shall be  
18 made for service of such member in war after world war I as defined in  
19 section three hundred two of this article, provided such member at the  
20 time of his or her entrance into the armed forces was in police service  
21 as defined in subdivision eleven of section three hundred two of this  
22 article.

23 f. Transfer of membership to employees' retirement system. Any member  
24 currently enrolled pursuant to this section and who previously trans-  
25 ferred service credit from the New York state and local employees'  
26 retirement system to the New York state and local police and fire  
27 retirement system, may elect to transfer such previously transferred  
28 service credit back to the New York state and local employees' retire-  
29 ment system, and such member shall have the option to retroactively  
30 transfer his or her membership into such employees' retirement system.

31 g. The provisions of this section shall be controlling, notwithstand-  
32 ing any provision of this article to the contrary.

33 § 2. All past service costs associated with implementing the  
34 provisions of this act shall be borne by the state of New York and may  
35 be amortized over a period of ten years.

36 § 3. This act shall take effect on the sixtieth day after it shall  
37 have become a law.

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

This bill will allow any non-seasonally appointed sworn member or officer of the division of law enforcement in the department of environmental conservation, a police officer in the department of environmental conservation, a forest ranger in the department of environmental conservation, a regional state park police officer or a university police officer to become covered by the provisions of a special 20 year retirement plan, which will provide a benefit of one-half of final average salary upon retirement, and an additional benefit of one-sixtieth of final average salary for each year of creditable service in excess of 20 years, not to exceed 12 such years.

If this bill is enacted, there will be an increase in the annual contributions of the state of New York of approximately \$3.1 million for the fiscal year ending March 31, 2020.

In addition to the annual contributions discussed above, there will be an immediate past service cost to the state of New York of approximately \$38.0 million. This estimate is based on the assumption that payment will be made on March 1, 2020. If the State of New York elects to amor-

tize this cost over a 10-year period, the cost for the first year would be \$5.1 million.

This estimate is based on 1,220 affected officers, with an estimated annual salary of approximately \$98 million for the fiscal year ending March 31, 2018.

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, 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 January 23, 2019, and intended for use only during the 2019 Legislative Session, is Fiscal Note No. 2019-24, prepared by the Actuary for the New York State and Local Retirement System.