

STATE OF NEW YORK

7162

2021-2022 Regular Sessions

IN SENATE

June 3, 2021

Introduced by Sen. COONEY -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the retirement and social security law, in relation to authorizing service credit for unpaid or reduced paid family leave for members of the state police twenty year retirement plan

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

1 Section 1. Section 381-b of the retirement and social security law is
2 amended by adding a new subdivision h to read as follows:

3 h. Credit for family leave. Notwithstanding any other law, rule or
4 regulation to the contrary, in computing the years of total creditable
5 service in the division of state police full credit shall be given and
6 full allowance shall be made for any period of unpaid or reduced paid
7 family leave taken by such member and approved by the division of state
8 police so long as such member returned to paid employment in the divi-
9 sion of state police.

10 (1) A member, upon application to such retirement system, may obtain a
11 total not to exceed three years of service credit for up to three years
12 of unpaid leave.

13 (2) A member shall have at least five years of credited service, not
14 including service credit granted in this section, to be eligible to
15 receive the credit authorized pursuant to this subdivision.

16 § 2. All costs incurred in implementing the provisions of this act
17 shall be borne by the state of New York.

18 § 3. This act shall take effect immediately.

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

This bill would allow any member of the New York State Police to be eligible for service credit with the New York State and Local Police and Fire Retirement System (PFRS) for any period of unpaid or reduced paid leave of absence, granted while such member was on approved family leave, so long as such member has returned to paid employment with the

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

LBD11474-03-1

division of the state police. The amount of service credit that may be purchased for such family 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 21% of an affected member's most recent 12 months of compensation for each year of additional service that is credited. This cost will be borne by the State of New York.

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. Every year, a cost will be determined (and billed to the State of New York) based on those benefiting from this provision.

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 May 20, 2021, and intended for use only during the 2021 Legislative Session, is Fiscal Note No. 2021-145, prepared by the Actuary for the New York State and Local Retirement System.