STATE OF NEW YORK

8532

IN SENATE

February 9, 2024

Introduced by Sen. JACKSON -- read twice and ordered printed, and when printed to be committed to the Committee on Cities 1

AN ACT to amend the general municipal law, in relation to disabilities of deputy sheriff members of a retirement system in certain cities

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

Section 1. The general municipal law is amended by adding a new section 207-r to read as follows:

§ 207-r. Disabilities of deputy sheriff members of a retirement system in certain cities. 1. Notwithstanding the provisions of any general, special or local law or administrative code to the contrary, but except for the purposes of the workers' compensation law and the labor law, any condition of impairment of health caused by diseases of the lung, resulting in total or partial disability or death to a paid employee performing the duties of a deputy sheriff in the sheriff's department of a city with a population of one million or more where such employee is drawn from competitive civil service lists, or any retired member of such department who retired from a title whose duties are those of a deputy sheriff and has been retired for five or less years, who successfully passed a physical examination on entry into the service of such department, which examination failed to reveal any evidence of such condition, shall be presumptive evidence that it was incurred in the performance and discharge of duty, unless the contrary be proved by competent evidence.

2. Notwithstanding any other provision of law, a deputy sheriff member retiring pursuant to the provisions of subdivision one of this section shall receive a pension equal to three-fourths of such member's final average salary, and a retired member who has been retired for five years or less and would have been able to retire pursuant to the provisions of subdivision one of this section if such subdivision had been in force at the time of such retired member's retirement, shall be entitled to receive a pension equal to three-fourths of such member's final average salary and have their pension recalculated commencing with the later of

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

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the effective date of this section or the first day that diseases of the lung resulted in the full or partial disability of such retired member.

§ 2. This act shall take effect immediately.

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

SUMMARY: The proposed legislation would provide certain Deputy Sheriff members or retirees (within five years of their respective retirement date) of the New York City Employees' Retirement System (NYCERS) a rebuttable statutory presumption that a qualifying partial or total disability or death related to a lung disease was incurred in the performance of duty.

ILLUSTRATION - INCREASE (DECREASE) IN EMPLOYER CONTRIBUTIONS
by Fiscal Year for the first 25 years ($ in Thousands)

	One Incident		One Incident Per Year	
Year	Disability	Death	Disability	Death
2025	55	167	55	167
2026	55	167	113	340
2027	55	167	171	518
2028	55	167	232	701
2029	55	167	294	889
2030	55	167	359	1,083
2031	55	167	425	1,283
2032	55	167	493	1,489
2033	55	167	563	1,701
2034	55	167	636	1,920
2035	55	167	710	2,145
2036	55	167	787	2,377
2037	55	167	866	2,615
2038	55	167	947	2,861
2039	0	0	976	2,947
2040	0	0	1,005	3,035
2041	0	0	1,035	3,126
2042	0	0	1,066	3,220
2043	0	0	1,098	3,317
2044	0	0	1,131	3,416
2045	0	0	1,165	3,519
2046	0	0	1,200	3,624
2047	0	0	1,236	3,733
2048	0	0	1,273	3,845
2049	0	0	1,312	3,961

Employer contribution impact beyond Fiscal Year 2049 is not shown.

The potential increases in employer contributions will be allocated to New York City.

EXPECTED INCREASE (DECREASE) IN ACTUARIAL LIABILITIES
as of June 30, 2023 ($ in Thousands)

Present Value (PV)	Per Disability	Per Death
PV of Benefits:	429	1,416
PV of Employee Contributions:	(40)	0
PV of Employer Contributions:	469	1,416
Unfunded Accrued Liabilities:	469	1,416

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY

Recognized as Ongoing Gain/Loss	Per Disabilty	Per Death
Number of Payments:	14	14
Amortization Payment:	55 K	167 K

CENSUS DATA: The estimates presented herein are based on preliminary census data collected as of June 30, 2023. The census data for the impacted population is summarized below.

	NYCERS
Active Members	
- Number Count:	150
- Average Age:	42.3
- Average Service:	11.2
- Average Salary:	81,500

IMPACT ON MEMBER BENEFITS: Currently, a New York City Deputy Sheriff who becomes disabled due to lung disease would be eligible for an applicable ordinary disability retirement, generally a lifetime payment of 1/3 of salary. The ordinary death benefit is a lump sum payment generally equal to three times the member's salary.

Under the proposed legislation, the performance of duty disability benefit for NYCERS Deputy Sheriff members who are disabled from lung disease would be equal to:

* 75% of Final Average Salary (FAS), where
* FAS is defined as 3-Year FAS for Tier 4 and 5-Year FAS for Tier 6, without
* an explicit Workers' Compensation offset.

Under the proposed legislation, the performance of duty death benefit would generally be equal to a lifetime benefit of 50% of a member's wages earned during the last year of service, plus, if applicable, the Special Accidental Death Benefit (SADB) payable under General Municipal Law section 208-f.

SADB for Deputy Sheriffs was enacted by Chapter 720 of the Laws of 2023 and all accidental deaths are assumed to qualify for SADB.

ASSUMPTIONS AND METHODS: The estimates presented herein have been calculated based on the Revised 2021 Actuarial Assumptions and Methods of the impacted retirement systems.

The number of members and eligible retirees who will benefit in the future from this fiscal note is unknown. The cost of this proposed legislation could vary greatly depending on the number of future members who benefit and on their length of service, age, and salary history. In particular, the increase would be greater for a member who is not yet eligible for an ODR benefit when the disabling lung disease is diagnosed.

The estimated financial impact for disabled members has been calculated assuming 50% would have retired under an Ordinary Disability benefit, and 50% would have continued working if the proposed legislation were not passed.

RISK AND UNCERTAINTY: The costs presented in this Fiscal Note depend highly on the actuarial assumptions, methods, and models used, demographics of the impacted population and other factors such as investment, contribution, and other risks. If actual experience deviates from actuarial assumptions, the actual costs could differ from those presented herein. Quantifying these risks is beyond the scope of this Fiscal Note.

This Fiscal Note is intended to measure pension-related impacts and does not include other potential costs (e.g., administrative and Other Postemployment Benefits).

STATEMENT OF ACTUARIAL OPINION: Marek Tyszkiewicz and Gregory Zelikovsky are members of the Society of Actuaries and the American Academy of Actuaries. We are members of NYCERS but do not believe it impairs our objectivity and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. To the best of our knowledge, the results contained herein have been prepared in accordance with generally accepted actuarial principles and procedures and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2024-11 dated February 7, 2024 was prepared by the Chief Actuary for the New York City Retirement Systems and Pension Funds. This estimate is intended for use only during the 2024 Legislative Session.