

# STATE OF NEW YORK

6273--A

2023-2024 Regular Sessions

## IN SENATE

April 11, 2023

Introduced by Sens. MANNION, MARTINEZ, BORRELLO, HELMING, MATTERA, MAY, MURRAY, OBERACKER, PALUMBO, RHOADS, ROLISON, SKOUFIS, STEC, TEDISCO, THOMAS, WEBB, WEBER -- 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 to amend the retirement and social security law, in relation to establishing a retirement service credit for volunteer fire or emergency service

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

1 Section 1. The retirement and social security law is amended by adding  
2 a new article 20-A to read as follows:

### ARTICLE 20-A

#### CREDIT FOR NEW YORK STATE VOLUNTEER FIRE OR EMERGENCY SERVICE

5 Section 1050. New York state volunteer fire or emergency service credit.

6 § 1050. New York state volunteer fire or emergency service credit. 1.

7 For purposes of this section, the following terms shall have the follow-  
8 ing meanings:

9 (a) "Public retirement system of the state" shall have the same mean-  
10 ing as such term is defined pursuant to subdivision twenty-three of  
11 section five hundred one of this chapter.

12 (b) "Member" shall mean a member of a public retirement system of the  
13 state.

14 2. Notwithstanding any law to the contrary, a member shall be eligible  
15 for credit for volunteer fire or emergency service as provided pursuant  
16 to this section.

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

LBD08016-10-4

1 3. A member, upon application to a public retirement system of the  
2 state, may obtain one year of service credit for every five years of  
3 volunteer fire or emergency service provided in the state. A member  
4 shall be limited under this section to obtain not more than three years  
5 of service credit for a total of fifteen years of volunteer fire or  
6 emergency service provided. Proof of volunteer fire or emergency  
7 service shall be certified by the volunteer agency for which such member  
8 volunteered time.

9 4. A member shall have at least five years of credited service, not  
10 including service granted hereunder, to be eligible to receive credit  
11 pursuant to this section.

12 5. To obtain credit pursuant to this section, a member shall pay the  
13 appropriate retirement system, for deposit in the fund used to accumu-  
14 late employer contributions, a sum equal to the product of the number of  
15 years of volunteer fire or emergency service being credited and three  
16 percent of such member's compensation earned during the twelve months of  
17 credited service immediately preceding the date that such member made  
18 application for credit pursuant to this section. If permitted by rule or  
19 regulation of the applicable retirement system, a member may pay such  
20 member costs by payroll deduction for a period which shall not exceed  
21 the time period of volunteer fire or emergency service to be credited  
22 pursuant to this section. In the event such member leaves the employer  
23 payroll prior to completion of payment, such member shall forward all  
24 remaining required payments to the appropriate retirement system prior  
25 to the effective date of retirement. If the full amount of such member  
26 costs is not paid to the appropriate retirement system prior to the  
27 member's retirement, the amount of service credited shall be propor-  
28 tional to the total amount of the payments made prior to retirement.

29 6. In no event shall the credit granted pursuant to this section, when  
30 added to credit granted for volunteer fire or emergency service with any  
31 retirement system of this state pursuant to any other provision of law,  
32 exceed a total of three years.

33 7. To be eligible to receive credit for volunteer fire or emergency  
34 service under this section, a member shall make application for such  
35 credit before the effective date of retirement.

36 8. All costs for service credited to a member pursuant to this  
37 section, other than the member costs set forth in subdivision five of  
38 this section, shall be paid by the state and all employers which partic-  
39 ipate in the retirement system in which such member is granted credit.

40 9. Notwithstanding any provision of law to the contrary, none of the  
41 provisions of this section shall be subject to the appropriation  
42 requirement of section twenty-five of this chapter.

43 10. Notwithstanding any other provision of law, in the event of death  
44 prior to retirement, amounts paid by a member for the purchase of volun-  
45 teer fire or emergency service credit pursuant to this section shall be  
46 refunded, with interest, to the extent the volunteer fire or emergency  
47 service purchased with such amounts does not produce a greater death  
48 benefit than would have been payable had such member not purchased such  
49 credit.

50 11. Service credit granted pursuant to this section shall be credita-  
51 ble in any special twenty or twenty-five year retirement plan.

52 § 2. This act shall take effect immediately.

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

This bill would create Article 20-A of the Retirement and Social Security Law that would allow members to purchase service credit for volunteer fire or emergency services provided in the state. A member may

purchase one year of service credit for every five years of volunteer fire or emergency service, not to exceed a total of three years purchased. To obtain such credit, members are required to pay three percent of salary earned during the twelve months of credited service immediately preceding the date of application for each year of volunteer service credited. A member must have at least five years of service credit, not including service credit granted under this bill, to be eligible.

It is not possible to determine the number of eligible current and future members, or the volunteer service credit each member may purchase under this bill. Therefore, it is not possible to estimate the annual increase in the employers' cost for this bill. Whatever increase in liability arises for service credited under this bill above that paid for by the member would be included in the cost that would be shared by employers through the employer contribution rate.

It is estimated that the cost, expressed as a percentage of a member's salary for each year of service credit a member purchases under this bill is as follows:

Tier(s)	Cost per year of Service Purchased (as a percentage of the member's salary)		
	1-4	5	6
Cost	12.5%	11.3%	9.5%
Member Contribution offset	3.0%	3.0%	3.0%
Net cost to participating employers	9.5%	8.3%	6.5%

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 2024-26 dated March 26, 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.