

2017 Retirement Legislation



A MESSAGE FROM COMPTROLLER THOMAS P. DINAPOLI



Every year, the Legislature passes new laws that affect the New York State and Local Retirement System (NYSLRS) and other State public retirement systems.

This publication covers retirement and retirement-related legislation enacted or vetoed during the 2017 Legislative Session. Sections I and II list legislation directly affecting NYSLRS, our participating employers, members, retirees and beneficiaries. Section III and IV cover legislation affecting other New York State public retirement systems.

I hope you find this 2017 Retirement Legislation publication to be a useful reference.

Sincerely,

A handwritten signature in black ink that reads "Tom DiNapoli". The signature is written in a cursive, flowing style.

Thomas P. DiNapoli
State Comptroller

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CHAPTER TITLES

Section I

Legislation Affecting the New York State and Local Retirement System

CHAPTER NO.	PAGE	DESCRIPTION
48	3	Relates to the definition of graded contribution rate for the purposes of calculating an employer's contributions [A.2384/S.4759]
61	8	Relates to provisions affecting accidental disability benefits for police/ fire members, New York city uniformed correction/sanitation revised plan members and investigator revised plan members [A.40001]
76	12	Increases certain special accidental death benefits [A.6286-A/S.4588]
186	18	Authorizes Peter G. LaSala, a police officer in the village of Potsdam, in the county of St. Lawrence, to elect to participate in an optional 20-year retirement program [A.6529/S.5043]
237	20	Authorizes Matthew J. McFadden and Richard Gage, police officers in the village of Avon, in the county of Livingston, to elect to participate in an optional 20-year retirement program [A.6364/S.4254]
244	22	Authorizes the town of East Hampton, in the county of Suffolk, to offer certain retirement options to police officer Katherine Izzo [A.6400/S.5075]
252	24	Authorizes the village of Port Chester to offer an optional twenty year retirement plan to a certain police officer employed by such village [A.7507/S.5551]
303	26	Limits the maximum amount that certain members of New York state and local retirement systems may borrow against retirement contributions [A.8093/S.6391]
368	29	Relates to standardizing the overtime reporting period for certain members of the retirement system [A.8092/S.5256-A]
432	33	Relates to accidental disability retirement [A.6403/S.4622]
437	35	Relates to providing an increased death benefit for the survivors of Theodore Raffel [A.7069/S.5505]
440	37	Relates to granting certain members of the state police credit for service as a state university police officer [A.7818/S.5948]

CHAPTER TITLES

Section II

Vetoed Legislation Affecting the New York State and Local Retirement System

VETO NO.	PAGE	DESCRIPTION
M.172	41	Relates to providing county correction officers with a special optional twenty year retirement plan [A.6277/S.1850]
M.173	46	Makes provisions for payment to certain parole officers employed by department of corrections and community supervision for salary and medical expenses while subject to sickness [A.1644/S.407]
M.177	50	Grants membership in the New York state and local employees' retirement system to Adam Markel [A.5927/S.4253]
M.185	54	Relates to optional disability coverage for county probation officers [A.473/S.2516]
M.191	58	Relates to age and service eligibility requirements for ordinary retirement for members of the unified court system [A.3332/S.3670]
M.192	64	Relates to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system [A.3503/S.3671]
M.193	68	Relates to death benefits for certain members under the jurisdiction of the department of corrections and community supervision [A.5133-A/S.4077-A]
M.196	72	Relates to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs and correction officers in Nassau County [A.7134/S.5130]
M.198	76	Relates to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau County [A.7135/S.5704]
M.199	81	Relates to providing certain accidental disability retirement benefits for Nassau county fire marshals [A.7127/S.5705]
M.200	86	Grants retroactive Tier IV membership in the New York state and local employees' retirement system to Jessica Strizzi [A.7919-A/S.6448-A]
M.201	90	Grants retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins [A.7918/S.6449]
M.222	94	Relates to including assistant wardens as eligible members for performance of duty disability retirement benefits [A.7511-A/S.3991-A]
M.246	98	Relates to disability benefits for firefighters employed by the division of military and naval affairs [A.8326/S.6529]

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Section III

Legislation Affecting Other New York Public Retirement Systems

CHAPTER NO.	PAGE	DESCRIPTION
59	107	Relates to disability benefits for certain members of the New York city police pension fund [A.3009-C/S.2009-C]
71	114	Relates to the rate of interest used in the actuarial valuation of certain liabilities [A.7988/S.5821]
292	118	Makes technical corrections to eliminate the restrictions upon transferring for members of the New York state teachers' retirement system [A.6604/S.5135-A]
417	121	Authorizes the payment of ordinary disability retirement benefits by the New York state teachers' retirement system to the widow of Lawrence L. Allen [A.6901/S.5324]
445	123	Allows members of the New York city transit authority twenty-five year and age fifty-five retirement plan to purchase credit for prior service [A.8320/S.6591]
457	126	Relates to pension benefits of widows or widowers of sanitation workers [A.7185-A/S.5484-A]
467	131	Relates to allowing certain members, upon retirement, to use any basic or additional member contributions to offset any deficits in such other contribution account [A.8055/S.6460]

CHAPTER TITLES

Section IV

Vetoed Legislation Affecting Other New York Public Retirement Systems

VETO NO.	PAGE	DESCRIPTION
M.180	139	Relates to employer's duties regarding optional public retirement systems [A.7193-C/S.5634-B]
M.181	144	Relates to a reduced retirement age for certain Triborough bridge and tunnel authority employees [A.7642/S.6594]

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Senate Bills

BILL NO.	CHAPTER	SECTION	PAGE
2009	59	III	107
4254	237	I	20
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4759	48	I	3
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5043	186	I	18
5075	244	I	22
5135	292	III	118
5256	368	I	29
5324	417	III	121
5484	457	III	126
5505	437	I	35
5551	252	I	24
5821	71	III	114
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6391	303	I	26
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6591	445	III	123

Assembly Bills

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2384	48	I	3
3009	59	III	107
6286	76	I	12
6364	237	I	20
6400	244	I	22
6403	432	I	33
6604	292	III	118
6529	186	I	18
6901	417	III	121
7069	437	I	35
7185	457	III	126
7507	252	I	24
7818	440	I	37
7988	71	III	114
8055	467	III	131
8092	368	I	29
8093	303	I	26
8320	445	III	123
40001	61	I	8

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SECTION I

Legislation Affecting the
New York State and Local Retirement System

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STATE OF NEW YORK

4759

2017-2018 Regular Sessions

IN SENATE

February 27, 2017

Introduced by Sen. GOLDEN -- (at request of the State Comptroller) -- 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 the definition of graded contribution rate for the purposes of calculating an employer's contributions

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

1 Section 1. Paragraphs 5, 7 and 10 of subdivision a of section 19-a of
2 the retirement and social security law, as amended by section 2 of part
3 BB of chapter 57 of the laws of 2013, are amended and a new paragraph 13
4 is added to read as follows:

5 (5) "Employer's average actuarial contribution rate" for a given
6 fiscal year shall mean an employer's actuarial contribution for such
7 fiscal year divided by the employer's [~~projected~~] payroll for the [~~same~~]
8 **previous** fiscal year.

9 (7) "Employer's graded contribution" for a given fiscal year shall
10 mean the amount determined by applying the [~~system~~] **employer's** graded
11 contribution rate or the alternative system graded contribution rate for
12 such fiscal year to an employer's [~~projected~~] payroll for the [~~same~~]
13 **previous** fiscal year.

14 (10) "System average actuarial contribution rate" for a given fiscal
15 year shall mean the sum of all employers' actuarial contributions for
16 such fiscal year divided by the sum of all employers' [~~projected~~]
17 payroll for the [~~same~~] **previous** fiscal year.

18 **(13) "Employer's graded contribution rate" for a given fiscal year**
19 **shall mean (i) the system graded contribution rate for such fiscal year,**
20 **or (ii) in the case of an individual employer for which a graded**
21 **contribution rate has been determined pursuant to paragraph three of**
22 **subdivision c of this section, the graded contribution rate for the**
23 **individual employer for such fiscal year.**

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

LBD00025-02-7

1 § 2. Subdivision c of section 19-a of the retirement and social secu-
2 rity law is amended by adding a new paragraph 3 to read as follows:

3 **(3) The comptroller shall determine a graded contribution rate for**
4 **individual employers as provided in this paragraph. The graded contrib-**
5 **ution rate for an individual employer is the product of the system's**
6 **graded contribution rate with the ratio of the employer's average actu-**
7 **arial contribution rate to the system's average actuarial contribution**
8 **rate, not to exceed one hundred percent of the system's graded contrib-**
9 **ution rate.**

10 § 3. Paragraph 1 and the opening paragraph of paragraph 2 of subdivi-
11 sion d of section 19-a of the retirement and social security law, para-
12 graph 1 as amended by section 1 of part Z of chapter 54 of the laws of
13 2016 and the opening paragraph of paragraph 2 as amended by section 2 of
14 part BB of chapter 57 of the laws of 2013, are amended to read as
15 follows:

16 (1) For any given fiscal year for which an employer's average actuari-
17 al contribution rate exceeds the [~~system~~] **employer** graded contribution
18 rate, the employer shall pay to the retirement system an amount equal to
19 the employer's annual bill for such year or, in lieu of paying the
20 entire annual bill, the employer may pay an amount equal to the employ-
21 er's annual bill less all or a portion of the employer's amount eligible
22 for amortization for the fiscal year. If in accordance with this para-
23 graph the employer's payment to the retirement system is less than the
24 entire amount of the employer's annual bill, then the difference between
25 the employer's annual bill, and the amount actually paid by the employer
26 to the retirement system exclusive of any amount from the employer
27 contribution reserve fund applied to reduce the employer's payment,
28 shall be the amount amortized for the fiscal year. The amount amortized
29 for the fiscal year shall be paid to the retirement system in equal
30 annual installments over a ten-year period, with interest on the unpaid
31 balance at a rate determined by the comptroller which approximates a
32 market rate of return on taxable fixed rate securities with similar
33 terms issued by comparable issuers, and with the first installment due
34 in the immediately succeeding fiscal year. Provided however that,
35 notwithstanding any provision of law to the contrary and at the sole
36 discretion of the director of the division of the budget, the state as
37 an amortizing employer may prepay to the retirement system the total
38 amount of principal due for any such annual installment or installments
39 for a given fiscal year prior to the expiration of the ten-year amorti-
40 zation period. In the event the state elects to make such prepayment,
41 the director of the division of budget must identify the fiscal year or
42 years for which the total principal amount due for the annual install-
43 ment is being prepaid. In any fiscal year for which the director of the
44 division of the budget identifies such prepayment is being made, the
45 state (i) shall not be required to make a payment of principal to the
46 retirement system for such fiscal year, and (ii) shall pay to the
47 retirement system annual interest on the remaining principal balance at
48 the rate originally set by the comptroller when the state first elected
49 to amortize in accordance with this paragraph. Nothing contained herein
50 shall permit the state to extend the amortization period originally
51 established in accordance with this paragraph beyond the original ten-
52 year amortization period.

53 For any given fiscal year for which the [~~system~~] **employer** graded
54 contribution rate equals or exceeds an amortizing employer's average
55 actuarial contribution rate, the amortizing employer shall pay to the

1 retirement system an amount equal to the employer's annual bill for such
2 year plus the employer's graded payment for the fiscal year.

3 § 4. Paragraphs 2 and 3 of subdivision e of section 19-a of the
4 retirement and social security law, as amended by section 2 of part BB
5 of chapter 57 of the laws of 2013, are amended to read as follows:

6 (2) For any given fiscal year for which (i) the system actuarial
7 contribution rate exceeds nine and one-half percent of payroll as of the
8 end of the previous fiscal year, and (ii) an employer's average actuari-
9 al contribution rate exceeds the system graded contribution rate or the
10 alternative system graded contribution rate, the balance in the employ-
11 er's account within such fund shall be applied to reduce the employer's
12 payment to the retirement system for such fiscal year in an amount not
13 to exceed the difference between the employer's actuarial contribution
14 and the employer's graded contribution for the fiscal year.

15 (3) Notwithstanding the provisions of paragraph two of this subdivi-
16 sion, if at the close of any given fiscal year the balance of an employ-
17 er's account within the fund exceeds one hundred percent of the employ-
18 er's payroll for ~~[such]~~ the previous fiscal year, the excess shall be
19 applied to reduce the employer's payment to the retirement system for
20 the next succeeding fiscal year.

21 § 5. Paragraphs 5, 7 and 11 of subdivision a of section 319-a of the
22 retirement and social security law, as amended by section 3 of part BB
23 of chapter 57 of the laws of 2013, are amended to read as follows:

24 (5) "Employer's average actuarial contribution rate" for a given
25 fiscal year shall mean an employer's actuarial contribution for such
26 fiscal year divided by the employer's ~~[projected]~~ payroll for the ~~[same]~~
27 previous fiscal year.

28 (7) "Employer's graded contribution" for a given fiscal year shall
29 mean the amount determined by applying the employer's graded contrib-
30 ution rate or the alternative amortizing employer's graded contribution
31 rate for such fiscal year to an employer's ~~[projected]~~ payroll for the
32 ~~[same]~~ previous fiscal year.

33 (11) "System average actuarial contribution rate" for a given fiscal
34 year shall mean the sum of all employers' actuarial contributions for
35 such fiscal year, divided by the sum of all employers' ~~[projected]~~
36 payroll for the ~~[same]~~ previous fiscal year.

37 § 6. Paragraph 3 of subdivision c of section 319-a of the retirement
38 and social security law, as amended by section 3 of part BB of chapter
39 57 of the laws of 2013, is amended to read as follows:

40 (3) The comptroller shall determine a graded contribution rate for
41 individual employers as provided in this paragraph. The graded contrib-
42 ution rate for an individual employer is the product of the system's
43 graded contribution rate with the ratio of the employer's average actu-
44 arial contribution rate to the system's average actuarial contribution
45 rate, not to exceed one hundred percent of the system's graded contrib-
46 ution rate.

47 ~~[(i) If the actuarial contribution rate for an employer for a given~~
48 ~~fiscal year is equal to or greater than fifty percent of the system~~
49 ~~actuarial contribution rate for such year, and less than or equal to~~
50 ~~seventy five percent of such system actuarial contribution rate, then~~
51 ~~the graded contribution rate for the employer for the fiscal year shall~~
52 ~~equal seventy five percent of the system graded contribution rate for~~
53 ~~such year.~~

54 ~~[(ii) If the actuarial contribution rate for an employer for a given~~
55 ~~fiscal year is less than fifty percent of the system actuarial contrib-~~
56 ~~ution rate for such year, then the graded contribution rate for the~~

1 ~~employer for the fiscal year shall equal fifty percent of the system~~
2 ~~graded contribution rate for such year.]~~

3 § 7. The opening paragraph of paragraph 2 of subdivision d of section
4 319-a of the retirement and social security law, as amended by section 3
5 of part BB of chapter 57 of the laws of 2013, is amended to read as
6 follows:

7 For any given fiscal year for which the [~~system~~] employer graded
8 contribution rate equals or exceeds an amortizing employer's average
9 actuarial contribution rate, the amortizing employer shall pay to the
10 retirement system an amount equal to the employer's annual bill for such
11 year plus the employer's graded payment for the fiscal year.

