STATE OF NEW YORK

8946

IN SENATE

April 29, 2022

Introduced by Sen. JACKSON -- 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 retirement benefits for certain employees; and providing for the repeal of such provisions upon the expiration thereof

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

Section 1. Subdivision c of section 700 of the retirement and social security law, as added by chapter 578 of the laws of 1989, is amended to read as follows:

c. Such election shall be in writing, shall be duly executed and filed with the comptroller and**, subject to the provisions of subdivision d of this section,** shall be irrevocable as long as such member is in a title defined in subdivision i of section eighty-nine of this chapter. The election shall be filed on or before December thirty-first, nineteen hundred eighty-nine or within one year after such person becomes employed in such title, whichever date is later.

§ 2. Section 700 of the retirement and social security law is amended by adding a new subdivision d to read as follows:

d. Notwithstanding any provision of law to the contrary, a member employed by the office of mental health holding the title of security hospital treatment assistant, senior security hospital treatment assistant, security hospital treatment assistant Spanish language, security hospital senior treatment assistant Spanish language, security hospital treatment assistant supervisor or security hospital treatment assistant chief, shall be entitled to file an election, subject to the provisions of article fourteen or article fifteen of this chapter, in its entirety, and shall be subject to none of the provisions of the article not selected by the member. Such election shall be in writing, shall be duly executed and filed with the comptroller and shall be irrevocable.

§ 3. This act shall take effect on the thirtieth day after it shall have become a law and shall expire and be deemed repealed on the one hundred eightieth day after it shall have become a law.

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

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

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This bill would permit members employed as security hospital treatment assistants by the office of mental health a one-time election to switch their current plan from an age-55 based plan to a 25-year service-based plan, or vice versa. Currently, members so employed must elect plan coverage within one year from their employment in such title. The election to switch plans will be irrevocable and the member will forfeit all rights and privileges of their current plan. This bill has a sunset provision of 180 days.

If this bill is enacted during the 2022 legislative session, we anticipate that there will be an increase of approximately $1.5 million in the annual contributions of the State of New York for the fiscal year ending March 31, 2023. In future years, this cost will vary as the billing rates and salary of the affected members change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $15.8 million which 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, 2023.

These estimated costs are based on 696 affected members with annual salary of approximately $62 million as of March 31, 2021.

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 January 5, 2022, and intended for use only during the 2022 Legislative Session, is Fiscal Note No. 2022-33, prepared by the Actuary for the New York State and Local Retirement System.