STATE OF NEW YORK

6084--A

2021-2022 Regular Sessions

IN ASSEMBLY

March 10, 2021

Introduced by M. of A. PAULIN, ABBATE, SCHMITT -- 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 to amend the retirement and social security law, in relation to service credit for unpaid maternity leave for a Westchester county correction officer or deputy commissioner

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

Section 1. Section 89-e of the retirement and social security law is amended by adding a new subdivision k to read as follows:

k. Notwithstanding any other provision of law to the contrary, an active member whose tenure with Westchester county as a correction officer or deputy commissioner who has elected to participate in the plan established pursuant to this section includes one or more unpaid maternity or bonding leaves of absence for which such member did not receive service credit, shall be eligible to purchase service credit for all such leaves of absence up to a maximum of three years, as long as such member has returned to the past employment covered by this section, and provided that (1) at the time of any such leave of absence, such member was subject to the provisions of this section, (2) such member elects to purchase service credit for such leaves of absence, (3) such member has at least five years of creditable service at the time that such member elects to purchase such service credit, and (4) such member agrees to pay the actual present value of the cost of such additional service credit. Any service credited to a member pursuant to this subdivision shall be deemed to be creditable service and shall be included in computing years of total service for retirement pursuant to this section.

§ 2. 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.

LBD04259-08-1

This bill would allow any Westchester County Correction Officers covered by the provisions of Section 89-e of the Retirement and Social Security Law (RSSL) to be eligible for service credit with the New York State and Local Employees' Retirement System (ERS) for any period of unpaid maternity or bonding leave of absence, so long as such member has returned to paid employment in a position covered by RSSL Section 89-e. The amount of service credit that may be purchased for such parental leave is capped at three years. In addition, such member must have accrued at least five years of service credit to be eligible to purchase the additional service credit.

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 2021 legislative session, it is estimated that the past service cost will average approximately 18% of an affected member's salary for each year of additional service that is credited. This cost will be borne by the member electing to purchase such service credit.

The exact number of current members as well as future members who could be affected by this legislation cannot be readily determined.

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. When a member applies, an actuarial calculation will be required to determine the present value of the cost of such additional service credit.

Summary of relevant resources:

Membership data as of March 31, 2020 was used in measuring the impact of the proposed change, the same data used in the April 1, 2020 actuarial valuation. Distributions and other statistics can be found in the 2020 Report of the Actuary and the 2020 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2020 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, 2020 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 June 2, 2021, and intended for use only during the 2021 Legislative Session, is Fiscal Note No. 2021-149, prepared by the Actuary for the New York State and Local Retirement System.