12 § 8. Paragraphs 2 and 3 of subdivision e of section 319-a of the
13 retirement and social security law, as amended by section 3 of part BB
14 of chapter 57 of the laws of 2013, are amended to read as follows:

15 (2) For any given fiscal year for which (i) the system actuarial
16 contribution rate exceeds seventeen and one-half percent of payroll as
17 of the end of the previous fiscal year, and (ii) for which an employer's
18 average actuarial contribution rate exceeds the graded contribution rate
19 or the alternative system graded contribution rate, the balance in the
20 employer's account within such fund shall be applied to reduce the
21 employer's payment to the retirement system for such fiscal year in an
22 amount not to exceed the difference between the employer's actuarial
23 contribution and the employer's graded contribution for the fiscal year.

24 (3) Notwithstanding the provisions of paragraph two of this subdivi-
25 sion, if at the close of any given fiscal year the balance of an employ-
26 er's account within the fund exceeds one hundred percent of the employ-
27 er's payroll for [~~such~~] the previous fiscal year, the excess shall be
28 applied to reduce the employer's payment to the retirement system for
29 the next succeeding fiscal year.

30 § 9. This act shall take effect immediately.

FISCAL NOTE. This bill would amend Section 19-a and Section 319-a of
the Retirement and Social Security Law as it pertains to employer bills
of the New York State and Local Police and Fire Retirement System
(PFRS).

This bill modifies the calculation of the graded rate for those ERS
and PFRS employers who participate in the program which allows them to
amortize a portion of their bill with their respective Retirement System
when employer contribution rates rise above the employer's graded rate.
If they do this, then when rates are falling below the employer's graded
rate and they have paid off all outstanding amortizations, the employer
will be required to pay additional monies into a reserve fund that will
be used when employer contribution rates begin to rise in the future.

Currently the graded rate which is used for each employer in the ERS
is the system graded rate. In PFRS the graded rate is either 50%, 75% or
100% of the system grade rate. This bill will modify the graded rate to
be the product of the system's graded contribution rate with the ratio
of the employer's average contribution rate to the system's average
contribution rate, but to never exceed the system's graded contribution
rate.

In addition, this bill makes the necessary technical corrections to
accommodate the changed due to Chapter 94 of the Laws of 2015, which
requires billing rates to be applied to salaries as of the end of the
previous fiscal year instead of the year in which contributions are
made.

If this bill is enacted, we estimate that there would be a small administrative cost to the system to revise the current billing and business communication processes.

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 9, 2017 and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-10, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

1

Extraordinary Session

IN ASSEMBLY

June 28, 2017

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Heastie) -- (at request of the Governor) -- read once and referred to the Committee on Ways and Means

AN ACT to amend the general municipal law, in relation to provisions affecting accidental disability benefits for police/fire members, New York city uniformed correction/sanitation revised plan members and investigator revised plan members (Part H)

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

PART H

5 Section 1. The general municipal law is amended by adding a new
6 section 209-ff to read as follows:

7 § 209-ff. Provisions relating to certain accidental disability bene-
8 fits. 1. Notwithstanding the provisions of subdivisions a and b of
9 section five hundred seven of the retirement and social security law, a
10 police/fire member in active service, a New York city uniformed
11 correction/sanitation revised plan member in active service or an inves-
12 tigator revised plan member in active service shall be eligible for the
13 accidental disability benefit provided in such section five hundred
14 seven, regardless of whether he or she is eligible for a normal service
15 retirement benefit. For the purposes of this section, the terms
16 "police/fire member" and "active service" shall have the same meanings
17 as defined in section five hundred one of the retirement and social
18 security law.

19 2. Notwithstanding the provision of any general, special or local law,
20 charter or administrative code to the contrary, subdivision d of section
21 five hundred seven of the retirement and social security law shall not
22 apply to retired police/fire members, retired New York city uniformed
23 correction/sanitation revised plan members and retired investigator
24 revised plan members who receive accidental disability retirement allow-
25 ances. Such retirees shall be subject to post retirement medical exam-
26 inations, and where applicable, modification of retirement allowance,
27 following such examinations, in the same manner and under the same
28 conditions prescribed by law immediately prior to the first of April,
29 two thousand twelve for retired New York city uniformed
30 correction/sanitation revised plan members, and prior to the first of
31 July, two thousand nine for retired police/fire members and retired

32 **investigator revised plan members.**

33 § 2. Section 81 of chapter 18 of the laws of 2012 shall not apply to
34 this act.

35 § 3. This act shall take effect immediately.

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

This bill will allow certain uniformed members of public retirement systems who are subject to the provisions of Article 14 of the Retirement and Social Security Law to be eligible to file for an accidental disability benefit regardless of whether he or she is eligible for a normal service retirement benefit. The bill would also allow retirees who are receiving an accidental disability pension to continue to do so despite being disapproved from receiving a federal social security disability pension.

If this bill is enacted, insofar as it affects the New York State and Local Police and Fire Retirement System (PFRS), there are fewer than 100 Tier 3 members that are subject to the provisions of Article 14 who could possibly be affected.

It is estimated that there will be few, if any, accidental disability retirees affected, thus we anticipate that the cost to state of New York and the participating in the PFRS would be negligible.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valu-

ation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated May 26, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-98, prepared by the Actuary for the New York State and Local Retirement System.

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

PROVISIONS OF PROPOSED LEGISLATION: With respect to the New York City Police Pension Fund (POLICE), the New York City Employees' Retirement System (NYCERS), the proposed legislation would add Section 209-ff to the General Municipal Law (GML) to permit POLICE, FIRE and NYCERS Members who are subject to Retirement and Social Security Law (RSSL) Article 14 (Eligible Members) and who would be ineligible for disability retirement benefits solely on account of being eligible for a normal service retirement benefit to be eligible for disability benefits.

The proposed legislation would also relax the safeguards provisions regarding restrictions on post-retirement employment for Eligible Members who are awarded Accident Disability Retirement (ADR), and would also make the process for reducing or eliminating an ADR benefit based on post-retirement earnings more onerous.

Currently, Eligible Members receiving ADR benefits are subject to the safeguards provision contained in RSSL section 507(d). RSSL section 507(d) restricts ADR recipients who have not reached age 65 from engaging in employment or business activity that would render them ineligible for social security disability benefits. It is the understanding of the Actuary that ceasing to be disabled or earning above a threshold amount determined by the Social Security Administration, set at \$13,560 per year in 2016 for non-blind individuals, would result in an automatic cessation of ADR benefits.

Where applicable, Eligible Members who would have been deemed ineligible for social security disability may be permitted to receive ADR benefits while being placed on a preferred eligible list for purposes of reemployment at a salary grade not to exceed that from which the individual retired. Once an offer of employment is made, ADR benefits would cease.

Under the proposed legislation, RSSL section 507(d) safeguards would become inapplicable to Eligible Members, and a medical examination, followed by the conditions prescribed by safeguards provisions in effect for the relevant POLICE, FIRE and NYCERS titles who became members prior to the application or RSSL Article 14 would be required before an ADR benefit reduction or suspension could occur.

Although subject to varying applicable safeguards provisions, relevant POLICE, FIRE and NYCERS titles that joined prior to the application of RSSL Article 14 are generally subject to two alternative safeguards processes. Where an ADR recipient has not yet reached the minimum age of service retirement and the sum of ADR retirement benefits and post-retirement earnings exceed the salary of the title next higher than that

held at the time of retirement, the ADR pension is automatically reduced by the amount exceeding such salary rate. The second alternative involves a medical examination to determine disability level, the Board of Trustee review and approval, to reduce the ADR amount based on an ability of the retiree to perform gainful employment, or based on an offer of employment after being placed on a preferred eligible list. It is the understanding of the Actuary, that the second alternative is rarely utilized.

The proposed legislation would therefore eliminate the automatic benefit reduction and termination alternative under safeguards, reduce the amount of time safeguards may be applied to a retiree, increase the amount of post-retirement earnings an ADR recipient may earn before a reduction or elimination of an ADR benefit can be applied, and modify the safeguards provision in effect for Eligible Member titles who became members prior to application of Article 14 to require a medical examination and Board of Trustee review and approval to reduce or terminate and ADR benefit even in situations where the retiree is gainfully employed and earning above the applicable post-retirement earnings threshold.

The Effective Date of the proposed legislation would be the date of enactment.

IMPACT ON ADR BENEFITS PAYABLE: Under the proposed legislation the eligibility requirements for disability benefits would be revised to allow for benefits after a member is eligible for normal service retirement benefits and the safeguards provisions would be relaxed as explained above.

FINANCIAL IMPACT - CHANGES IN PROJECTED ACTUARIAL PRESENT VALUE OF BENEFITS AND PROJECTED EMPLOYER CONTRIBUTIONS: For purposes of this Fiscal Note, it is assumed that the changes in the Actuarial Present Value (APV) of benefits (APVB), APV of member contributions, the Unfunded Actuarial Accrued Liability (UAAL) and APV of future employer contributions would be reflected for the first time in the June 30, 2016 actuarial valuation of POLICE, FIRE and NYCERS. Under the One-Year Lag Methodology (OYLM), the first year in which changes in benefits for Eligible Members would impact employer contributions to POLICE, FIRE and NYCERS would be Fiscal Year 2018.

The additional member contributions expressed as percentages of annual wages provided in section 18 of Chapter 298 of the Laws of 2016 and section 4, Part SSS of Chapter 59 of the Laws of 2017 for purposes of maintaining no additional employer contributions for implementation of the Enhanced Plan for applicable members included the cost for changes to eligibility requirements for disability retirement contained in the proposed legislation, corresponding to the APVB in Table 1 below.

Table 1 presents an estimate of the increases in the APV of benefits and in employer contributions to POLICE, FIRE and NYCERS for Fiscal Years 2018 through 2022 due to the changes in disability eligibility based on the applicable actuarial assumptions and methods noted herein:

Table 1

Estimated Financial Impact if Certain Revisions are Made to Eligibility for Disability Benefits for Eligible Members

(\$ Millions)

Fiscal Year	Increase in APV of Benefits	Increase in Employer Contributions*
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STATE OF NEW YORK

4588--A

2017-2018 Regular Sessions

IN SENATE

February 21, 2017

Introduced by Sen. GOLDEN -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law and the retirement and social security law, in relation to increasing certain special accidental death benefits

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

1 Section 1. Subdivision c of section 208-f of the general municipal
2 law, as amended by chapter 347 of the laws of 2016, is amended to read
3 as follows:

4 c. Commencing July first, two thousand [sixteen] seventeen the special
5 accidental death benefit paid to a widow or widower or the deceased
6 member's children under the age of eighteen or, if a student, under the
7 age of twenty-three, if the widow or widower has died, shall be esca-
8 lated by adding thereto an additional percentage of the salary of the
9 deceased member (as increased pursuant to subdivision b of this section)
10 in accordance with the following schedule:

Table with 3 columns: calendar year of death of the deceased member, per centum, and percentage values. Rows include years 1977 or prior, 1978, 1979, 1980, 1981, 1982, 1983, 1984, 1985, and 1986.

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

LBD06480-04-7

1	1987	[135.7%]	<u>142.7%</u>
2	1988	[128.8%]	<u>135.7%</u>
3	1989	[122.1%]	<u>128.8%</u>
4	1990	[115.7%]	<u>122.1%</u>
5	1991	[109.4%]	<u>115.7%</u>
6	1992	[103.3%]	<u>109.4%</u>
7	1993	[97.4%]	<u>103.3%</u>
8	1994	[91.6%]	<u>97.4%</u>
9	1995	[86.0%]	<u>91.6%</u>
10	1996	[80.6%]	<u>86.0%</u>
11	1997	[75.4%]	<u>80.6%</u>
12	1998	[70.2%]	<u>75.4%</u>
13	1999	[65.3%]	<u>70.2%</u>
14	2000	[60.5%]	<u>65.3%</u>
15	2001	[55.8%]	<u>60.5%</u>
16	2002	[51.3%]	<u>55.8%</u>
17	2003	[46.9%]	<u>51.3%</u>
18	2004	[42.6%]	<u>46.9%</u>
19	2005	[38.4%]	<u>42.6%</u>
20	2006	[34.4%]	<u>38.4%</u>
21	2007	[30.5%]	<u>34.4%</u>
22	2008	[26.7%]	<u>30.5%</u>
23	2009	[23.0%]	<u>26.7%</u>
24	2010	[19.4%]	<u>23.0%</u>
25	2011	[15.9%]	<u>19.4%</u>
26	2012	[12.6%]	<u>15.9%</u>
27	2013	[9.3%]	<u>12.6%</u>
28	2014	[6.1%]	<u>9.3%</u>
29	2015	[3.0%]	<u>6.1%</u>
30	2016	[0.0%]	<u>3.0%</u>
31	2017		0.0%

32 § 2. Subdivision c of section 361-a of the retirement and social secu-
 33 rity law, as amended by chapter 347 of the laws of 2016, is amended to
 34 read as follows:

35 c. Commencing July first, two thousand [~~sixteen~~] **seventeen** the special
 36 accidental death benefit paid to a widow or widower or the deceased
 37 member's children under the age of eighteen or, if a student, under the
 38 age of twenty-three, if the widow or widower has died, shall be esca-
 39 lated by adding thereto an additional percentage of the salary of the
 40 deceased member, as increased pursuant to subdivision b of this section,
 41 in accordance with the following schedule:

42	calendar year of death		
43	of the deceased member	per centum	
44	1977 or prior	[216.7%]	<u>226.2%</u>
45	1978	[207.5%]	<u>216.7%</u>
46	1979	[198.5%]	<u>207.5%</u>
47	1980	[189.8%]	<u>198.5%</u>
48	1981	[181.4%]	<u>189.8%</u>
49	1982	[173.2%]	<u>181.4%</u>
50	1983	[165.2%]	<u>173.2%</u>
51	1984	[157.5%]	<u>165.2%</u>
52	1985	[150.0%]	<u>157.5%</u>
53	1986	[142.7%]	<u>150.0%</u>
54	1987	[135.7%]	<u>142.7%</u>
55	1988	[128.8%]	<u>135.7%</u>
56	1989	[122.1%]	<u>128.8%</u>

1	1990	[115.7%]	<u>122.1%</u>
2	1991	[109.4%]	<u>115.7%</u>
3	1992	[103.3%]	<u>109.4%</u>
4	1993	[97.4%]	<u>103.3%</u>
5	1994	[91.6%]	<u>97.4%</u>
6	1995	[86.0%]	<u>91.6%</u>
7	1996	[80.6%]	<u>86.0%</u>
8	1997	[75.4%]	<u>80.6%</u>
9	1998	[70.2%]	<u>75.4%</u>
10	1999	[65.3%]	<u>70.2%</u>
11	2000	[60.5%]	<u>65.3%</u>
12	2001	[55.8%]	<u>60.5%</u>
13	2002	[51.3%]	<u>55.8%</u>
14	2003	[46.9%]	<u>51.3%</u>
15	2004	[42.6%]	<u>46.9%</u>
16	2005	[38.4%]	<u>42.6%</u>
17	2006	[34.4%]	<u>38.4%</u>
18	2007	[30.5%]	<u>34.4%</u>
19	2008	[26.7%]	<u>30.5%</u>
20	2009	[23.0%]	<u>26.7%</u>
21	2010	[19.4%]	<u>23.0%</u>
22	2011	[15.9%]	<u>19.4%</u>
23	2012	[12.6%]	<u>15.9%</u>
24	2013	[9.3%]	<u>12.6%</u>
25	2014	[6.1%]	<u>9.3%</u>
26	2015	[3.0%]	<u>6.1%</u>
27	2016	[0.0%]	<u>3.0%</u>
28	2017		<u>0.0%</u>

29 § 3. This act shall take effect July 1, 2017.

