# STATE OF NEW YORK

6859--A

2019-2020 Regular Sessions

# IN SENATE

November 18, 2019

Introduced by Sen. RITCHIE -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to authorize the village of Clayton to offer an optional twenty year retirement plan to a certain police officer employed by such village

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

Section 1. Notwithstanding any other provision of law to the contrary, Joshua David, a member of the New York state and local police and fire retirement system who was employed as a police officer for the village of Clayton in 2009, and who through no fault of his own, failed to file a timely application to participate in the special twenty year retirement plan contained in section 384-d of the retirement and social security law resulting in the crediting of his service with the village of Clayton in the retirement plan contained in section 375-e of such law, shall be given full credit in the section 384-d special twenty year retirement plan for such service upon the election of the village of Clayton to assume the additional cost of such service and his election to participate in such plan. The village of Clayton may so elect within one year of the effective date of this act, by filing with the state comptroller a resolution of its local legislative body together with certification that such member did not bar himself from participation in such retirement plan as a result of his own negligence.

§ 2. Such police officer may elect to be covered by the provisions of section 384-d of the retirement and social security law, and shall be entitled to the full rights and benefits associated with coverage under such section by filing a request to that effect with the state comptroller within eighteen months of the effective date of this act.

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

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§ 3. All employer past service costs associated with the implementation of this act shall be borne by the village of Clayton, and may be amortized over a period of five years.

§ 4. This act shall take effect immediately.

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

This bill will allow the Village of Clayton to elect to reopen the provisions of Section 384-d of the Retirement and Social Security Law for police officer Joshua David.

If this bill is enacted during the 2020 legislative session and Officer David becomes covered under the provisions of Section 384-d, we anticipate that there will be an increase of approximately $7,000 in the annual contributions of the Village of Clayton for the fiscal year ending March 31, 2021. In future years, this cost will vary as the billing rate and salary of Officer David change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of $64,600 which will be borne by the Village of Clayton as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2021. If the Village of Clayton elects to amortize this cost over a 5-year period, the cost for the first year would be $14,700.

Summary of relevant resources:

The membership data 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 and 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 November 15, 2019, and intended for use only during the 2020 Legislative Session, is Fiscal Note No. 2020-1, prepared by the Actuary for the New York State and Local Retirement System.