

# STATE OF NEW YORK

6265

2021-2022 Regular Sessions

## IN SENATE

April 19, 2021

Introduced by Sen. GALLIVAN -- 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 providing equal retirement benefits for persons who have been appointed to the title of correction lieutenant, correction captain, deputy assistant superintendent or superintendent in the department of corrections and community supervision

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

1 Section 1. Clause (ii) of subparagraph (b) of paragraph 2 of subdivi-  
2 sion a of section 600 of the retirement and social security law, as  
3 amended by section 149 of subpart B of part C of chapter 62 of the laws  
4 of 2011, is amended and two new clauses (iii) and (iv) are added to read  
5 as follows:

6 (ii) a person who serves in the title of superintendent as of April  
7 first, two thousand six, who has had at least seven years of service  
8 credited toward the retirement plan established pursuant to this article  
9 while employed by the department of corrections and community super-  
10 vision and who elects the retirement plan established pursuant to this  
11 article on or before September thirtieth, two thousand six. Such  
12 election shall be in writing, shall be duly executed and filed with the  
13 comptroller and shall be irrevocable as long as such person is in the  
14 title of superintendent[-]; or

15 (iii) a person who is appointed to the title of correction lieutenant,  
16 correction captain, deputy assistant superintendent or superintendent in  
17 institutions under the jurisdiction of the department of corrections and  
18 community supervision and who elects the retirement plan established  
19 pursuant to this article within ninety days of his or her appointment.  
20 Such election shall be in writing, shall be duly executed and filed with  
21 the comptroller and shall be irrevocable as long as such person is in  
22 the title of correction lieutenant, correction captain, deputy assistant  
23 superintendent or superintendent; or

24 (iv) a person who serves in the title of correction lieutenant,  
25 correction captain, deputy assistant superintendent or superintendent on

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

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1 the effective date of this clause and who elects the retirement plan  
2 established pursuant to this article within ninety days of the effective  
3 date of this clause. Such election shall be in writing, shall be duly  
4 executed and filed with the comptroller and shall be irrevocable as long  
5 as such person is in the title of correction lieutenant, correction  
6 captain, deputy assistant superintendent or superintendent.

7 § 2. This act shall take effect immediately.

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

This bill would allow certain Tier 3, 5 and 6 correction lieutenants, correction captains, deputy assistant superintendents and superintendents under the jurisdiction of the department of corrections and community supervision of New York State to become eligible to receive benefits under the provisions of Article 15 of the Retirement and Social Security Law instead of the special plan giving 50% of final average salary at 25 years of service. Affected members would have 90 days from the later of the effective date of this bill and their date of being appointed to one of the aforementioned titles to file for this benefit. Such elections shall be irrevocable. Current law only allows superintendents with at least seven years in such title to become covered by the provisions of Article 15.

If this bill is enacted during the 2021 legislative session, there will be an immediate past service cost for members currently in these titles of approximately \$32.2 million, which would be borne by the State of New York as a one-time payment. This estimate is based on the assumption that payment will be made on March 1, 2022.

In addition to this cost, there would also be future costs for members who are appointed to these titles and become eligible for this improved benefit in the future. These costs would depend on the age, service, salary and tier of the affected members, and would be paid by the State of New York as one-time payments as they occur.

The past service cost is based on 566 affected members employed, with annual salary of approximately \$61 million as of March 31, 2020 identified using job title code.

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 April 13, 2021, and intended for use only during the 2021 Legislative Session, is Fiscal Note No. 2021-112, prepared by the Actuary for the New York State and Local Retirement System.