STATE OF NEW YORK

8882

IN SENATE

April 27, 2022

Introduced by Sen. BROOKS -- 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 authorizing the transfer of memberships for certain members of the New York state and local police and fire retirement system to the New York state and local employees' retirement system

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

Section 1. Section 384-d of the retirement and social security law is amended by adding a new subdivision z to read as follows:

z. Any member currently enrolled pursuant to this section and who previously had a membership with the New York state and local employees' retirement system may elect to retroactively transfer his membership in the New York state and local police and fire retirement system to the New York state and local employees' retirement system.

§ 2. This act shall take effect immediately.

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

This bill would allow any active member of the New York State and Local Police and Fire Retirement System (PFRS) covered by the provisions of section 384-d of the New York State Retirement and Social Security Law (RSSL) who was previously a member of the New York State and Local Employees' Retirement System (ERS) to retroactively transfer all PFRS service credit to ERS. The member would not be required to work in a position granting ERS membership to transfer. Plan coverage and cost of mandatory member contributions would be based upon the member's date of membership and last reported employment instance.

Insofar as this bill would affect the New York State and Local Retirement System (NYSLRS), the cost will depend upon the applicant's age, service, salary, plan, and any benefit type otherwise payable.

The number of members who could benefit by this legislation cannot be readily determined, but all 25,251 active PFRS members covered by the provisions of RSSL section 384-d would be eligible. Pursuant to Section 25 of the RSSL, those costs arising in ERS would be borne solely by the State of New York.

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

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In addition to the per-person costs discussed above, implementing the provisions of this legislation would generate administrative costs.

Summary of relevant resources:

Membership data as of March 31, 2021 was used in measuring the impact of the proposed change, the same data used in the April 1, 2021 actuarial valuation. Distributions and other statistics can be found in the 2021 Report of the Actuary and the 2021 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2020 and 2021 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, 2021 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 March 25, 2022, and intended for use only during the 2022 Legislative Session, is Fiscal Note No. 2022-108, prepared by the Actuary for the New York State and Local Retirement System.