Fiscal Note. -- Pursuant to Legislative law, Section 50:

This bill would amend both the General Municipal Law and the Retirement and Social Security Law to increase the salary used in the computation of the special accidental death benefit by 3% in cases where the date of death was before 2017.

Insofar as this bill would amend the Retirement and Social Security Law, it is estimated that there would be an additional annual cost of approximately \$469,000 above the approximately \$10.7 million current annual cost of this benefit. This cost would be shared by the State of New York and all participating employers of the New York State and Local Police and Fire Retirement System.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 10, 2017 and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-2, prepared by the Actuary for the New York State and Local Retirement System.

FISCAL NOTE: PROVISIONS OF PROPOSED LEGISLATION - OVERVIEW: With respect to the City of New York (the City), this proposed legislation would amend General Municipal Law (GML) Section 208-f(c) to increase certain Special Accidental Death Benefits (SADB) for surviving spouses, dependent children, and/or certain other individuals (Eligible Beneficiaries) of former uniformed employees of the City and the New York City Health and Hospitals Corporation, and for certain former employees of the Triborough Bridge and Tunnel Authority, who were members of certain New York City Pension Funds or Retirement Systems (NYCRS) and died as a natural and proximate result of an accident sustained in the performance of duty.

The Effective Date of the proposed legislation would be July 1, 2017.

IMPACT ON BENEFITS - SADB RECIPIENTS: With respect to the NYCRS, the proposed legislation would impact the SADB payable to certain survivors of members of the:

- * New York City Employees' Retirement System (NYCERS),
- * New York City Police Pension Fund (POLICE), or
- * New York City Fire Department Pension Fund (FIRE),

and who are employed by one of the following employers in certain positions:

- * New York City Police Department - Uniformed Position,
- * New York City Fire Department - Uniformed Position,
- * New York City Housing Authority - Uniformed Position,
- * New York City Transit Authority - Uniformed Position,
- * New York City Department of Correction - Uniformed Position,
- * New York City - Uniformed Position as Emergency Medical Technician (EMT),
- * New York City Health and Hospitals Corporation - Uniformed Position as EMT, or
- * Triborough Bridge and Tunnel Authority - Bridge and Tunnel Position.

DESCRIPTION OF BENEFITS PAYABLE: Under the GML, the basic SADB is defined to equal:

The salary of the deceased member at date of death (or, in certain instances, a greater salary based on rank or other status) (Final Salary), less the following payments to an Eligible Beneficiary:

- * Any NYCRS death benefit as adjusted by any Supplementation or Cost-of-Living Adjustment (COLA),
- * Any Social Security death benefit, and
- * Any Worker's Compensation benefit.

The SADB is paid to the deceased member's surviving spouse, if alive. If the spouse is no longer alive, the SADB is paid to the deceased member's children until age eighteen or until age twenty-three if a student. If neither spouse nor dependent child is alive, the SADB may be paid to certain other individuals if eligible in accordance with certain laws related to the World Trade Center attack.

The GML also provides that the SADB is subject to escalation based on the calendar year in which the former member died. The SADB has been increased by an additional cumulative, incremental percentage of Final Salary for deaths occurring on or after calendar years 1977.

Under the proposed legislation, effective July 1, 2017, an additional 3.0% of Final Salary would be applied to the SADB paid due to deaths occurring in each calendar year on and after 1977. The SADB for deaths

occurring prior to 1977 would receive the same escalation as deaths occurring in 1977.

FINANCIAL IMPACT - EMPLOYER PAYMENTS: With respects to the NYCERS, since these SADB are provided on a pay-as-you-go basis, the additional annual employer payments expected to be paid during the first year, if the proposed legislation is enacted, would equal approximately \$3.1 million.

The SADB payments are made by the NYCERS who are reimbursed by the City.

Historically, the State of New York (the State) reimbursed the City for most GML Section 208-f payments. However, it is the understanding of the Actuary that since 2009 the State has limited its reimbursement to a fixed amount. Should this amount not be increased, then the additional cost of this proposed legislation would be borne entirely by the City of New York.

FINANCIAL IMPACT - ACTUARIAL PRESENT VALUES OF BENEFITS (APVB): With respect to the Eligible Beneficiaries of deceased NYCERS members who would be impacted by this proposed legislation, under the actuarial assumptions used in the June 30, 2016 (Lag) actuarial valuations of the NYCERS, including an Actuarial Interest Rate (AIR) assumption of 7.0% per annum, the enactment of this proposed legislation would increase the APVB by approximately \$34.7 million as of June 30, 2017.

Note that beginning with the June 30, 2016 actuarial valuations of NYCERS, the Actuary has elected to include the liability for SADB benefits, including assumed future increases of 3.0% per year, when determining the employer contributions. Therefore, the additional cost associated with this proposed legislation has already been accounted for and will not result in an increase in employer contributions.

OTHER COSTS: The enactment of this proposed legislation would also be expected to result in modest increases in administrative expenses of NYCERS, POLICE, FIRE, the employers and certain New York City agencies.

CENSUS DATA: The financial impact of the proposed legislation is based upon the census data for such Eligible Beneficiaries provided by the NYCERS.

The following table shows, by Retirement System, the number of deceased members with Eligible Beneficiaries who qualify for SADB as reported by the NYCERS and the estimated annual Accidental death benefit, including both the City and State portions, paid by the NYCERS, prior to the increase purposed to be effective July 1, 2017.

Table 1

Total Accidental Death Benefit paid by the NYCERS		
(\$ Millions)		
Retirement System	Number of Deceased Members with Eligible Survivors	Annual Accidental Death Benefit Prior to Proposed July 1, 2017 Increase
NYCERS	31	\$ 2.2
POLICE	340	34.7
FIRE	613	67.8
Total	984	\$ 104.7

ACTUARIAL ASSUMPTIONS AND METHODS: Additional APVB have been computed based on the actuarial assumptions and methods in effect for the June 30, 2016 (Lag) actuarial valuations of NYCERS, POLICE and FIRE used to determine the Preliminary Fiscal Year 2018 employer contributions, including an Actuarial Interest Rate (AIR) assumption of 7.0% per annum (net of Investment Expenses).

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I Meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2017-07 dated April 14, 2017, was prepared by the Chief Actuary for the New York City Employees' Retirement System, the New York City Police Pension Fund, and the New York Fire Department Pension Fund. This estimate is intended for use only during the 2017 Legislative Session.

STATE OF NEW YORK

5043

2017-2018 Regular Sessions

IN SENATE

March 6, 2017

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

AN ACT to authorize Peter G. LaSala to elect to participate in the optional twenty-year retirement plan for police officers employed by the village of Potsdam in the county of St. Lawrence

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

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 the village of Potsdam, in the county of St. Lawrence, a participating
3 employer in the New York state and local police and fire retirement
4 system, which previously elected to offer the optional twenty-year
5 retirement plan, established pursuant to section 384-d of the retirement
6 and social security law, to police officers employed by such village, is
7 hereby authorized to make participation in such plan available to Peter
8 G. LaSala, a police officer employed by such village, who, for reasons
9 not ascribable to his own negligence, failed to make a timely applica-
10 tion to participate in such optional twenty-year retirement plan. There-
11 after, Peter G. LaSala may elect to be covered by the provisions of
12 section 384-d of the retirement and social security law, and shall be
13 entitled to the full rights and benefits associated with coverage under
14 such section as well as section 384-e of such law, by filing a request
15 to that effect with the state comptroller on or before December 31,
16 2017.

17 § 2. All past service costs associated with implementing the
18 provisions of this act shall be borne by the village of Potsdam and may
19 be amortized over a period of ten years.

20 § 3. This act shall take effect immediately.

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

This bill will allow the Village of Potsdam to reopen the provisions of Sections 34-d, along with 384-e for police officer Peter LaSala. He is the only member that will be affected.

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

LBD02563-03-7

If this legislation is enacted during the 2017 legislative session, we anticipate that there will be an increase of approximately \$3,500 in the annual contributions of the Village of Potsdam for the fiscal year ending March 31, 2018. In future years, this cost will vary as the billing rates and salaries of Peter LaSala change.

In addition to the annual contributions discussed above, there will be a one-time past service cost of \$7,320 which will be borne by Village of Potsdam as a one-time payment, assuming that payment will be made on February 1, 2018. If the village of Potsdam elects to amortize this cost over a 10 year period, the past service cost for the first year would be approximately \$970.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated February 14, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-34, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

4254

2017-2018 Regular Sessions

IN SENATE

February 7, 2017

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 authorize Matthew J. McFadden and Richard Gage to elect to participate in the optional twenty-year retirement plan for police officers employed by the village of Avon in the county of Livingston

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

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 the village of Avon, in the county of Livingston, a participating
3 employer in the New York state and local police and fire retirement
4 system, which previously elected to offer the optional twenty-year
5 retirement plan, established pursuant to section 384-d of the retirement
6 and social security law, to police officers employed by such village, is
7 hereby authorized to make participation in such plan available to
8 Matthew J. McFadden and Richard Gage, police officers employed by such
9 village, who, for reasons not ascribable to their own negligence, failed
10 to make a timely application to participate in such optional twenty-year
11 retirement plan. Thereafter, Matthew J. McFadden and Richard Gage may
12 elect to be covered by the provisions of section 384-d of the retirement
13 and social security law, and shall be entitled to the full rights and
14 benefits associated with coverage under such section as well as section
15 384-e of such law, by filing a request to that effect with the state
16 comptroller on or before December 31, 2018.

17 § 2. All past service costs associated with implementing the
18 provisions of this act shall be borne by the village of Avon.

19 § 3. This act shall take effect immediately.

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

This bill would allow the village of Avon to reopen the provisions of Section 384-d together with 384-e of the Retirement and Social Security Law for police officers Matthew J. McFadden and Richard Gage.

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

LBD00082-02-7

If this bill is enacted during the 2017 legislative session, we anticipate that there will be an increase of approximately \$8,300 in the annual contributions of the village of Avon for the fiscal year ending March 31, 2018. In future years, this cost will vary as the billing rates and salaries of these officers change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$34,900, which would be borne by the village of Avon as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated February 3, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-47, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

S. 5075

A. 6400

2017-2018 Regular Sessions

SENATE - ASSEMBLY

March 7, 2017

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

IN ASSEMBLY -- Introduced by M. of A. THIELE -- read once and referred to the Committee on Governmental Employees

AN ACT to authorize the town of East Hampton, in the county of Suffolk, to offer certain retirement options to police officer Katherine Izzo

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

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 the town of East Hampton, in the county of Suffolk, a participating
3 employer in the New York state and local police and fire retirement
4 system, which previously elected to offer the optional retirement plan
5 established pursuant to section 384-d of the retirement and social secu-
6 rity law to police officers employed by such village, is hereby author-
7 ized to make participation in such plan available to Katherine Izzo,
8 registration number 0B50333-3, a police officer employed by the town of
9 East Hampton, who, on the effective date of this act is covered under
10 the provisions of section 384 of the retirement and social security law,
11 and who, for reasons not ascribable to her own negligence failed to make
12 a timely application to participate in such optional retirement plan.
13 The town of East Hampton may so elect by filing with the state comp-
14 troller, on or before December 31, 2017, a resolution of its legislative
15 body together with certification that such police officer did not bar
16 herself from participation in such retirement plan as a result of her
17 own negligence. Thereafter, such police officer may elect to be covered
18 by the provisions of section 384-d of the retirement and social security
19 law, and shall be entitled to the full rights and benefits associated
20 with coverage under such section, by filing a request to that effect
21 with the state comptroller on or before June 30, 2018.

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

LBD09763-04-7

1 § 2. All past service costs associated with implementing the
2 provisions of this act shall be borne by the town of East Hampton.

3 § 3. This act shall take effect immediately.

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

This bill will allow the Town of East Hampton to reopen the provisions of Section 384-d for police officer Katherine Izzo.

If this legislation is enacted during the 2017 legislative session, we anticipate that there will be an increase of approximately \$5,300 in the annual contributions of the Town of East Hampton for the fiscal year ending March 31, 2018. In future years, this cost will vary as the billing rates and salaries of Katherine Izzo change.

In addition to the annual contributions discussed above, there will be a one-time past service cost of \$15,500 which will be borne by Town of East Hampton as a one-time payment, assuming that payment will be made on February 1, 2018.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated February 16, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-57, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

5551

2017-2018 Regular Sessions

IN SENATE

April 11, 2017

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

AN ACT to authorize the village of Port Chester to offer an optional twenty year retirement plan to a certain police officer employed by such village

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

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 Michael Sprague, a member of the New York state and local police and
3 fire retirement system, who was appointed as a police officer with the
4 village of Port Chester on January 7, 2013, and who, through no fault of
5 his own, failed to file a timely application to participate in the
6 special twenty year retirement plan contained in section 384-d of the
7 retirement and social security law resulting in the crediting of his
8 service with the village of Port Chester in the general retirement plan
9 contained in section 375-i of such law, shall be given full credit in
10 the special twenty year retirement plan for such service upon the
11 election of the village of Port Chester to assume the additional cost of
12 such service. Thereafter, Michael Sprague may elect to be covered by the
13 provisions of section 384-d of the retirement and social security law,
14 and shall be entitled to the full rights and benefits associated with
15 coverage under such section, by filing a request to the effect with the
16 state comptroller within one year of the effective date of this act.

17 § 2. All employer past service costs associated with implementing the
18 provisions of this act shall be borne by the village of Port Chester and
19 may be amortized over a ten year period.

20 § 3. This act shall take effect immediately.

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

This bill will allow Michael Sprague, a police officer employed by the Village of Port Chester, to elect to become covered under the provisions of Sections 384-d.

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

LBD10805-03-7

If this legislation is enacted during the 2017 legislative session, we anticipate that there will be an increase of approximately \$7,500 in the annual contributions of the Village of Port Chester for the fiscal year ending March 31, 2018. In future years, this cost will vary as the billing rates and salaries of Michael Sprague change.

