STATE OF NEW YORK

3123

2023-2024 Regular Sessions

IN SENATE

January 27, 2023

Introduced by Sen. GALLIVAN -- 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 providing equal retirement benefits for persons who have been appointed to the title of correction lieutenant, correction captain, deputy assistant superintendent or superintendent in the department of corrections and community supervision

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

Section 1. Clause (ii) of subparagraph (b) of paragraph 2 of subdivision a of section 600 of the retirement and social security law, as amended by section 149 of subpart B of part C of chapter 62 of the laws of 2011, is amended and two new clauses (iii) and (iv) are added to read as follows:

(ii) a person who serves in the title of superintendent as of April first, two thousand six, who has had at least seven years of service credited toward the retirement plan established pursuant to this article while employed by the department of corrections and community supervision and who elects the retirement plan established pursuant to this article on or before September thirtieth, two thousand six. Such election shall be in writing, shall be duly executed and filed with the comptroller and shall be irrevocable as long as such person is in the title of superintendent[~~.~~]*; or*

(iii) a person who is appointed to the title of correction lieutenant, correction captain, deputy assistant superintendent or superintendent in institutions under the jurisdiction of the department of corrections and community supervision and who elects the retirement plan established pursuant to this article within ninety days of his or her appointment. Such election shall be in writing, shall be duly executed and filed with the comptroller and shall be irrevocable as long as such person is in

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

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the title of correction lieutenant, correction captain, deputy assistant superintendent or superintendent; or

(iv) a person who serves in the title of correction lieutenant, correction captain, deputy assistant superintendent or superintendent on the effective date of this clause and who elects the retirement plan established pursuant to this article within ninety days of the effective date of this clause. Such election shall be in writing, shall be duly executed and filed with the comptroller and shall be irrevocable as long as such person is in the title of correction lieutenant, correction captain, deputy assistant superintendent or superintendent.

§ 2. This act shall take effect immediately.

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

This bill would allow certain Tier 3, 5 and 6 correction lieutenants, correction captains, deputy assistant superintendents, and superintendents under the jurisdiction of the department of corrections and community supervision of New York State to become eligible to receive benefits under the provisions of Article 15 of the Retirement and Social Security Law instead of the special plan giving 50% of final average salary at 25 years of service. Current law requires seven years of service in the superintendent title to elect coverage under Article 15.

If this bill is enacted during the 2023 legislative session, there will be an immediate past service cost of approximately $36.1 million, which will be borne by the State of New York as a one-time payment. This estimate assumes that payment will be made on March 31, 2024.

This bill will not increase the future annual contributions of the State of New York.

These estimated costs are based on 512 affected members employed by the State of New York, with annual salary of approximately $63 million as of March 31, 2022.

Affected members would have 90 days from the later of the effective date of this bill and their date of being appointed to one of the titles to file for this benefit. The election will be irrevocable.

Summary of relevant resources:

Membership data as of March 31, 2022 was used in measuring the impact of the proposed change, the same data used in the April 1, 2022 actuarial valuation. Distributions and other statistics can be found in the 2022 Report of the Actuary and the 2022 Annual Comprehensive Financial Report.

The actuarial assumptions and methods used are described in the 2020, 2021, and 2022 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, 2022 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 25, 2023, and intended for use only during the 2023 Legislative Session, is Fiscal Note No. 2023-017, prepared by the Actuary for the New York State and Local Retirement System.