STATE OF NEW YORK

6839--A

2023-2024 Regular Sessions

IN ASSEMBLY

May 8, 2023

Introduced by M. of A. GUNTHER -- read once and referred to the Committee on Governmental Employees -- recommitted to the Committee on Governmental Employees in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT in relation to directing the commissioner of taxation and finance, and certain other agencies and offices, to conduct a study and to make recommendations regarding the optimal pension and retirement plan alternatives which could be made available to not-for-profit human services corporations in this state

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

Section 1. The commissioner of taxation and finance, the state treasurer, the superintendent of financial services, and the comptroller shall form a study group to jointly conduct a study and make recommendations regarding the optimal pension and retirement plan alternatives that may be made available to not-for-profit human services corporations in this state, that are intended to significantly improve recruitment and retention of employees. The state treasurer shall serve as the chairperson of such study group. In conducting the study and development of recommendations, the study group shall consult with the commissioner of mental health, the commissioner of the office of addiction services and supports, the commissioner of the office for persons with developmental disabilities, the commissioner of children and family services, the commissioner of the office of temporary disability services, and the commissioner of health. The study shall at a minimum provide the governor and the legislature with information and recommendations regarding existing or new pension and retirement options for the benefit of employees of not-for-profit human services corporations doing business in New York state.

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

LBD10938-02-4

§ 2. The study group shall consult with statewide associations representing human services providers and organizations, and may consult with any other organization, government entity, or person in the development of the report required under section three of this act.

§ 3. The study group shall submit to the governor, the temporary president of the senate and the speaker of the assembly a report containing information and recommendations, including but not limited to the following:

a. a review of the various types of pension and retirement plan options in New York state and throughout the country, including but not limited to defined benefit plans, such as cash balance and benefit equalization plans, single employer plans, multiple employer plans, defined contribution plans, internal revenue code 401(a), 401(k), and 403(b) plans, simplified employee pension plans, and other possible options;

b. a review of the various rights, responsibilities, protections and advantages of plans that are governed by federal laws and guidelines under the Employee Retirement Income Security Act of 1974 (ERISA) and applicable provisions of the internal revenue code;

c. a review of the various existing pension and retirement plans used by not-for-profit corporations in New York state and across the country;

d. a review of the following issues and considerations in determining the optimal pension and retirement plan options, including: employer contributions, matching contributions, employee contributions, management of investments, benefit payment options and amounts of benefits paid, when benefits are vested or guaranteed, eligible participants, automatic enrollment, plan benefit reduction possibilities, notice requirements including notice to participants of underfunded plans or other critical information, survivor or beneficiary benefits upon death of participant, participant options if employment is terminated prior to retirement, responsibilities of plan fiduciaries, tax relief benefits, taxability of payment benefits, early distributions and penalties, and the risks and benefits of relevant pension and retirement plan options;

e. a review of laws and regulations used by other states and the federal government to regulate the marketplace;

f. consideration of ways in which payment of certain pension or retirement benefits can be guaranteed if the plan is terminated without sufficient funds to pay vested benefits, including through the federal Pension Benefit Guarantee Corporation;

g. other relevant fiscal and policy considerations, including the impact of inflation and cost of living adjustments on pension or retirement plans; and

h. final recommendations regarding the optimal pension or retirement plans that may exist or be made available to not-for-profit human services corporations in New York state and that are intended to significantly improve recruitment and retention of employees, as well as actions the state may take to develop, fund, implement, and sustain such pension or retirement plan options for such not-for-profit corporations.

§ 4. The study group shall deliver the report required under section three of this act to the governor and the legislature, and the member agencies and offices of such study group shall post such report on their public websites, no later than November 15, 2024.

§ 5. This act shall take effect immediately.