In addition to the annual contributions discussed above, there will be a one-time past service cost of \$49,900 which will be borne by Village of Port Chester as a one-time payment, assuming that payment will be made February 1, 2018. If the Village of Port Chester elects to amortize this cost over a 10 year period, the past service cost for the first year would be approximately \$6,640.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated April 7, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-78, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

6391

2017-2018 Regular Sessions

IN SENATE

May 15, 2017

Introduced by Sen. GOLDEN -- (at request of the State Comptroller) -- 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 the maximum amount that certain members of the New York state and local employees' retirement system and the New York state and local police and fire retirement system may borrow against retirement contributions

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

1 Section 1. Subdivision b of section 517-c of the retirement and social
2 security law, as amended by chapter 18 of the laws of 2012, is amended
3 to read as follows:
4 b. 1. A member of the New York state and local employees' retirement
5 system, the New York state and local police and fire retirement system,
6 the New York city employees' retirement system or the New York city
7 board of education retirement system in active service who has credit
8 for at least one year of member service may borrow, no more than once
9 during each twelve month period, an amount not exceeding seventy-five
10 percent of the total contributions made pursuant to section five hundred
11 seventeen of this article (including interest credited at the rate set
12 forth in subdivision c of such section five hundred seventeen compounded
13 annually) and not less than one thousand dollars, provided, however,
14 that the provisions of this section shall not apply to a New York city
15 uniformed correction/sanitation revised plan member or an investigator
16 revised plan member.
17 2. A member of the New York state and local employees' retirement
18 system who first joins such system on or after January first, two thou-
19 sand eighteen in active service who has credit for at least one year of
20 member service may borrow, no more than once during each twelve month
21 period, an amount, not less than one thousand dollars and which would

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

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1 not cause the balance owed pursuant to this section, including any
2 amounts borrowed then outstanding, to exceed (i) fifty percent of the
3 member's total contributions made pursuant to section five hundred
4 seventeen of this article (including interest credited at the rate set
5 forth in subdivision c of such section five hundred seventeen compounded
6 annually); or (ii) fifty thousand dollars, whichever is less.

7 § 2. Subdivision b of section 613-b of the retirement and social secu-
8 rity law, as added by chapter 920 of the laws of 1990, is amended to
9 read as follows:

10 b. 1. A member of the New York state and local employees' retirement
11 system, the New York city employees' retirement system or the New York
12 city board of education retirement system in active service who has
13 credit for at least one year of member service may borrow, no more than
14 once during each twelve month period, an amount not exceeding seventy-
15 five percent of the total contributions made pursuant to section six
16 hundred thirteen (including interest credited at the rate set forth in
17 subdivision c of such section six hundred thirteen compounded annually)
18 and not less than one thousand dollars.

19 2. A member of the New York state and local employees' retirement
20 system who first joins such system on or after January first, two thou-
21 sand eighteen in active service who has credit for at least one year of
22 member service may borrow, no more than once during each twelve month
23 period, an amount, not less than one thousand dollars and which would
24 not cause the balance owed pursuant to this section, including any
25 amounts borrowed then outstanding, to exceed (i) fifty percent of the
26 member's total contributions made pursuant to section five hundred
27 seventeen of this chapter (including interest credited at the rate set
28 forth in subdivision c of such section five hundred seventeen compounded
29 annually); or (ii) fifty thousand dollars, whichever is less.

30 § 3. Subdivision a of section 1207 of the retirement and social secu-
31 rity law, as added by chapter 171 of the laws of 2011, is amended to
32 read as follows:

33 a. 1. Notwithstanding any general, special or local law to the contra-
34 ry, a member in active service who has credit for at least one year of
35 member service may borrow, no more than once within each twelve month
36 period, an amount not exceeding seventy-five percent of the total
37 contributions made pursuant to section twelve hundred four of this arti-
38 cle or any other article of this chapter and not less than one thousand
39 dollars.

40 2. A member who first joins such system on or after January first, two
41 thousand eighteen in active service who has credit for at least one year
42 of member service may borrow, no more than once during each twelve month
43 period, an amount, not less than one thousand dollars and which would
44 not cause the balance owed pursuant to this section, including any
45 amounts borrowed then outstanding, to exceed (i) fifty percent of the
46 member's total contributions made pursuant to section five hundred
47 seventeen of this chapter (including interest credited at the rate set
48 forth in subdivision c of such section five hundred seventeen compounded
49 annually); or (ii) fifty thousand dollars, whichever is less.

50 § 4. This act shall take effect immediately.

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

This bill would limit the member loan amounts of those who first become members of the New York State and Local Employees Retirement System (ERS) or the New York State and Local Police and Fire Retirement System (PFRS) on or after January 1, 2018. The loan amount, including

any amounts borrowed then outstanding, may not exceed the lesser of 50% of the member contribution balance and \$50,000.

If this bill is enacted, we estimate that there would be a small initial administrative cost to the system to revise publications and member loan processes.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated March 9, 2017 and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-73, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

5256--A

2017-2018 Regular Sessions

IN SENATE

March 17, 2017

Introduced by Sen. GOLDEN -- (at request of the State Comptroller) -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- 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 standardizing the overtime reporting period for certain members of the New York state and local employees' retirement system

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

- 1 Section 1. Subdivision 24 of section 501 of the retirement and social
2 security law, as amended by chapter 298 of the laws of 2016, is amended
3 to read as follows:
4 24. (a) "Wages" shall mean regular compensation earned by and paid to
5 a member by a public employer, except that for members who first join
6 the state and local employees' retirement system on or after January
7 first, two thousand ten, overtime compensation paid in any year in
8 excess of the overtime ceiling, as defined by this subdivision, shall
9 not be included in the definition of wages.
10 (b) "Overtime compensation" shall mean, for purposes of this section,
11 compensation paid under any law or policy under which employees are paid
12 at a rate greater than their standard rate for additional hours worked
13 beyond those required, including compensation paid under section one
14 hundred thirty-four of the civil service law and section ninety of the
15 general municipal law.
16 (c) (i) The "overtime ceiling" shall mean fifteen thousand dollars per
17 annum on January first, two thousand ten, and shall be increased by
18 three percent each year thereafter, provided, however, that for members
19 who first become members of the New York state and local employees'
20 retirement system on or after April first, two thousand twelve, "over-
21 time ceiling" shall mean fifteen thousand dollars per annum on April

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

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1 first, two thousand twelve, and shall be increased each year thereafter
2 by a percentage to be determined annually by reference to the consumer
3 price index (all urban consumers, CPI-U, U.S. city average, all items,
4 1982-84=100), published by the United States bureau of labor statistics,
5 for each applicable calendar year. Said percentage shall equal the annu-
6 al inflation as determined from the increase in the consumer price index
7 in the one year period ending on the December thirty-first [~~prior to~~]
8 preceding the [~~cost-of-living~~] overtime ceiling adjustment effective on
9 the ensuing April first.

10 (ii) Commencing January first, two thousand eighteen, and each year
11 thereafter, the overtime ceiling percentage shall be increased by an
12 amount equal to the annual inflation as determined from the increase in
13 the consumer price index in the one year period ending on the September
14 thirtieth prior to the overtime ceiling adjustment effective on the
15 ensuing January first.

16 (d) For the purpose of calculation a member's primary federal social
17 security retirement or disability benefit, wages shall, in any calendar
18 year, be limited to the portion of the member's wages which would be
19 subject to tax under section three thousand one hundred twenty-one of
20 the internal revenue code of nineteen hundred fifty-four, or any prede-
21 cessor or successor provision relating thereto, if such member was
22 employed by a private employer.

23 (e) For members who first become members of the New York state and
24 local employees' retirement system on or after the effective date of
25 chapter eighteen of the laws of two thousand twelve, the following items
26 shall not be included in the definition of wages: (a) wages in excess of
27 the annual salary paid to the governor pursuant to section three of
28 article four of the state constitution, (b) lump sum payments for
29 deferred compensation, sick leave, accumulated vacation or other credits
30 for time not worked, (c) any form of termination pay, (d) any additional
31 compensation paid in anticipation of retirement, and (e) in the case of
32 employees who receive wages from three or more employers in a twelve
33 month period, the wages paid by the third and each successive employer.

34 (f) For New York city enhanced plan members who receive the ordinary
35 disability benefit provided for in subdivision c-1 of section five
36 hundred six of this article or the accidental disability benefit
37 provided for in paragraph three of subdivision c of section five hundred
38 seven of this article, the following items shall not be included in the
39 definition of wages: (a) lump sum payments for deferred compensation,
40 sick leave, accumulated vacation or other credits for time not worked,
41 (b) any form of termination pay, (c) any additional compensation paid in
42 anticipation of retirement, and (d) in the case of employees who receive
43 wages from three or more employers in a twelve month period, the wages
44 paid by the third and each successive employer.

45 § 2. Subdivision 1 of section 601 of the retirement and social securi-
46 ty law, as amended by chapter 510 of the laws of 2015, is amended to
47 read as follows:

48 1. (a) "Wages" shall mean regular compensation earned by and paid to a
49 member by a public employer, except that for members who first join the
50 New York state and local employees' retirement system or the New York
51 state teachers' retirement system on or after January first, two thou-
52 sand ten, overtime compensation paid in any year in excess of the over-
53 time ceiling, as defined by this subdivision, shall not be included in
54 the definition of wages.

55 (b) "Overtime compensation" shall mean, for purposes of this section,
56 compensation paid under any law or policy under which employees are paid

1 at a rate greater than their standard rate for additional hours worked
 2 beyond those required, including compensation paid under section one
 3 hundred thirty-four of the civil service law and section ninety of the
 4 general municipal law.

5 **(c)** The "overtime ceiling" shall mean fifteen thousand dollars per
 6 annum on January first, two thousand ten, and shall be increased by
 7 three per cent each year thereafter, provided, however, that:

8 **(i)** for members who first become members of a public retirement system
 9 of the state on or after April first, two thousand twelve, "overtime
 10 ceiling" shall mean fifteen thousand dollars per annum on April first,
 11 two thousand twelve, and shall be increased each year thereafter by a
 12 percentage to be determined annually by reference to the consumer price
 13 index (all urban consumers, CPI-U, U.S. city average, all items,
 14 1982-84=100), published by the United States bureau of labor statistics,
 15 for each applicable calendar year. Said percentage shall equal the annu-
 16 al inflation as determined from the increase in the consumer price index
 17 in the one year period ending on the December thirty-first [~~prior to~~]
 18 preceding the [cost-of-living] overtime ceiling adjustment effective on
 19 the ensuing April first.

20 **(ii)** Commencing January first, two thousand eighteen, and each year
 21 thereafter, the overtime ceiling percentage shall be increased by an
 22 amount equal to the annual inflation as determined from the increase in
 23 the consumer price index in the one year period ending on the September
 24 thirtieth prior to the overtime ceiling adjustment effective on the
 25 ensuing January first.

26 **(d)** For members who first join a public retirement system of the state
 27 on or after April first, two thousand twelve, the following items shall
 28 not be included in the definition of wages: 1. wages in excess of the
 29 annual salary paid to the governor pursuant to section three of article
 30 four of the state constitution, 2. lump sum payments for deferred
 31 compensation, sick leave, accumulated vacation or other credits for time
 32 not worked, 3. any form of termination pay, 4. any additional compen-
 33 sation paid in anticipation of retirement, and 5. in the case of employ-
 34 ees who receive wages from three or more employers in a twelve month
 35 period, the wages paid by the third and each additional employer.

36 § 3. This act shall take effect immediately.

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

This bill will change the date of the annual increase in the overtime ceiling that can be included in the calculation of final average salary for Tier 6 members of certain public retirement systems from April 1 to January 1. The annual increase will be based on the increase in the consumer price index in the one year period ending on the September thirtieth prior to each ensuing January first. This change will become effective on January 1, 2018.

If this bill is enacted, insofar as it would affect the New York State and Local Employees Retirement System, we estimate that there would be a small initial administrative cost to the system.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated February 13, 2017 and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-21, prepared by the Actuary for the New York State and Local Retirement System.

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

This bill would amend Section 501 and Section 601 of the Retirement and Social Security Law to change the date of the annual increase in the overtime ceiling that can be used in the calculation of final average salary for Tier 6 members from April 1st to January 1st. This bill also provides that the annual increase in the overtime ceiling will be based on the increase in the Consumer Price Index (CPI) in the one year period ending on the September 30th prior to each ensuing January 1st. These changes will commence January 1, 2018.

It is estimated that there will be no annual cost to the employers of members of the New York State Teachers' Retirement System if this bill is enacted.

Employee data is from the System's most recent actuarial valuation files, consisting of data provided by the employers to the Retirement System. Data distributions and statistics can be found in the System's Comprehensive Annual Financial Report (CAFR). System assets are as reported in the System's financial statements, and can also be found in the CAFR. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report.

The source of this estimate is Fiscal Note 2017-13 dated March 31, 2017 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2017 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

STATE OF NEW YORK

4622

2017-2018 Regular Sessions

IN SENATE

February 22, 2017

Introduced by Sen. GOLDEN -- 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 accidental disability retirement

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

1 Section 1. Paragraph 2 of subdivision a of section 363 of the retire-
2 ment and social security law, as amended by chapter 489 of the laws of
3 2008, is amended to read as follows:

4 2. Actually in service upon which his membership is based. However, in
5 a case where a member is discontinued from service subsequent to the
6 accident, either voluntarily or involuntarily, and provided that the
7 member meets the requirements of paragraph one of this subdivision,
8 application may be made, either (a) by a vested member incapacitated as
9 the result of a qualifying World Trade Center condition as defined in
10 section two of this chapter at any time, or (b) not later than two years
11 after the member is first discontinued from service. **Provided further**
12 **that in the case of an application filed for accidental disability bene-**
13 **fits pursuant to section three hundred sixty-three-d of this title, the**
14 **requirements for filing for such benefits shall be five years.**

15 § 2. This act shall take effect immediately and apply to all applica-
16 tions filed on or after January 1, 2014.

FISCAL NOTE.--Pursuant to legislative law, Section 50:

This bill would extend the filing deadline from 2 years to 5 years for active and retired firefighters in the New York State and Local Police and Fire Retirement System to file an application for accidental disability retirement due to certain cancers. It will apply to all disability applications filed on or after January 1, 2014.

If this bill is enacted, the cost would depend on the age, service, salary and plan of the affected firefighters, as well as whether such person would have otherwise been eligible for, or has been receiving an

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

LBD08114-02-7

ordinary disability, a performance of duty disability or a service retirement.

For those who apply for this benefit subsequent to a service retirement, it is estimated that there would be an average per person cost of approximately 2 times final average salary. For those who apply subsequent to a performance of duty retirement, it is estimated that there would be an average per person cost of approximately 2.5 times final average salary. For those who apply subsequent to an ordinary disability retirement, it is estimated that there would be an average per person cost of approximately 5 times final average salary. The number of members and retirees who could be affected by this legislation cannot be readily determined. These costs would be borne by the State of New York and all the participating employers in the New York State and Local Police and Fire Retirement System.

