STATE OF NEW YORK

9776

IN ASSEMBLY

April 9, 2024

Introduced by M. of A. PHEFFER AMATO -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law, in relation to transfers of members between systems

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

Section 1. The opening paragraphs of subdivisions a and h of section 343 of the retirement and social security law, the opening paragraph of subdivision a as amended by chapter 533 of the laws of 2015 and the opening paragraph of subdivision h as amended by chapter 717 of the laws of 2023, are amended to read as follows:

Notwithstanding any other provision of law providing for transfers, any member of any retirement system maintained by the state or a municipality thereof, operating on a sound financial basis and subject to the supervision of the department of financial services of this state may transfer [~~his or her~~] **such** membership pursuant to this section to the New York state and local employees' retirement system, the New York city board of education employees' retirement system, the New York state teachers' retirement system, the New York state and local police and fire retirement system or to the New York city employees' retirement system. Any member of the New York state and local police and fire retirement system may transfer [~~his or her~~] **such** membership to any retirement system, other than the hospital retirement system, which is operating on a sound basis and is subject to the supervision of the department of financial services of this state. Any police officer employed by the metropolitan transportation authority who is a member of the MTA police twenty year retirement program of the metropolitan transportation authority defined benefit pension plan (hereinafter referred to in this section as the "MTA police retirement program") may transfer [~~his or her~~] **such** membership in the New York state and local police and fire retirement system and/or the New York city police pension fund to the MTA police retirement program **or may transfer such membership in the MTA police retirement program to any of the systems or funds referenced in this sentence if the member is an active member of such system or**

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

LBD14366-03-4

fund. Any police officer who was employed by the metropolitan transportation authority, the Long Island Railroad Company or the Metro-North Commuter Railroad Company and who is a member of the MTA police retirement program may transfer [~~his or her~~] **such** membership in the MTA police retirement program to the New York state and local police and fire retirement system. Any transfer pursuant to this section may be effectuated only if the member has accepted a position in another branch of the state or municipal service which would make it:

Notwithstanding any other provision of law to the contrary, with respect to transfers pursuant to this section which occur on or after the effective date of [~~the~~] chapter **seven hundred seventeen** of the laws of two thousand twenty-three that amended this subdivision, no determination of a reserve pursuant to subdivision c of this section or transfer thereof pursuant to the first sentence of subdivision d of this section shall be required in the case of any transfer pursuant to this section (other than a transfer from the New York state and local police and fire retirement system to either (1) the New York city police department subchapter two pension fund, (2) the New York city fire department subchapter two pension fund or (3) the MTA police retirement program or a transfer from either (i) the New York city police department subchapter two pension fund or (ii) the New York city fire department subchapter two pension fund to either (A) the New York state and local police and fire retirement system or (B) the MTA police retirement program or a transfer from the MTA police retirement program to the New York state and local police and fire retirement system **or (C) either (i) the New York city police department subchapter two pension fund or (ii) the New York city fire department subchapter two pension fund**) in the case of a member with less than ten years of credited service with the transferring retirement system at the time the transfer is initiated. With respect to transfers pursuant to such subdivisions which occur on or after the effective date of [~~the~~] chapter **seven hundred seventeen** of the laws of two thousand twenty-three that amended this subdivision, the transfer of a pension reserve shall be required when the member is transferring ten or more years of credited service from a public retirement system of the state to any other public retirement system of the state, excluding any transfers within and between the New York city employees' retirement system, the New York city teachers' retirement system and the New York city board of education retirement system. For the purpose of giving the transferring member such status and crediting such service in the second retirement system as such member was allowed in the first retirement system in those cases to which this subdivision shall apply, the transfer shall be deemed complete upon receipt by the second retirement system of:

§ 2. This act shall take effect immediately and shall apply to any membership transfer initiated on or after January 1, 2023 for which notice is received by the affected retirement systems or funds within one year of the effective date of this act or within one year of the date of the membership transfer, whichever date is later.

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

This bill would allow any police officer who was employed by the Metropolitan Transportation Authority (MTA) and covered by a twenty-year police plan within the MTA defined benefit pension plan to transfer such membership to the New York State and Local Police and Fire Retirement System (NYSLPFRS). Upon such transfer, the reserves from the MTA police retirement program will be transferred to the NYSLPFRS. Such police officer must be an active member of the NYSLPFRS.

The option to transfer service credit from the MTA police retirement program to the NYSLPFRS was already granted by Chapter 533 of the Laws of 2015.

Insofar as this bill affects the NYSLPFRS, if enacted during the 2024 Legislative Session, we anticipate that there will be no cost to the State of New York and the local participating employers in the NYSLPFRS.

Summary of relevant resources:

Membership data as of March 31, 2023 was used in measuring the impact of the proposed change, the same data used in the April 1, 2023 actuarial valuation. Distributions and other statistics can be found in the 2023 Report of the Actuary and the 2023 Annual Comprehensive Financial Report.

The actuarial assumptions and methods used are described in the 2023 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, 2023 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 29, 2024, and intended for use only during the 2024 Legislative Session, is Fiscal Note No. 2024-120, prepared by the Actuary for the New York State and Local Retirement System.