STATE OF NEW YORK

4136

2023-2024 Regular Sessions

IN SENATE

February 3, 2023

Introduced by Sen. COONEY -- 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 authorizing service credit for unpaid or reduced paid child care 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:

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

h. Service credit for child care leave. Notwithstanding any other law, rule or regulation to the contrary, in computing the years of total creditable service in the division of state police full service credit shall be given and full allowance shall be made for any period of unpaid or reduced paid child care leave taken by such member and approved by the division of state police so long as such member returned to paid employment in the division of state police and provided such member, (1) files an application to such retirement system within ninety days following termination of the child care leave, (2) contributes to the retirement system an amount which such member would have contributed during such child care leave, together with interest thereon, based on the member's most recent twelve months of non-zero compensation immediately prior to the leave of absence and the member's mandatory contribution rate, and (3) such member shall have at least five years of credited service, not including service credit granted in this section, to be eligible to receive the credit authorized pursuant to this subdivision. Service credit provided pursuant to this subdivision shall not exceed one year of credit for each period of approved child care leave.

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

§ 3. This act shall take effect immediately.

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

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

LBD02603-02-3

This bill would allow any member of the New York State Division of State Police to be eligible for up to one year of service credit with the New York State and Local Police and Fire Retirement System (NYSLPFRS) for each period of unpaid child care leave approved by the New York State Division of State Police. This bill is not consistent with the New York State and Local Retirement System's policy of granting service credit only when a salary has been paid.

If this bill is enacted during the 2023 legislative session, it is estimated that the past service cost will average approximately 25% of an affected member's most recent 12 months of compensation for each year of additional service that is credited. This cost will be reduced by any contributions required to be paid by the member, which are estimated to be 3% for Tier 5 members and 6% for Tier 6 members. All remaining costs will be billed to the State of New York annually, based on those benefiting from this provision.

The exact number of current members as well as future members who could be affected by this legislation cannot be readily determined.

To be eligible for this additional service credit, the member must have

1. returned to paid employment with the New York State Division of State Police following the approved child care leave,

2. filed an application with the NYSLPFRS within 90 days following the termination of the approved child care leave,

3. accrued at least five years of service credit, not including service credited under this bill, and

4. contributed the mandatory amount based on their most recent 12 months of non-zero compensation immediately prior to the approved child care leave.

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 31, 2023, and intended for use only during the 2023 Legislative Session, is Fiscal Note No. 2023-38, prepared by the Actuary for the New York State and Local Retirement System.