For the one person known to be affected, there will be a one-time cost of approximately \$256,000. This cost will be shared by the State of New York and all the participating employers in the New York State and Local Police and Fire Retirement System.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated February 14, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-44, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

S. 5505

A. 7069

2017-2018 Regular Sessions

SENATE - ASSEMBLY

April 4, 2017

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

IN ASSEMBLY -- Introduced by M. of A. THIELE, PALUMBO -- read once and referred to the Committee on Governmental Employees

AN ACT to provide for an increased death benefit for the survivors of a deceased police officer

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

1 Section 1. The legislature finds and declares that the late Theodore
2 Raffel served the village of Southampton for nineteen years, three
3 hundred sixty-four days and fifteen and one-half hours as a police offi-
4 cer. At the time of officer Raffel's death, a situation which was not
5 due to negligence on the part of such individual, there had been paid
6 into the New York state and local police and fire retirement system on
7 his behalf contributions in the amount of approximately one hundred
8 eighteen thousand dollars. Nevertheless, the amount of the death bene-
9 fit paid to officer Raffel's widow was much less than that amount.

10 § 2. Notwithstanding any inconsistent provision of law, the New York
11 state and local police and fire retirement system is authorized and
12 directed to pay to the beneficiary of police officer Theodore Raffel,
13 who was employed by the village of Southampton as a police officer from
14 1966, until his death on June 1, 1986, the sum of all of the contrib-
15 utions paid by the village of Southampton to such system on behalf of
16 such police officer, less any sums previously paid by such system to
17 such beneficiary, with interest, compounded annually, calculated at the
18 rate established in accordance with the provisions of subdivision c of
19 section 1202 of the retirement and social security law. Such interest
20 shall be calculated from June 1, 1986 to May 31, 2017.

21 § 3. This act shall take effect immediately.

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

LBD10681-03-7

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

This bill would create an additional death benefit paid to the beneficiary of deceased police officer Theodore Raffel. The additional death benefit amount would be the sum of the contributions paid by the Village of Southampton to the New York State and Local Police and Fire Retirement System on behalf of Mr. Raffel, less any sums previously paid by such system to his beneficiary. Such balance would have 5% interest applied for the period 6/1/86 -- 5/31/17.

If this bill is enacted, the estimated cost of the additional death benefit would be approximately \$180,000. This cost would be shared by the State of New York and all participating employers in the New York State and Local Police and Fire Retirement System.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated March 28, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-75, prepared by the Actuary for the New York State and Local Retirement System.

STATE OF NEW YORK

5948

2017-2018 Regular Sessions

IN SENATE

May 8, 2017

Introduced by Sen. AKSHAR -- 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 granting certain members of the state police credit for service as a state university police officer

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

1 Section 1. Paragraph 2 of subdivision c of section 381-b of the
2 retirement and social security law, as added by chapter 581 of the laws
3 of 2001, is amended to read as follows:

4 (2) State university police officer service. Upon completion of more
5 than twenty years of service, and upon retirement, each such member who
6 was previously credited with service credit in the New York state and
7 local employees' retirement system **or the New York state and local**
8 **police and fire retirement system** as an officer appointed by the state
9 university pursuant to paragraph 1 of subdivision two of section three
10 hundred fifty-five of the education law and who has successfully
11 completed a course of law enforcement training as provided in such
12 section of the education law **or for any such officer who retires on and**
13 **after January first, two thousand eighteen who has successfully**
14 **completed such course of law enforcement training within two years of**
15 **his or her date of appointment** shall receive for each such year of
16 previous service, up to a total of no greater than five years of previ-
17 ous service, additional service credit equal to one-sixtieth of his or
18 her final average salary.

19 § 2. This act shall take effect immediately.

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

This bill would allow up to five (5) years of previous service rendered as a police officer appointed by SUNY, pursuant to Section 355 of the Education Law, to be creditable service under Section 381-b of the Retirement and Social Security Law for certain members who retire on

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

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or after January 1, 2018, if such police officer had completed a course of law enforcement training within two years of his or her date of appointment. Currently such course must be completed within one year of his or her date of appointment. Upon completion of more than twenty (20) years of service and upon retirement, an affected member would receive one-sixtieth of final average salary for each such year of state university police officer service.

In addition this bill makes a technical amendment to reflect that most current State University police officers are members of the New York State and local police and fire retirement system due to Chapter 561 of the laws of 2015.

If this legislation is enacted during the 2017 legislative session, we anticipate that there will be no additional costs.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated March 28, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-77, prepared by the Actuary for the New York State and Local Retirement System.



SECTION II

Vetoed Legislation Affecting the
New York State and Local Retirement System

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STATE OF NEW YORK

1850

2017-2018 Regular Sessions

IN SENATE

January 11, 2017

Introduced by Sen. ORTT -- 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 providing county correction officers with a special optional twenty year retirement plan

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

1 Section 1. The retirement and social security law is amended by adding
2 a new article 14-C to read as follows:

3 ARTICLE 14-C

4 OPTIONAL RETIREMENT PLAN FOR COUNTY CORRECTION OFFICERS OR DEPUTY
5 SHERIFFS PERFORMING AS CORRECTION OFFICERS

6 Section 561. Definitions.

7 562. Optional twenty year retirement plan for certain members
8 whose employer elects to provide same.

9 563. Additional pension benefit for members of optional twenty
10 year retirement plan.

11 564. Consistent provisions.

12 § 561. Definitions. For purposes of this article:

13 (a) "Member" shall mean a person who is employed as a county
14 correction officer or a deputy sheriff who is engaged directly in
15 correction officer duties that aggregate fifty per centum of their
16 service by a county which elects by resolution or local law, duly
17 adopted, to provide the benefits as authorized by this article.

18 (b) "Retirement system" shall mean the New York state and local
19 employees' retirement system.

20 (c) "Creditable service" shall include any and all services performed
21 as a sheriff, undersheriff or deputy sheriff, or correction officer.
22 Credit for service as a member or officer of the state police or as a
23 paid fireman, policeman or officer of any organized fire department or
24 police force or department of any county, city, village, town, fire

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

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1 district or police district, shall also be deemed to be creditable
2 service and shall be included in computing years of total service for
3 retirement pursuant to this section, provided such service was performed
4 by the member while contributing to the retirement system pursuant to
5 the provisions of this article or article eight of this chapter.

6 § 562. Optional twenty year retirement plan for certain members whose
7 employer elects to provide same. (a) Any member of the retirement system
8 may elect to become a member pursuant to the provisions of this section
9 within one year after he or she becomes a member, if his or her employer
10 has elected to make the benefits provided by this section available to
11 members, or within one year after his or her employer elects to make the
12 benefits provided by this section available to its members.

13 (b) Elections made pursuant to this section shall be in writing and
14 shall be duly acknowledged and filed with the comptroller. Any member
15 who files such an election pursuant to this section may withdraw it
16 after it has been filed for at least a year. Such withdrawal shall be by
17 written notice duly acknowledged and filed with the comptroller.

18 (c) A member participating on the basis of this section at the time of
19 retirement shall be entitled to retire after the completion of twenty
20 years of total creditable service or upon the attainment of age sixty-
21 two, by filing an application therefor in a manner similar to that
22 provided in this chapter.

23 (i) Upon completion of twenty years of such service and upon retire-
24 ment, each such member shall receive a pension sufficient to provide him
25 or her with a retirement allowance equal to one-fortieth of his or her
26 final average salary for each year of total creditable services for
27 which he or she is otherwise entitled but not exceeding in the aggregate
28 one-half of his or her final average salary.

29 (ii) Upon attainment of age sixty-two and upon retirement without
30 completion of twenty years of such service, each such member shall
31 receive a pension sufficient to provide him or her with a retirement
32 allowance equal to one-fortieth of his or her final average salary for
33 each year of creditable service. Every such member shall also be enti-
34 tled to an additional pension equal to the pension for any other credit-
35 able service rendered as otherwise provided for in this chapter. This
36 latter pension shall not increase the total allowance to more than one-
37 half of his or her final average salary.

38 (d) The increased pensions to such members, as provided by this
39 section, shall be paid from additional contributions made by the partic-
40 ipating employer on account of such members. The actuary of the retire-
41 ment system shall compute the additional contribution required for each
42 member who elects to receive the special benefits provided under this
43 section. Such additional contributions shall be computed on the basis of
44 contributions during the prospective service of such member which will
45 cover the liability of the retirement system for such extra pensions.
46 Upon approval of the comptroller, such additional contributions shall be
47 certified by him or her to the chief fiscal officer or the participating
48 employer. The amount thereof shall be included in the annual appropri-
49 ation of the participating employer. Such amount shall be paid on the
50 warrant of the chief fiscal officer of the participating employer to the
51 pension accumulation fund of the retirement system.

52 (e) In computing the twenty years of completed service of a member,
53 full credit shall be given for military service as defined in subdivi-
54 sions twenty-nine-a and thirty of section three hundred two of this
55 chapter.

1 (f) Every member participating on the basis of this section shall be
 2 separated from the service on the last day of the calendar month next
 3 succeeding the calendar month in which he or she attains age sixty-two,
 4 provided, however, that such a member who attained the age of sixty-two
 5 before his or her employer elected to make the benefits provided by this
 6 section available to him or her, or who attains the age of sixty-two
 7 within one month after his or her employer makes such benefits avail-
 8 able, to be eligible for a pension computed in accordance with the
 9 provisions of this section, shall be separated from the service within
 10 three months after his or her employer makes such benefits available.

11 (g) The provisions of this section shall be controlling notwithstand-
 12 ing any other provision of this article to the contrary.

13 (h) The benefits of this section shall be available only to those
 14 members whose employer elects to provide such benefits by adopting a
 15 resolution or local law to such effect and filing a certified copy ther-
 16 eof with the comptroller.

17 (i) The benefits provided by this section shall be payable to a
 18 member, unless at the date of retirement such member would otherwise be
 19 entitled to a greater benefit under other provisions of this chapter had
 20 he or she withdrawn from this section, in which event such greater bene-
 21 fits shall be payable.

22 § 563. Additional pension benefit for members of optional twenty year
 23 retirement plan. (a) A participating employer which has elected, or
 24 which elects to provide the benefits of the optional twenty year retire-
 25 ment plan for its employees as specified in this article may elect to
 26 make contributions for the purpose of providing an additional pension
 27 pursuant to this section for members in its employ who are entitled to a
 28 pension pursuant to section five hundred sixty-two of this article.
 29 Every member employed by an employer which has elected the provisions of
 30 section five hundred sixty-two of this article and this section may
 31 elect to be covered by the provisions of this section by filing with the
 32 comptroller, a duly executed and acknowledged form prepared by the comp-
 33 troller for that purpose.

34 (b) Upon retirement, each such member shall receive, for each year of
 35 service in excess of twenty, an additional pension which shall be equal
 36 to one-sixtieth of his or her final average salary; provided, however,
 37 that the total allowance payable pursuant to this section shall not
 38 exceed three-quarters of such member's final average salary.

39 § 564. Consistent provisions. Nothing contained in this article shall
 40 be construed to otherwise affect the applicability of article eleven,
 41 fourteen or fifteen of this chapter. Any other provisions of this chap-
 42 ter relating to mandatory contribution to the retirement system based
 43 upon a member's date of membership in such system shall not be deemed to
 44 be affected by the provisions of this article, and any member who on the
 45 effective date of this article is not required to contribute shall not
 46 be required to make any contributions as a result of this section. For
 47 those members required to contribute to the retirement system, such
 48 contribution shall be treated in the same manner as specified for such
 49 members in article fourteen or fifteen of this chapter.

50 § 2. Any past service payments required of a county as a result of the
 51 adoption of the benefits permitted by this act may be amortized over a
 52 period of up to ten years at the option of such county.

53 § 3. This act shall take effect immediately.

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

This bill will allow any county to elect to provide their correction officers and deputy sheriffs who are engaged in correction officer

duties to become covered by the provisions of a special 20 year retirement plan, which will provide a benefit of one-half of final average salary upon retirement. The county may also elect an additional benefit of one sixtieth of final average salary for each year of service in excess of 20 years, not to exceed 15 such years.

If this bill is enacted, the increase in the annual contributions of a county electing to provide these benefits will depend on the current salary and plan coverage of the affected members in its employ, as well as on the proposed plan elected by such county. For the fiscal year ending March 31, 2018, the additional annual cost for the 20 year plan will be 4.8% of the affected correction officers' salaries for those currently covered by a 25 year plan, and 7.2% of the affected correction officers' salaries for those currently covered by an age 55 plan. The additional annual cost for the 20 year plan with additional sixtieths will be an additional 0.5% of the affected salaries. In future years, this annual cost will vary as the billing rates of these plans change.

In addition to the annual contributions discussed above, there will be an immediate past service cost for the affected officers which would depend on the current salary, plan, age and length of service of the officers, as well as on their proposed plan. This cost may be amortized over a period of up to 10 years as determined by the employing county which elects the benefit.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 6, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-3, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 172

TO THE SENATE:

I am returning herewith, without my approval, the following bill:

Senate Bill Number 1850, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing county correction officers with a special optional twenty year retirement plan"

NOT APPROVED

This bill would provide retirement enhancements to certain local employees, specifically county corrections officers and deputy sheriffs, without any funding source to cover the increase in cost.

I support our corrections officers and deputy sheriffs, and I recognize their important public safety responsibilities. However, I have repeatedly vetoed similar or identical bills because they offer additional pension benefits without any funding.

In this instance, the fixed costs associated with this retirement enhancement would account for approximately 5% to 7% of a county's payroll on an ongoing basis, plus past-service costs that would be calculated separately, which could total \$100 million annually. Not only will this hinder the ability of local governments to deliver necessary services within current property tax levels, but it will unnecessarily impose a substantial burden on New York State taxpayers. Such decisions must be addressed in the context of the annual budget negotiations. I am therefore compelled to veto this bill.

The bill is disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

1644

2017-2018 Regular Sessions

IN ASSEMBLY

January 12, 2017

Introduced by M. of A. SKOUFIS, MOSLEY, GUNTHER, HEVESI, AUBRY, SKARTADOS, BRINDISI, BENEDETTO, CUSICK, BRONSON, GIGLIO, GRAF, RAIA, FAHY, STECK, PERRY, HOOPER, COLTON, MOYA, HAWLEY, STIRPE, SEPULVEDA, PALMESANO -- Multi-Sponsored by -- M. of A. COOK, FARRELL, KOLB, SALADINO, WALTER -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the state finance law, in relation to compensation and medical expenses of certain injured state employees

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

1 Section 1. The state finance law is amended by adding a new section
2 209-c to read as follows:
3 § 209-c. Payment of salary, wages, medical and hospital expenses of
4 employees in the parole officer series titles, herein after called
5 parole officers. 1. Any employee in the parole officer title series, in
6 the department of corrections and community supervision who is injured
7 in the performance of his or her duties or who is taken sick as a result
8 of the performance of his or her duties so as to necessitate medical or
9 other lawful remedial treatment shall be paid by the state the full
10 amount of his or her regular salary or wages for the duration of his or
11 her leave for occupational injury or disease as provided by section
12 seventy-one of the civil service law and, in addition the state shall be
13 liable for all medical treatment and hospital care necessitated by
14 reason of such injury or illness. Provided, however, and notwithstanding
15 the foregoing provisions of this section, the state health authorities
16 or any physician appointed for the purpose by the state, after a deter-
17 mination has first been made that such injury or sickness was incurred
18 during, or resulted from, such performance of duty, may attend any such
19 injured or sick parole officer, from time to time, for the purpose of
20 providing medical, surgical or other treatment, or for making
21 inspections and the state shall not be liable for salary or wages paya-

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

LBD02917-01-7

1 ble to such parole officer, or for the cost of medical treatment or
 2 hospital care furnished after such date as such health authorities or
 3 physician shall certify that such injured or sick parole officer has
 4 recovered and is physically able to perform his or her regular duties.
 5 Any injured or sick parole officer who shall refuse to accept medical
 6 treatment or hospital care or shall refuse to permit medical inspections
 7 as herein authorized shall be deemed to have waived his or her rights
 8 under this section in respect to expenses for medical treatment or
 9 hospital care rendered and for salary or wages payable after such
 10 refusal.

