STATE OF NEW YORK

5290--A

2023-2024 Regular Sessions

IN SENATE

March 1, 2023

Introduced by Sen. WEIK -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT granting retroactive retirement membership in the New York state teachers' retirement system to Eileen Saumell

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

Section 1. Notwithstanding any other provision of law, Eileen Saumell who is currently working at the West Babylon school district and a member of the New York state teachers' retirement system, who was employed as a full-time employee of the Nassau County Demonstration Project, a non-participating employer of the New York state public retirement systems, with a start date of August 8, 1994 until August 27, 2004, and at that time a member of the United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. Retirement Plan, could not become a member of one of the New York state public retirement systems on August 8, 1994, shall be granted service credit in the New York state teachers' retirement system for her employment with the Nassau County Demonstration Project for the period of August 8, 1994 until August 27, 2004, provided that an application is filed with the New York state teachers' retirement system within one year from the effective date of this act.

§ 2. Eileen Saumell shall not be entitled to receive any pension benefits otherwise due to her by the United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. Retirement Plan, and no contributions made to the United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. Retirement Plan by Eileen Saumell shall be returned or refunded to her pursuant to this act.

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

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§ 3. All past service costs associated with the implementation of this act shall be borne by Nassau County.

§ 4. This act shall take effect immediately.

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

This bill would allow Eileen Saumell, an active member of the New York State Teachers' Retirement System with Tier 4 status, to receive service credit for the period August 8, 1994 until August 27, 2004 while she was employed with the Nassau County Demonstration Project, a non-participating employer of the New York State public retirement systems. During Ms. Saumell's employment with the Nassau County Demonstration Project, she was a member of the United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. Retirement Plan and could not become a member of one of the New York State public retirement systems. Contributions made to the United Jewish Appeal-Federation of Jewish Philanthropies of New York, Inc. Retirement Plan by Ms. Saumell shall not be returned or refunded to her pursuant to this bill. Ms. Saumell must file a written request with the head of the New York State Teachers' Retirement System within one year of the effective date of this bill.

The cost of this benefit is equal to the increase in the present value of liabilities, which is estimated to be $463,000. This cost would be borne by the county of Nassau. Granting service credit for employment with an organization that may potentially be considered a non-governmental or private employer could jeopardize the System's governmental plan status and its exemption from ERISA which could result in the loss of tax-qualified status.

Member data is from the System's most recent actuarial valuation files as of June 30, 2023, consisting of data provided by the employers to the Retirement System. The most recent data distributions and statistics can be found in the System's Annual Report for fiscal year ended June 30, 2023. System assets are as reported in the System's financial statements and can also be found in the System's Annual Report. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report as of June 30, 2023.

The source of this estimate is Fiscal Note 2024-14 dated February 8, 2024 prepared by the Office of the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2024 Legislative Session. I, Richard A. Young, am the Chief Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.