STATE OF NEW YORK

9156

IN SENATE

May 1, 2024

Introduced by Sen. PALUMBO -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

AN ACT in relation to authorizing certain police officers in the town of Southold, county of Suffolk, to receive certain service credit under section 384-d of the retirement and social security law

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

Section 1. Notwithstanding any provisions of law to the contrary, the town of Southold, in the county of Suffolk, a participating employer in the New York state and local police and fire retirement system which previously elected to offer the optional twenty year retirement plan pursuant to section 384-d of the retirement and social security law to police officers employed by such town, is hereby authorized to make participation in such plan available to Frank Lyburd III, a police officer employed by the town of Southold with a starting date of October 20, 2003, who, for reasons not ascribable to their own negligence, was enrolled in the general retirement plan contained in section 375-i of the retirement and social security law. Frank Lyburd III may elect to be covered by the provisions of sections 384-d and 384-e of the retirement and social security law and full credit shall be granted in such plan for such service upon election of the town of Southold to assume the additional cost of such service.

§ 2. Notwithstanding any provisions of law to the contrary, the town of Southold, in the county of Suffolk, a participating employer in the New York state and local police and fire retirement system which previously elected to offer the optional twenty year retirement plan pursuant to section 384-d of the retirement and social security law to police officers employed by such town, is hereby authorized to make participation in such plan available to Brian McNamara, Peter J. Jacobs, and Roman S. Wilinski, police officers employed by the town of Southold with a starting date of November 1, 2004, who, for reasons not ascribable to their own negligence, were enrolled in the general retirement plan contained in section 375-i of the retirement and social security law. Brian McNamara, Peter J. Jacobs, and Roman S. Wilinski may elect to be

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

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covered by the provisions of sections 384-d and 384-e of the retirement and social security law and full credit shall be granted in such plan for such service upon election of the town of Southold to assume the additional cost of such service.

§ 3. Notwithstanding any provisions of law to the contrary, the town of Southold, in the county of Suffolk, a participating employer in the New York state and local police and fire retirement system which previously elected to offer the optional twenty year retirement plan pursuant to section 384-d of the retirement and social security law to police officers employed by such town, is hereby authorized to make participation in such plan available to Alex U. Chenche and Tara Tandy, police officers employed by the town of Southold with a starting date of December 15, 2014, who, for reasons not ascribable to their own negligence, were enrolled in the general retirement plan contained in section 375-i of the retirement and social security law. Alex U. Chenche and Tara Tandy may elect to be covered by the provisions of sections 384-d and 384-e of the retirement and social security law and full credit shall be granted in such plan for such service upon election of the town of Southold to assume the additional cost of such service.

§ 4. The town of Southold may so elect by filing with the state comptroller within six months of the effective date of this act, a resolution of its legislative body, together with certification that such police officers did not bar themselves from participation in such retirement plan as a result of their own negligence. Thereafter, such police officers may elect to be covered by the provisions of sections 384-d and 384-e of the retirement and social security law, and shall be entitled to full rights and benefits associated with coverage under such sections, by filing a request to this effect with the state comptroller within one year of the effective date of this act.

§ 5. All costs associated with implementing the provisions of this act shall be borne by the town of Southold and may be amortized over a period of five years.

§ 6. This act shall take effect immediately.

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

This bill would allow the Town of Southold to reopen the provisions of Section 384-d, together with 384-e, of the Retirement and Social Security Law for police officers Frank Lyburd III, Brian McNamara, Peter J. Jacobs, Roman S. Wilinski, Alex U. Chenche, and Tara Tandy. All past service costs will be borne by the Town of Southold and may be amortized over a period of five years.

If this bill is enacted during the 2024 Legislative Session, we anticipate that there will be an increase of approximately $110,000 in the annual contributions of the Town of Southold for the fiscal year ending March 31, 2025. In future years this cost will vary but is expected to average 11.0% of salary annually.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately $1.30 million which will be borne by the Town of Southold as a one-time payment. This estimate assumes that payment will be made on February 1, 2025. If the Town of Southold elects to amortize this cost over a five-year period, the cost for each year including interest would be $291,000.

These estimated costs are based on the six affected members named in the bill and employed by the Town of Southold, with annual salary of approximately $915,000 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 April 12, 2024, and intended for use only during the 2024 Legislative Session, is Fiscal Note No. 2024-160, prepared by the Actuary for the New York State and Local Retirement System.