11 Notwithstanding any provision of law to the contrary, a provider of
 12 medical treatment or hospital care furnished pursuant to the provisions
 13 of this section shall not collect or attempt to collect reimbursement
 14 for such treatment or care from any such parole officer.

15 2. Payment of the full amount of regular salary or wages, as provided
 16 by subdivision one of this section, shall be discontinued with respect
 17 to any parole officer who is permanently disabled as a result of an
 18 injury or sickness incurred or resulting from the performance of his or
 19 her duties if such parole officer is granted an accidental disability
 20 retirement allowance pursuant to section sixty-three of the retirement
 21 and social security law, a retirement for disability incurred in
 22 performance of duty allowance or similar accidental disability pension
 23 provided by the pension fund of which he or she is a member. If applica-
 24 tion for such retirement allowance or pension is not made by such parole
 25 officer, application therefor may be made by the commissioner of the
 26 department of corrections and community supervision.

27 3. If such a parole officer is not eligible for or is not granted such
 28 accidental disability retirement allowance or retirement for disability
 29 incurred in performance of duty allowance or similar accidental disabili-
 30 ty pension and is nevertheless, in the opinion of such health authori-
 31 ties or physician, unable to perform his or her regular duties as a
 32 result of such injury or sickness but is able, in their opinion, to
 33 perform specified types of light parole officer duty, payment of the
 34 full amount of regular salary or wages, as provided by subdivision one
 35 of this section, shall be discontinued with respect to such parole offi-
 36 cer if he or she shall refuse to perform such light parole officer duty
 37 if the same is available and offered to him or her; provided, however,
 38 that such light duty shall be consistent with his or her status as a
 39 parole officer and shall enable him or her to continue to be entitled to
 40 his or her regular salary or wages, including increases thereof and
 41 fringe benefits, to which he or she would have been entitled if he or
 42 she were able to perform his or her regular duties.

43 4. The appropriate department of corrections and community supervision
 44 officials may transfer such a parole officer to a position in another
 45 unit or office within the department where they are able to do so pursu-
 46 ant to applicable civil service requirements and provided the parole
 47 officer shall consent thereto.

48 5. If such a parole officer is not eligible for or is not granted an
 49 accidental disability retirement allowance or retirement for disability
 50 incurred in performance of duty allowance or similar accidental disabili-
 51 ty pension, he or she shall not be entitled to further payment of the
 52 full amount of regular salary or wages, as provided by subdivision one
 53 of this section, after he or she shall have attained the mandatory
 54 service retirement age applicable to him or her or shall have attained
 55 the age or performed the period of service specified by applicable law
 56 for the termination of his or her service.

1 6. Notwithstanding any provision of law to the contrary, a cause of
 2 action shall accrue to the state for reimbursement in such sum or sums
 3 actually paid as salary or wages and/or for medical treatment and hospi-
 4 tal care as against any third party against whom the parole officer
 5 shall have a cause of action for the injury sustained or sickness caused
 6 by such third party.
 7 7. Nothing herein shall waive, modify, or limit any rights or benefits
 8 provided by the workers' compensation law to covered parole officers
 9 which exceed the benefits contained herein or continue beyond the term
 10 of a covered parole officer's leave for occupational injury or disease
 11 as provided by section seventy-one of the civil service law.
 12 § 2. This act shall take effect immediately.

VETO MESSAGE - No. 173

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bill:

Assembly Bill Number 1644, entitled:

"AN ACT to amend the state finance law, in relation to compensation and medical expenses of certain injured state employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 2516, entitled:

"AN ACT to amend the general municipal law, in relation to optional disability coverage for county probation officers"

Senate Bill Number 4077-A, entitled:

"AN ACT to amend the retirement and social security law, in relation to death benefits for certain members; and providing for the repeal of such provisions upon expiration thereof"

Senate Bill Number 5360, entitled:

"AN ACT to amend the civil service law, in relation to independent hearing officers for certain disciplinary hearings"

NOT APPROVED

These bills would expand employment rights and benefits for State and local employees.

I fully support the valuable contributions that State and local workers provide to New Yorkers, including those workers that perform important public safety responsibilities. However, it is well-established that these types of benefits are typically bargained pursuant to the Taylor Law (Art. 14 of the Civil Service Law), and not unilaterally

imposed through legislation.

Consistent with past practice, the benefits provided by these bills should therefore be negotiated through the chosen representatives of the employer and employees. This will allow these types of benefits to be evaluated as part of the larger package of benefits and compensation provided to State and local employees, rather than in a piecemeal fashion that prioritizes certain benefits over others.

Second, it is estimated that these bills, when combined, would impose nearly \$38 million in costs unaccounted for in the State's financial plan. This would impose an unnecessary and unplanned burden on the State's taxpayers. For these reasons, I am constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

5927

2017-2018 Regular Sessions

IN ASSEMBLY

February 17, 2017

Introduced by M. of A. RYAN -- read once and referred to the Committee on Governmental Employees

AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel

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

1 Section 1. Notwithstanding any other law to the contrary, Adam Markel,
2 who was employed as a part-time employee with the state university of
3 New York at Buffalo with a start date of September 5, 2006 until April
4 14, 2009, and who is currently a member of the New York state and local
5 police and fire retirement system, who through no fault of his own did
6 not become a member of the New York state and local employees' retire-
7 ment system on September 5, 2006 when first employed by the state
8 university at Buffalo shall be deemed to have been a member of the New
9 York state and local employees' retirement system on such date and such
10 service credit shall be transferred to the New York state and local
11 police and fire retirement system, provided that an application is filed
12 with the head of the New York state and local police and fire retirement
13 system within one year from the effective date of this act.

14 § 2. No contributions made to the New York state and local police and
15 fire retirement system by Adam Markel shall be returned or refunded to
16 him pursuant to this act.

17 § 3. All past service costs associated with the implementation of this
18 act shall be borne by the state university of New York at Buffalo.

19 § 4. This act shall take effect immediately.

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

This bill will grant Tier 2 status in the New York State and Local Police and Fire Retirement System to Adam Markel, a current Tier 5 member employed by the City of Buffalo, by changing his date of membership to September 5, 2006, his first date of employment with the State

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

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University of New York at Buffalo. There will be no refund of member contributions.

If this legislation is enacted during the 2017 legislative session, we anticipate that there will be an increase of approximately \$3,500 in the annual contributions of the City of Buffalo for the fiscal year ending March 31, 2018. In future years, this cost will vary as the billing rates and salary of Adam Markel change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$7,730 which will be borne by the State University of New York at Buffalo as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated February 3, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-48, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 177

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

2516

2017-2018 Regular Sessions

IN SENATE

January 13, 2017

Introduced by Sens. GALLIVAN, ROBACH -- read twice and ordered printed, and when printed to be committed to the Committee on Local Government

AN ACT to amend the general municipal law, in relation to optional disability coverage for county probation officers

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

1 Section 1. Subdivision 1 of section 207-c of the general municipal
2 law, as amended by section 1 of chapter 522 of the laws of 2015, is
3 amended to read as follows:
4 1. Any sheriff, undersheriff, deputy sheriff or corrections officer of
5 the sheriff's department of any county (hereinafter referred to as a
6 "[policeman] police officer") or any member of a police force of any
7 county, city of less than one million population, town or village, or of
8 any district, agency, board, body or commission thereof, or a detec-
9 tive-investigator or any other investigator who is a police officer
10 pursuant to the provisions of the criminal procedure law employed in the
11 office of a district attorney of any county, or any corrections officer
12 of the county of Erie department of corrections, or an advanced ambu-
13 lance medical technician employed by the county of Nassau, or any
14 detention officer employed by the city of Yonkers, or any supervising
15 fire inspector, fire inspector, fire marshal or assistant fire marshal
16 employed full-time in the county of Nassau fire marshal's office, or at
17 the option of [the] any county [of Nassau], any county probation officer
18 [of the county of Nassau] who is injured in the performance of his or
19 her duties or who is taken sick as a result of the performance of his or
20 her duties so as to necessitate medical or other lawful remedial treat-
21 ment shall be paid by the municipality by which he or she is employed
22 the full amount of his or her regular salary or wages until his or her
23 disability arising therefrom has ceased, and, in addition such munici-
24 pality shall be liable for all medical treatment and hospital care
25 necessitated by reason of such injury or illness. Provided, however,

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

LBD00274-01-7

1 and notwithstanding the foregoing provisions of this section, the munic-
2 ipal health authorities or any physician appointed for the purpose by
3 the municipality, after a determination has first been made that such
4 injury or sickness was incurred during, or resulted from, such perform-
5 ance of duty, may attend any such injured or sick [~~police~~ police
6 officer, from time to time, for the purpose of providing medical, surgi-
7 cal or other treatment, or for making inspections and the municipality
8 shall not be liable for salary or wages payable to such [~~police~~ police
9 officer, or for the cost of medical treatment or hospital care
10 furnished after such date as such health authorities or physician shall
11 certify that such injured or sick [~~police~~ police officer has recov-
12 ered and is physically able to perform his or her regular duties. Any
13 injured or sick [~~police~~ police officer who shall refuse to accept
14 medical treatment or hospital care or shall refuse to permit medical
15 inspections as herein authorized[~~, including examinations pursuant to~~
16 ~~subdivision two of this section,~~] shall be deemed to have waived his or
17 her rights under this section in respect to expenses for medical treat-
18 ment or hospital care rendered and for salary or wages payable after
19 such refusal.

20 Notwithstanding any provision of law to the contrary, a provider of
21 medical treatment or hospital care furnished pursuant to the provisions
22 of this section shall not collect or attempt to collect reimbursement
23 for such treatment or care from any such [~~police~~ police officer, a
24 member of a police force of any county, city, any such advanced ambu-
25 lance medical technician, any such detention officer or any such detec-
26 tive-investigator or any other such investigator who is a police officer
27 pursuant to the provisions of the criminal procedure law.

28 § 2. Subdivision 1 of section 207-c of the general municipal law, as
29 amended by section 2 of chapter 522 of the laws of 2015, is amended to
30 read as follows:

31 1. Any sheriff, undersheriff, deputy sheriff or corrections officer of
32 the sheriff's department of any county or any member of a police force
33 of any county, city of less than one million population, town or
34 village, or of any district, agency, board, body or commission thereof,
35 or any LIRR police officer as defined in paragraph two of subdivision a
36 of section three hundred eighty-nine of the retirement and social secu-
37 rity law whose benefits are provided in and pursuant to such section
38 three hundred eighty-nine, or a detective-investigator or any other
39 investigator who is a police officer pursuant to the provisions of the
40 criminal procedure law employed in the office of a district attorney of
41 any county, or any corrections officer of the county of Erie department
42 of corrections, or an advanced ambulance medical technician employed by
43 the county of Nassau, or any detention officer employed by the city of
44 Yonkers, or any supervising fire inspector, fire inspector, fire
45 marshal, or assistant fire marshal employed full-time in the county of
46 Nassau fire marshal's office, or at the option of [~~the~~ any county [~~of~~
47 ~~Nassau~~], any county probation officer [~~of the county of Nassau~~] who is
48 injured in the performance of his or her duties or who is taken sick as
49 a result of the performance of his or her duties so as to necessitate
50 medical or other lawful remedial treatment shall be paid by the munici-
51 pality or The Long Island Rail Road Company by which he or she is
52 employed the full amount of his or her regular salary or wages from such
53 employer until his or her disability arising therefrom has ceased, and,
54 in addition such municipality or The Long Island Rail Road Company shall
55 be liable for all medical treatment and hospital care necessitated by
56 reason of such injury or illness. Provided, however, and notwithstand-

1 ing the foregoing provisions of this section, the municipal or The Long
 2 Island Rail Road Company health authorities or any physician appointed
 3 for the purpose by the municipality or The Long Island Rail Road Compa-
 4 ny, as relevant, after a determination has first been made that such
 5 injury or sickness was incurred during, or resulted from, such perform-
 6 ance of duty, may attend any such injured or sick [~~policeman~~] police
 7 officer, from time to time, for the purpose of providing medical, surgi-
 8 cal or other treatment, or for making inspections, and the municipality
 9 or The Long Island Rail Road Company, as the case may be, shall not be
 10 liable for salary or wages payable to such [~~policeman~~] police officer,
 11 or for the cost of medical treatment or hospital care furnished after
 12 such date as such health authorities or physician shall certify that
 13 such injured or sick [~~policeman~~] police officer has recovered and is
 14 physically able to perform his or her regular duties. Any injured or
 15 sick [~~policeman~~] police officer who shall refuse to accept medical
 16 treatment or hospital care or shall refuse to permit medical inspections
 17 as herein authorized [~~, including examinations pursuant to subdivision~~
 18 ~~two of this section,~~] shall be deemed to have waived his or her rights
 19 under this section in respect to expenses for medical treatment or
 20 hospital care rendered and for salary or wages payable after such
 21 refusal.

22 Notwithstanding any provision of law to the contrary, a provider of
 23 medical treatment or hospital care furnished pursuant to the provisions
 24 of this section shall not collect or attempt to collect reimbursement
 25 for such treatment or care from any such [~~policeman~~] police officer, any
 26 such advanced ambulance medical technician or any such detention offi-
 27 cer.

28 § 3. This act shall take effect immediately; provided, that the amend-
 29 ments to subdivision 1 of section 207-c of the general municipal law
 30 made by section one of this act shall be subject to the expiration and
 31 reversion of such subdivision pursuant to section 7 of chapter 628 of
 32 the laws of 1991, as amended, when upon such date the provisions of
 33 section two of this act shall take effect.

VETO MESSAGE - No. 185

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bill:

Assembly Bill Number 1644, entitled:

"AN ACT to amend the state finance law, in relation to compensation
 and medical expenses of certain injured state employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 2516, entitled:

"AN ACT to amend the general municipal law, in relation to optional
 disability coverage for county probation officers"

Senate Bill Number 4077-A, entitled:

"AN ACT to amend the retirement and social security law, in relation to death benefits for certain members; and providing for the repeal of such provisions upon expiration thereof"

Senate Bill Number 5360, entitled:

"AN ACT to amend the civil service law, in relation to independent hearing officers for certain disciplinary hearings"

NOT APPROVED

These bills would expand employment rights and benefits for State and local employees.

I fully support the valuable contributions that State and local workers provide to New Yorkers, including those workers that perform important public safety responsibilities. However, it is well-established that these types of benefits are typically bargained pursuant to the Taylor Law (Art. 14 of the Civil Service Law), and not unilaterally imposed through legislation.

