STATE OF NEW YORK

8801

IN SENATE

March 13, 2024

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 certain benefits of sheriffs, undersheriffs, deputy sheriffs and correction officers with credited service of more than twenty-five years

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

Section 1. Subdivision c of section 89-p of the retirement and social security law, as added by chapter 725 of the laws of 1994, is amended to read as follows:

c. Upon completion of twenty-five years of such service and upon retirement, each such member shall receive a pension which, together with an annuity which shall be the actuarial equivalent of [~~his~~] **such member's** accumulated contributions at the time of [~~his~~] **such member's** retirement and an additional pension which is the actuarial equivalent of the reserved-for-increased-take-home-pay to which [~~he~~] **such member** may then be entitled shall be sufficient to provide [~~him~~] **such member** with a retirement allowance equal to one-half of [~~his~~] **such member's** final average salary**, provided however that a member with credited service in excess of twenty-five years shall receive an additional retirement allowance equal to one-sixtieth of such member's final average salary for each year of creditable service in excess of twenty-five years, provided, however that the pension payable pursuant to this section shall not exceed three-quarters of such member's final average salary**.

§ 2. Subdivision m of section 604 of the retirement and social security law, as added by chapter 725 of the laws of 1994, is amended to read as follows:

m. The early service retirement benefit for a member who is employed in a county that makes the election provided for in subdivision j of section eighty-nine-p of this chapter as a sheriff, undersheriff, deputy sheriff or correction officer as defined in section eighty-nine-p of this chapter shall be a pension equal to one-fiftieth of final average

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

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salary times years of credited service at the completion of twenty-five years of service as such sheriff, undersheriff, deputy sheriff or correction officer, [~~but not exceeding one-half of his or her~~] **plus an additional retirement allowance equal to one-sixtieth of such member's** final average salary **for each year of credited service in excess of twenty-five years, provided, however that the pension payable pursuant to such section shall not exceed three-quarters of such member's final average salary**.

§ 3. All past service costs associated with implementing the provisions of this act shall be borne by the county that makes the election provided for in subdivision j of section 89-p of the retirement and social security law.

§ 4. Notwithstanding any other provision of law to the contrary, none of the provisions of this act shall be subject to the appropriation requirement of section 25 of the retirement and social security law.

§ 5. This act shall take effect immediately and shall apply to all qualified members pursuant to sections one and two of this act who retire on or after such date.

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 (NYSLERS) covered by the provisions of Retirement and Social Security Law section 89-p. 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 in excess of twenty-five years but not more than fifteen such 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 $3.8 million in the annual contributions of the affected counties for the fiscal year ending March 31, 2025. In future years this cost will vary but is expected to average 1.1% of salary annually.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $34.9 million which will be shared by the affected counties and will be borne as a one-time payment. This estimate assumes that payment will be made on February 1, 2025.

Detailed costs with a breakdown by affected counties are as follows:

Name of County	Employer Location Code	Past Service Cost	Future Annual Cost
ALLEGANY COUNTY	10002	$ 919,000	$ 63,000
CATTARAUGUS COUNTY	10004	484,000	68,000
CAYUGA COUNTY	10005	765,000	70,000
CHAUTAUQUA COUNTY	10006	734,000	82,000
CHEMUNG COUNTY	10007	744,000	57,000
CHENANGO COUNTY	10008	343,000	63,000
CLINTON COUNTY	10009	578,000	67,000
COLUMBIA COUNTY	10010	327,000	45,000
CORTLAND COUNTY	10011	489,000	40,000
DELAWARE COUNTY	10012	243,000	35,000
DUTCHESS COUNTY	10013	3,003,000	324,000
ESSEX COUNTY	10015	369,000	53,000
FULTON COUNTY	10017	340,000	76,000

GENESEE COUNTY	10018	288,000	47,000
HERKIMER COUNTY	10021	276,000	46,000
LEWIS COUNTY	10023	149,000	26,000
LIVINGSTON COUNTY	10024	626,000	66,000
MADISON COUNTY	10025	313,000	56,000
MONROE COUNTY	10026	24,000	7,000
MONTGOMERY COUNTY	10027	796,000	74,000
NIAGARA COUNTY	10029	1,342,000	139,000
ONEIDA COUNTY	10030	2,846,000	253,000
ONTARIO COUNTY	10032	1,178,000	133,000
ORANGE COUNTY	10033	4,228,000	340,000
OSWEGO COUNTY	10035	486,000	77,000
OTSEGO COUNTY	10036	307,000	36,000
PUTNAM COUNTY	10037	703,000	66,000
RENSSELAER COUNTY	10038	1,267,000	150,000
ROCKLAND COUNTY	10039	1,460,000	199,000
SARATOGA COUNTY	10041	882,000	104,000
SCHENECTADY COUNTY	10042	1,743,000	154,000
SCHOHARIE COUNTY	10043	409,000	33,000
SCHUYLER COUNTY	10044	166,000	24,000
SENECA COUNTY	10045	438,000	51,000
SULLIVAN COUNTY	10048	798,000	95,000
TIOGA COUNTY	10049	323,000	36,000
TOMPKINS COUNTY	10050	334,000	87,000
ULSTER COUNTY	10051	1,821,000	145,000
WARREN COUNTY	10052	605,000	86,000
WAYNE COUNTY	10054	1,199,000	117,000
WYOMING COUNTY	10056	217,000	41,000
YATES COUNTY	10057	$ 332,000	$37,000

Further, we anticipate some administrative costs to implement the provisions of this legislation.

These estimated costs are based on 4,125 affected members of the NYSLERS employed by certain counties, with annual salary of approximately $295 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 March 8, 2024, and intended for use only during the 2024 Legislative Session, is Fiscal Note No. 2024-125, prepared by the Actuary for the New York State and Local Retirement System.