

STATE OF NEW YORK

10548

IN ASSEMBLY

June 3, 2024

Introduced by COMMITTEE ON RULES -- (at request of M. of A. J. M. Giglio) -- read once and referred to the Committee on Governmental Employees

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:

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

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

19 § 2. Subdivision m of section 604 of the retirement and social securi-
20 ty law, as added by chapter 725 of the laws of 1994, is amended to read
21 as follows:

22 m. The early service retirement benefit for a member who is employed
23 in a county that makes the election provided for in subdivision j of
24 section eighty-nine-p of this chapter as a sheriff, undersheriff, deputy
25 sheriff or correction officer as defined in section eighty-nine-p of
26 this chapter shall be a pension equal to one-fiftieth of final average
27 salary times years of credited service at the completion of twenty-five
28 years of service as such sheriff, undersheriff, deputy sheriff or

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

LBD14582-05-4

1 correction officer, [~~but not exceeding one-half of his or her~~] plus an
 2 additional retirement allowance equal to one-sixtieth of such member's
 3 final average salary for each year of credited service in excess of
 4 twenty-five years, provided, however that the pension payable pursuant
 5 to such section shall not exceed three-quarters of such member's final
 6 average salary.

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

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

14 § 5. This act shall take effect immediately and shall apply to all
 15 qualified members pursuant to sections one and two of this act who
 16 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 \$4.4 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 \$41.2 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 |
| ERIE COUNTY | 10014 | 6,302,000 | 609,000 |
| 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 4,765 affected members of the NYSLERS employed by certain counties, with annual salary of approximately \$389 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 28, 2024, and intended for use only during the 2024 Legislative Session, is Fiscal Note No. 2024-125 Revised, prepared by the Actuary for the New York State and Local Retirement System.