Consistent with past practice, the benefits provided by these bills should therefore be negotiated through the chosen representatives of the employer and employees. This will allow these types of benefits to be evaluated as part of the larger package of benefits and compensation provided to State and local employees, rather than in a piecemeal fashion that prioritizes certain benefits over others.

Second, it is estimated that these bills, when combined, would impose nearly \$38 million in costs unaccounted for in the State's financial plan. This would impose an unnecessary and unplanned burden on the State's taxpayers. For these reasons, I am constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

3670

2017-2018 Regular Sessions

IN SENATE

January 25, 2017

Introduced by Sen. GOLDEN -- 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 eligibility for retirement benefits for certain members of the unified court system

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

1 Section 1. Subdivision a of section 503 of the retirement and social
2 security law, as amended by chapter 18 of the laws of 2012, is amended
3 to read as follows:

4 a. The normal service retirement benefit specified in section five
5 hundred four of this article shall be payable to general members, other
6 than elective members, who have met the minimum service requirements
7 upon retirement and attainment of age sixty-two, provided, however, a
8 general member who is a peace officer employed by the unified court
9 system or a member of a teachers' retirement system may retire without
10 reduction of his or her retirement benefit upon attainment of at least
11 fifty-five years of age and completion of thirty or more years of
12 service. For members who become members of the New York state and local
13 employees' retirement system on or after April first, two thousand
14 twelve, the normal service retirement benefits specified in section five
15 hundred four of this article shall be payable to general members, other
16 than elective members, who have met the minimum service requirements
17 upon retirement and attainment of age sixty-three; **provided that, a**
18 **member who is a peace officer employed by the unified court system may**
19 **retire without reduction of his or her retirement benefit upon attain-**
20 **ment of at least fifty-five years of age and completion of thirty or**
21 **more years of service.**

22 § 2. Subdivisions a and a-1 of section 603 of the retirement and
23 social security law, subdivision a as amended and subdivision a-1 as
24 added by chapter 18 of the laws of 2012, are amended to read as follows:

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

LBD05070-02-7

1 a. The service retirement benefit specified in section six hundred
 2 four of this article shall be payable to members who have met the mini-
 3 mum service requirements upon retirement and attainment of age sixty-
 4 two, other than members who are eligible for early service retirement
 5 pursuant to subdivision c of section six hundred four-b of this article,
 6 subdivision c of section six hundred four-c of this article, subdivision
 7 d of section six hundred four-d of this article, subdivision c of
 8 section six hundred four-e of this article, subdivision c of section six
 9 hundred four-f of this article, subdivision c of section six hundred
 10 four-g of this article, subdivision c of section six hundred four-h of
 11 this article or subdivision c of section six hundred four-i of this
 12 article, provided, however, a member of a teachers' retirement system or
 13 the New York state and local employees' retirement system who first
 14 joins such system before January first, two thousand ten or a member who
 15 is a uniformed court officer or peace officer employed by the unified
 16 court system [~~who first becomes a member of the New York state and local~~
 17 ~~employees' retirement system before April first, two thousand twelve~~]
 18 may retire without reduction of his or her retirement benefit upon
 19 attainment of at least fifty-five years of age and completion of thirty
 20 or more years of service, provided, however, that a uniformed court
 21 officer or peace officer employed by the unified court system who first
 22 becomes a member of the New York state and local employees' retirement
 23 system on or after January first, two thousand ten and retires without
 24 reduction of his or her retirement benefit upon attainment of at least
 25 fifty-five years of age and completion of thirty or more years of
 26 service pursuant to this section shall be required to make the member
 27 contributions required by subdivision f of section six hundred thirteen
 28 of this article for all years of credited and creditable service,
 29 provided further that the [~~the~~] preceding provisions of this subdivision
 30 shall not apply to a New York city revised plan member.

31 a-1. For members who first become a member of a public retirement
 32 system of the state on or after April first, two thousand twelve, **except**
 33 **for uniformed court officers or peace officers employed by the unified**
 34 **court system,** the service retirement benefit specified in section six
 35 hundred four of this article shall be payable to members who have met
 36 the minimum service requirements upon retirement and have attained age
 37 sixty-three.

38 § 3. Subdivisions a and b-1 of section 604 of the retirement and
 39 social security law, subdivision a as amended and subdivision b-1 as
 40 added by chapter 18 of the laws of 2012, are amended to read as follows:

41 a. The service retirement benefit at normal retirement age for a
 42 member with less than twenty years of credited service, or less than
 43 twenty-five years credited service for a member who joins the New York
 44 state teachers' retirement system on or after January first, two thou-
 45 sand ten, shall be a retirement allowance equal to one-sixtieth of final
 46 average salary times years of credited service. Normal retirement age
 47 for members who first become members of a public retirement system of
 48 the state on or after April first, two thousand twelve shall be age
 49 sixty-three; **except that the normal retirement age shall be sixty-two**
 50 **for a member who is a peace officer or uniformed court officer employed**
 51 **by the unified court system.**

52 b-1. Notwithstanding any other provision of law to the contrary, the
 53 service retirement benefit for members with twenty or more years of
 54 [~~credit~~] **credited** service who first become a member of a public retire-
 55 ment system of the state on or after April first, two thousand twelve at
 56 age sixty-three, **or at age sixty-two for uniformed court officers or**

1 peace officers employed by the unified court system, shall be a pension
 2 equal to the sum of thirty-five per centum and one-fiftieth of final
 3 average salary for each year of service in excess of twenty times final
 4 average salary times years of credited service. In no event shall any
 5 retirement benefit payable without optional modification be less than
 6 the actuarially equivalent annuitized value of the member's contrib-
 7 utions accumulated with interest at five percent per annum compounded
 8 annually to the date of retirement.

9 § 4. Paragraph 3 of subdivision i of section 603 of the retirement and
 10 social security law, as added by chapter 18 of the laws of 2012, is
 11 amended to read as follows:

12 3. A member of a public retirement system of the state who has met the
 13 minimum service requirement, but who is not a New York city transit
 14 authority member, as defined in paragraph one of subdivision a of
 15 section six hundred four-b of this article, may retire prior to normal
 16 retirement age, but no earlier than attainment of age fifty-five, in
 17 which event, the amount of his or her retirement benefit computed with-
 18 out optional modification shall be reduced by six and one-half per
 19 centum for each year by which early retirement precedes age sixty-three;
 20 provided, however, that for a member who is a uniformed court officer or
 21 peace officer employed by the unified court system, the retirement bene-
 22 fit computed without optional modification shall be reduced in accord-
 23 ance with paragraph one of this subdivision.

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

27 § 6. This act shall take effect immediately; provided that the amend-
 28 ments to subdivision a of section 603 of the retirement and social secu-
 29 rity law made by section two of this act shall not affect the expiration
 30 of such subdivision and shall be deemed to expire therewith.

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

This bill will allow any Tier 6 member who is a uniformed court offi-
 cer or peace officer employed by the unified court system to retire
 without early age reduction upon attaining 30 years of creditable
 service and age 55. It would also reduce the normal retirement age from
 63 to 62, and lessen the reductions in benefits for those who retire
 prior to normal retirement age.

If this legislation is enacted during the 2017 legislative session, we
 anticipate that there will be an increase in the annual contributions of
 the state of New York of approximately 1.1% of the compensation of the
 affected members. For the fiscal year ending March 31, 2018, this is
 estimated to be approximately \$140,000.

In addition to the annual contributions discussed above, there will be
 an immediate past service cost of approximately \$394,000 which would be
 borne by the state of New York as a one-time payment. This estimate is
 based on the assumption that payment will be made on March 1, 2018.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed
 change was the same as that used in the March 31, 2016 actuarial valu-
 ation. Distributions and other statistics can be found in the 2016
 Report of the Actuary and the 2016 Comprehensive Annual Financial
 Report.

The actuarial assumptions and methods used are described in the 2015
 and 2016 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, 2016 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 estimate, dated January 6, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-12, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 191

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers"

and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on

local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

3671

2017-2018 Regular Sessions

IN SENATE

January 25, 2017

Introduced by Sen. GOLDEN -- 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 accidental disability retirement for uniformed court officers and peace officers employed in the unified court system

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

1 Section 1. Subdivision a of section 605-a of the retirement and social
2 security law, as amended by chapter 489 of the laws of 2008, is amended
3 to read as follows:

4 a. A member employed as a uniformed court officer or peace officer in
5 the unified court system shall be entitled to an accidental disability
6 retirement allowance if, at the time application therefor is filed, such
7 member is:

8 1. Physically or mentally incapacitated for performance of duty as the
9 natural and proximate result of an accident, not caused by his or her
10 own willful negligence, sustained in such service and while actually a
11 member of the retirement system; and

12 2. Actually in service upon which his or her membership is based.
13 However, in a case where a member is discontinued from service subse-
14 quent to the accident, either voluntarily or involuntarily, and provided
15 that the member meets the requirements of paragraph one of this subdivi-
16 sion, application may be made either (a) by a vested member incapaci-
17 tated as the result of a qualifying World Trade Center condition as
18 defined in section two of this chapter at any time, or (b) not later
19 than two years after the member is first discontinued from service.

20 For purposes of this subdivision, a member who is injured as the
21 result of a physical assault by an assailant, suffered while in service
22 shall be entitled to accidental disability retirement unless the contra-
23 ry can be proven by competent evidence under this section.

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

LBD05085-02-7

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

4 § 3. This act shall take effect immediately.

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

This bill would allow Tier 3, 4, 5 and 6 uniformed court officers and peace officers in the unified court system to be eligible for an accidental disability for injuries sustained in the performance of duty and the result of an injury sustained in the performance or discharge of duty by or as the result of an assault by an assailant, unless the contrary be proven by competent evidence. The benefit for an accidental disability would be 75% of the final average salary less worker's compensation.

If this bill is enacted, the cost will vary depending on the members' age, service, tier and salary. It is estimated that the average per person cost will be approximately three (3) times salary.

The exact number of members who could be affected by this legislation cannot be readily determined. In all likelihood, very few members would be affected.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 6, 2017 and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-11, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 192

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

4077--A
Cal. No. 1462

2017-2018 Regular Sessions

IN SENATE

February 2, 2017

Introduced by Sens. RITCHIE, HELMING, AVELLA, FUNKE, GALLIVAN, MARCHIONE, MURPHY, RANZENHOFER, YOUNG -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the retirement and social security law, in relation to death benefits for certain members; and providing for the repeal of such provisions upon expiration thereof

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

1 Section 1. Subdivision b of section 448 of the retirement and social
2 security law is amended by adding a new paragraph 3 to read as follows:
3 3. Provided further, notwithstanding any other provision of this arti-
4 cle to the contrary, where a member is in a title as defined in subdivi-
5 sion i of section eighty-nine of this chapter under the jurisdiction of
6 the department of corrections and community supervision, and would have
7 been entitled to a service retirement benefit at the time of his or her
8 death and where his or her death occurs on or after July first, two
9 thousand seventeen, the beneficiary or beneficiaries may elect to
10 receive, in a lump sum, an amount payable which shall be equal to the
11 pension reserve that would have been established had the member retired
12 on the date of his or her death, or the value of the death benefit and
13 the reserve-for-increased-take-home-pay, if any, whichever is greater.
14 § 2. Subdivision b of section 508 of the retirement and social securi-
15 ty law, as amended by chapter 18 of the laws of 2012, is amended to read
16 as follows:
17 b. A member of a retirement system subject to the provisions of this
18 article who is a policeman, fireman, correction officer, investigator
19 revised plan member or sanitation man and is in a plan which permits
20 immediate retirement upon completion of a specified period of service

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

LBD02565-04-7

1 without regard to age or who is subject to the provisions of section
 2 five hundred four or five hundred five of this article, shall upon
 3 completion of ninety days of service be covered for financial protection
 4 in the event of death in service pursuant to this subdivision.

5 **1.** Such death benefit shall be equal to three times the member's sala-
 6 ry raised to the next highest multiple of one thousand dollars, but in
 7 no event shall it exceed three times the maximum salary specified in
 8 section one hundred thirty of the civil service law or, in the case of a
 9 member of a retirement system other than the New York city employees'
 10 retirement system, or in the case of a member of the New York city
 11 employees' retirement system who is a New York city uniformed
 12 correction/sanitation revised plan member or an investigator revised
 13 plan member, the specific limitations specified for age of entrance into
 14 service contained in subparagraphs (b), (c), (d), (e) and (f) of para-
 15 graph two of subdivision a of this section.

16 **2. Provided further, notwithstanding any other provision of this arti-
 17 cle to the contrary, where a member is in a title as defined in subdivi-
 18 sion i of section eighty-nine of this chapter under the jurisdiction of
 19 the department of corrections and community supervision, and would have
 20 been entitled to a service retirement benefit at the time of his or her
 21 death and where his or her death occurs on or after July first, two
 22 thousand seventeen, the beneficiary or beneficiaries may elect to
 23 receive, in a lump sum, an amount payable which shall be equal to the
 24 pension reserve that would have been established had the member retired
 25 on the date of his or her death, or the value of the death benefit and
 26 the reserve-for-increased-take-home-pay, if any, whichever is greater.**

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

30 § 4. This act shall take effect immediately and shall expire five
 31 years after the date on which it shall have become a law.

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

This bill would modify the in-service death benefit for tiers 2 through 6 state correction officers. The in-service death benefit will be the value of the pension reserve as if the member had retired on their date of death. The provision is scheduled to expire five years after the date it is enacted.

If such a proposal is enacted during the 2017 legislative session, there will be a one-time past service cost of \$13.7 million, which would be borne by the state of New York as a one-time payment. This estimate is based on the assumption that payment will be made on March 1, 2018.

If this provision is extended or made permanent by subsequent legislation, there would be additional costs.

These estimated costs are based on 20,690 state correctional officers with a total annual salary of approximately \$1.5 billion for the fiscal year ending March 31, 2016.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 30, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-32, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 193

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bill:

Assembly Bill Number 1644, entitled:

"AN ACT to amend the state finance law, in relation to compensation and medical expenses of certain injured state employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 2516, entitled:

"AN ACT to amend the general municipal law, in relation to optional disability coverage for county probation officers"

Senate Bill Number 4077-A, entitled:

"AN ACT to amend the retirement and social security law, in relation to death benefits for certain members; and providing for the repeal of such provisions upon expiration thereof"

Senate Bill Number 5360, entitled:

"AN ACT to amend the civil service law, in relation to independent hearing officers for certain disciplinary hearings"

NOT APPROVED

These bills would expand employment rights and benefits for State and local employees.

I fully support the valuable contributions that State and local workers provide to New Yorkers, including those workers that perform important public safety responsibilities. However, it is well-established that these types of benefits are typically bargained pursuant to the Taylor Law (Art. 14 of the Civil Service Law), and not unilaterally imposed through legislation.

Consistent with past practice, the benefits provided by these bills

should therefore be negotiated through the chosen representatives of the employer and employees. This will allow these types of benefits to be evaluated as part of the larger package of benefits and compensation provided to State and local employees, rather than in a piecemeal fashion that prioritizes certain benefits over others.

