

STATE OF NEW YORK

7196--A

2023-2024 Regular Sessions

IN SENATE

May 18, 2023

Introduced by Sens. JACKSON, MARTINS -- 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 granting certain county fire marshals, supervising fire marshals, fire marshals, assistant fire marshals, assistant chief fire marshals or chief fire marshals pension benefits for service rendered beyond twenty-five years

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

1 Section 1. Subdivision t of section 604 of the retirement and social
2 security law, as amended by section 7 of part II of chapter 55 of the
3 laws of 2023, is amended to read as follows:
4 t. The early service retirement benefit for a member who is employed
5 in the county of Nassau as a county fire marshal, supervising fire
6 marshal, fire marshal, assistant fire marshal, assistant chief fire
7 marshal, chief fire marshal or division supervising fire marshal as
8 defined in section eighty-nine-w of this chapter shall be a pension
9 equal to one-fiftieth of final average salary times years of credited
10 service at the completion of twenty-five years of service as such county
11 fire marshal, supervising fire marshal, fire marshal, assistant fire
12 marshal, assistant chief fire marshal, chief fire marshal or division
13 supervising fire marshal, but not exceeding one-half of his or her final
14 average salary, for service beyond twenty-five years and for non-fire
15 marshal county service the benefit is increased by one-sixtieth of final
16 average salary for each year of additional service credit.

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

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1 § 2. All past service costs associated with implementing the
2 provisions of this act shall be borne by the county of Nassau and may be
3 amortized over ten years.

4 § 3. Notwithstanding any provision of law to the contrary none of the
5 provisions of this act shall be subject to the appropriation requirement
6 of section twenty-five of the retirement and social security law.

7 § 4. This act shall take effect immediately.

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

This bill would modify the service retirement benefit for members of the New York State and Local Employees' Retirement System employed by Nassau County in certain fire marshal job titles. The modified service retirement benefit will be one-half of final average salary (FAS) upon completion of twenty-five years of creditable service with additional sixtieths for each year of creditable service, including non-fire marshal service, in excess of twenty-five years. The current service retirement benefit is one-half of FAS upon completion of twenty-five years of creditable service.

If this bill is enacted during the 2024 Legislative Session, we anticipate that there will be an increase of approximately \$50,000 in the annual contributions of Nassau County for the fiscal year ending March 31, 2025. In future years, this cost will vary as the billing rates and salary of the affected members change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$770,000 which will be borne by Nassau County as a one-time payment. This estimate assumes that payment will be made on February 1, 2025. If Nassau County elects to amortize this cost over a 10-year period, the cost for each year including interest would be \$98,400.

These estimated costs are based on 43 affected members employed by Nassau County, with annual salary of approximately \$5.5 million as of March 31, 2023.

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 January 3, 2024, and intended for use only during the 2024 Legislative Session, is Fiscal Note No. 2024-21, prepared by the Actuary for the New York State and Local Retirement System.