STATE OF NEW YORK

6478

2021-2022 Regular Sessions

IN SENATE

April 30, 2021

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

AN ACT to amend chapter 252 of the laws of 2019 amending the retirement and social security law relating to disability retirement benefits for certain participants in World Trade Center rescue, recovery, or clean-up operations, in relation to the application of such provisions

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

Section 1. Section 4 of chapter 252 of the laws of 2019 amending the retirement and social security law, in relation to disability retirement benefits for certain participants in World Trade Center rescue, recovery, or cleanup operations, is amended to read as follows:

§ 4. This act shall take effect immediately and apply to all active **and service retired** members who are determined to have incurred a qualifying World Trade Center condition in the performance and discharge of duty that is the natural and proximate result of an accident not caused by such member's own willful negligence prior to the effective date of this act.

§ 2. This act shall take effect immediately.

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

This bill would amend the benefits of certain members of public retirement systems who are subject to the provisions of Article 14 or Article 15 of the Retirement and Social Security Law who contract any form of disease or disability related to exposure to any elements in connection with the World Trade Center rescue, recovery or cleanup operations. The annual accidental disability benefit would be 75% of a member's final average salary less workers compensation, regardless of a member's plan coverage. This improved benefit would be payable only to members retiring with a service benefit prior to September 11, 2019, or their beneficiaries. Current disability retirees and their beneficiaries would not be affected by this bill.

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

LBD10847-02-1

Insofar as this bill affects the New York State and Local Employees' Retirement System (NYSLERS), if this legislation is enacted during the 2021 legislative session, there would be an increase in the present value of future costs of approximately $57.9 million which, pursuant to Section 25 of the Retirement and Social Security Law, will 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.

These estimated costs are based on 532 affected retirees, with annual single life allowance benefits payable of approximately $33.0 million as of March 31, 2020.

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 26, 2021, and intended for use only during the 2021 Legislative Session, is Fiscal Note No. 2021-127, prepared by the Actuary for the New York State and Local Retirement System.