Second, it is estimated that these bills, when combined, would impose nearly \$38 million in costs unaccounted for in the State's financial plan. This would impose an unnecessary and unplanned burden on the State's taxpayers. For these reasons, I am constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

5130

2017-2018 Regular Sessions

IN SENATE

March 9, 2017

Introduced by Sen. GOLDEN -- 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 disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county

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

1 Section 1. Section 607-c of the retirement and social security law is
2 amended by adding a new subdivision g to read as follows:
3 g. Any sheriff, deputy sheriff, undersheriff, or correction officer as
4 defined in subdivision a of section sixty-three-b of this chapter, and
5 who is employed in Nassau county, who becomes physically or mentally
6 incapacitated for the performance of duties as the natural and proximate
7 result of an injury, sustained in the performance or discharge of his or
8 her duties by, or as the natural and proximate result of an intentional
9 or reckless act of any civilian visiting, or otherwise present at, an
10 institution under the jurisdiction of such county where such injury was
11 sustained and documented after the enactment of this section, shall be
12 paid a performance of duty disability retirement allowance equal to that
13 which is provided in section sixty-three of this chapter, subject to the
14 provisions of section sixty-four of this chapter. Notwithstanding any
15 other provision of law to the contrary, none of the provisions of this
16 subdivision shall be subject to section twenty-five of this chapter.

17 § 2. All past service costs associated with implementing the
18 provisions of this act will be borne by Nassau county, and may be amor-
19 tized over a ten year period.

20 § 3. This act shall take effect immediately.

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

This bill will allow any sheriff, undersheriff, deputy sheriff, or correction officer employed by Nassau County to become eligible to receive a performance of duty benefit due to the intentional or reckless

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

LBD05673-02-7

act of a civilian visiting an institution under the jurisdiction of such county. The benefit will be 75% of final average salary less worker's compensation. Currently, to be eligible for such improved benefit, it is required that such injuries were sustained as the result of an "act of an inmate". Such injuries must be sustained and documented after the enactment of this legislation.

If this legislation is enacted during the 2017 legislative session, we anticipate that there will be an increase in the annual contributions of Nassau County of approximately \$200,000 for the fiscal year ending March 31, 2018.

In addition to the annual contributions discussed above, it is estimated that there will be a past service cost of approximately \$1.15 million which would be borne by Nassau County as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018. If Nassau County elects to amortize this cost over a 10 year period, the cost for the first fiscal year would be \$154,000.

These estimated costs are based on 917 sheriffs, undersheriffs, deputy sheriffs and correction officers employed by Nassau County with a total estimated annual salary of approximately \$94 million for the fiscal year ending March 31, 2016.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 12, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-5, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 196

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire

marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

5704

2017-2018 Regular Sessions

IN SENATE

April 26, 2017

Introduced by Sen. PHILLIPS -- 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 providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county

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

1 Section 1. The retirement and social security law is amended by adding
2 a new section 607-i to read as follows:
3 § 607-i. Performance of duty disability retirement benefits for ambu-
4 lance medical technician supervisors, ambulance medical technician coor-
5 dinators and ambulance medical technicians in Nassau county. a. The
6 county of Nassau shall make the benefits provided herein available to
7 ambulance medical technician supervisors, ambulance medical technician
8 coordinators and ambulance medical technicians in the employ of Nassau
9 county.
10 b. A member shall be entitled to retirement for disability incurred in
11 the performance of duty if, at the time application therefor is filed,
12 he or she is:
13 1. Physically or mentally incapacitated for performance of duty as the
14 natural and proximate result of a disability not caused by his or her
15 own willful negligence sustained in such service and while actually a
16 member of the retirement system; and
17 2. Actually in service upon which his or her membership is based.
18 However, in the case where a member is discontinued from service, either
19 voluntarily, or involuntarily, subsequent to sustaining a disability in
20 such service, application may be made not later than two years after the
21 member is first discontinued from service; and provided that the member
22 meets the requirements of subdivision a of this section and this subdi-
23 vision.

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

LBD05675-02-7

1 c. Application for a performance of duty disability retirement allow-
2 ance for such a member may be made by:

3 1. Such member; or

4 2. The head of the department in which such member is employed; or

5 3. Any person acting on behalf of and authorized by such member.

6 d. 1. After the filing of such an application, such member shall be
7 given one or more medical examinations. No such application shall be
8 approved, however, unless the member or some other person on his or her
9 behalf shall have filed written notice in the office of the comptroller
10 within ninety days after the occurrence which is the basis for the disa-
11 bility incurred in the performance of duty, setting forth:

12 (a) The time when and the place of such occurrence; and

13 (b) The particulars thereof; and

14 (c) The nature and extent of the member's injuries; and

15 (d) His or her alleged disability.

16 2. The notice herein required need not be given:

17 (a) If the notice of such accident shall be filed in accordance with
18 the provisions of the workers' compensation law of any state within
19 which a participating employer in Nassau county shall have its employees
20 located or performing functions and duties within the normal scope of
21 their employment; or

22 (b) If the application for performance of duty disability retirement
23 is filed within one year after the date of the occurrence which forms
24 the basis for the application; or

25 (c) If a failure to file notice has been excused for good cause shown
26 as provided by rules and regulations promulgated by the comptroller.

27 e. If the comptroller determines that the member is physically or
28 mentally incapacitated for the performance of duty pursuant to subdivi-
29 sion b of this section and ought to be retired, such member shall be so
30 retired. Such retirement shall be effective as of a date approved by the
31 comptroller.

32 f. The annual retirement allowance payable upon retirement for disa-
33 bility incurred in the performance of duty shall be a pension of one-
34 half of his or her final average salary plus an annuity which shall be
35 the actuarial equivalent of the member's accumulated contributions, if
36 any.

37 g. If the member, at the time of the filing of an application under
38 the provision of subdivision c of this section, is eligible for a
39 service retirement benefit, then and in that event, he or she may simul-
40 taneously file an application for service retirement in accordance with
41 the provision of section seventy of this chapter, provided that the
42 member indicates on the application for service retirement that such
43 application is filed without prejudice to the application for the
44 retirement for disability incurred in performance of duty.

45 h. Any benefit provided pursuant to this section shall not be consid-
46 ered as an accidental disability benefit within the meaning of section
47 sixty-four of this chapter.

48 i. Any benefit payable pursuant to the workers' compensation law to a
49 member receiving a disability allowance pursuant to this section shall
50 be in addition to such retirement for disability incurred in performance
51 of duty allowance.

52 j. A final determination of the comptroller that the member is not
53 entitled to retirement benefits pursuant to this section shall not in
54 any respect be, or constitute, a determination with regard to benefits
55 payable pursuant to section two hundred seven-c of the general municipal
56 law.

1 § 2. All costs associated with implementing the provisions of this act
2 shall be borne by Nassau county.

3 § 3. All past costs incurred due to implementing the provisions of
4 this act will be borne by Nassau county, and may be amortized over a ten
5 year period.

6 § 4. This act shall take effect immediately.

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

This bill would grant Nassau County Tier 3, 4, 5 and 6 ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians an enhanced disability benefit for injuries sustained in the performance of duty. The benefit for a performance of duty disability would be 50% of final average salary.

If this bill is enacted during the 2017 session, there will be an estimated increase of approximately \$300,000 in the annual contributions of Nassau County for the fiscal year ending March 31, 2018.

In addition to the annual contributions discussed above, there will be an immediate past service cost of \$1.75 million which may be borne by Nassau County as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018. If Nassau County elects to amortize this cost over a 10 year period, the cost for the first year would be \$232,000.

These estimated costs are based on 136 members having an annual salary for the fiscal year ending March 31, 2016 of approximately \$14 million.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 12, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-4, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 198

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation

to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

5705

2017-2018 Regular Sessions

IN SENATE

April 26, 2017

Introduced by Sen. PHILLIPS -- 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 providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county

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

- 1 Section 1. The retirement and social security law is amended by adding
- 2 a new section 607-i to read as follows:
- 3 § 607-i. Performance of duty, disability retirement for chief fire
- 4 marshals, assistant chief fire marshals, division supervising fire
- 5 marshals, supervising fire marshals, fire marshals and fire marshal
- 6 trainees in Nassau county. a. The county of Nassau shall make the bene-
- 7 fits provided herein available to chief fire marshals, assistant chief
- 8 fire marshals, division supervising fire marshals, supervising fire
- 9 marshals, fire marshals and fire marshal trainees in the employ of
- 10 Nassau county.
- 11 b. A member shall be entitled to retirement for disability incurred in
- 12 the performance of duty if, at the time application therefor is filed,
- 13 he or she is:
- 14 1. Physically or mentally incapacitated for performance of duty as the
- 15 natural and proximate result of a disability, not caused by his or her
- 16 own willful negligence sustained in such service and while actually a
- 17 member of the retirement system; and
- 18 2. Actually in service upon which his or her membership is based.
- 19 However, in a case where a member is discontinued from service, either
- 20 voluntarily or involuntarily, subsequent to sustaining a disability in
- 21 such service, application may be made not later than two years after the
- 22 member is first discontinued from service; and provided that the member

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

LBD05674-03-7

1 meets the requirements of subdivision a of this section and this subdi-
2 vision.

3 c. Application for a performance of duty disability retirement allow-
4 ance for such a member may be made by:

5 1. Such member; or
6 2. The head of the department in which such member is employed; or
7 3. Any person acting on behalf of and authorized by such member.

8 d. 1. After the filing of such an application, such member shall be
9 given one or more medical examinations. No such application shall be
10 approved, however, unless the member or some other person on his or her
11 behalf shall have filed written notice in the office of the comptroller
12 within ninety days after such occurrence which is the basis for the
13 disability incurred in the performance of duty, setting forth:

14 (a) The time and the place of such occurrence; and
15 (b) The particulars thereof; and
16 (c) The nature and extent of the member's injuries; and
17 (d) His or her alleged disability.

18 2. The notice herein required need not be given:

19 (a) If the notice of such occurrence shall be filed in accordance with
20 the provisions of the workers' compensation law of any state within
21 which a participating employer in Nassau county shall have its employees
22 located or performing functions and duties within the normal scope of
23 their employment; or

24 (b) If the application for performance of duty disability retirement
25 is filed within one year after the date of the occurrence which forms
26 the basis for the application; or

27 (c) If a failure to file notice has been excused for good cause shown
28 as provided by rules and regulations promulgated by the comptroller.

29 e. If the comptroller determines that the member is physically or
30 mentally incapacitated for the performance of duty pursuant to subdivi-
31 sion b of this section and ought to be retired, such member shall be so
32 retired. Such retirement shall be effective as of a date approved by the
33 comptroller.

34 f. The annual retirement allowance payable upon retirement for disa-
35 bility incurred in the performance of duty shall be a pension of one-
36 half of his or her final average salary plus an annuity which shall be
37 the actuarial equivalent of the member's accumulated contributions, if
38 any.

39 g. If the member, at the time of the filing of an application under
40 the provisions of subdivision c of this section, is eligible for a
41 service retirement benefit, then and in that event, he or she may simul-
42 taneously file an application for service retirement in accordance with
43 the provisions of section seventy of this chapter, provided that the
44 member indicates on the application for service retirement that such
45 application is filed without prejudice to the application for the
46 retirement for disability incurred in performance of duty.

47 h. Any benefit provided pursuant to this section shall not be consid-
48 ered as an accidental disability benefit within the meaning of section
49 sixty-four of this chapter.

50 i. Any benefit payable pursuant to the workers' compensation law to a
51 member receiving a disability allowance pursuant to this section shall
52 be in addition to such retirement for disability incurred in performance
53 of duty allowance.

54 j. A final determination of the comptroller that the member is not
55 entitled to retirement benefits pursuant to this section shall not in
56 any respect be, or constitute, a determination with regard to benefits

1 payable pursuant to section two hundred seven-a of the general municipal
 2 law.

3 § 2. All costs associated with implementing the provisions of this act
 4 shall be borne by Nassau county.

5 § 3. All past service costs incurred due to implementing the
 6 provisions of this act will be borne by Nassau County, and may be amor-
 7 tized over a 10 year period.

8 § 4. This act shall take effect immediately.

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

This bill would grant Nassau County Tier 3, 4, 5 and 6 chief fire marshal, assistant fire marshal, division supervising fire marshal, supervising fire marshal, fire marshal and fire marshal trainee an enhanced disability benefit for injuries sustained in the performance of duty. The benefit for a performance of duty disability would be 50% of final average salary.

If this bill is enacted during the 2017 session, there will be an estimated increase of approximately \$35,000 in the annual contributions of Nassau County for the fiscal year ending March 31, 2018.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$201,000 which would be borne by Nassau County as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018. If Nassau County elects to amortize the cost over a 10 year period, the cost for the first year would be \$26,800.

These estimated costs above are based on 42 fire marshals employed by Nassau County with a total estimated annual salary of approximately \$4.9 million for the fiscal year ending March 31, 2016.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 New York State and Local Retirement System Financial Statements and Supplementary Information.

I am a member of American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

This estimate, dated January 19, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-31, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 199

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

6448--A

2017-2018 Regular Sessions

IN SENATE

May 22, 2017

Introduced by Sen. BRESLIN -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi

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

1 Section 1. Notwithstanding any other law to the contrary, Jessica
2 Strizzi, a member of the New York state and local employees' retirement
3 system, who is currently employed by the office of the state comp-
4 troller, and who was previously employed on June 28, 2007 by the village
5 of Green Island as a recreational assistant, and who filed membership
6 applications in such system on June 28, 2007 which should have given her
7 Tier IV status but for reasons not ascribable to her own negligence and
8 due to an administrative error, the application was not processed in the
9 usual manner and therefore not processed until July 9, 2012 may be
10 deemed to have become a member of the New York state and local employ-
11 ees' retirement system on June 28, 2007, if on or before December 31,
12 2017 she shall file an application therefor with the state comptroller.
13 Upon the receipt of such application, Jessica Strizzi shall be granted
14 Tier IV status in the New York state and local employees' retirement
15 system and be eligible for all the rights and benefits thereof. No
16 contributions made to the New York state and local employees' retirement
17 system by Jessica Strizzi shall be returned to her pursuant to this act.
18 § 2. Any past service costs incurred in implementing the provisions of
19 this act shall be borne by the village of Green Island.

20 § 3. This act shall take effect immediately.
FISCAL NOTE.--Pursuant to Legislative Law, Section 50:
This bill will allow Jessica Strizzi, an employee of the New York
State Office of the State Comptroller and a former employee of the

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

LBD11758-06-7

Village of Green Island, to receive a retroactive date of membership in the New York State and Local Employees' Retirement System, thereby making her a Tier 4 member.

If this bill is enacted, we anticipate that there will be an increase of approximately \$2,900 in annual contributions of the State of New York for the fiscal year ending March 31, 2018. In future years, this cost will vary as her billing rate and salary change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$5,390 which would be borne by the Village of Green Island as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated May 25, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-110, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 200

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

6449

2017-2018 Regular Sessions

IN SENATE

May 22, 2017

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

AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins

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

1 Section 1. Notwithstanding any other provision of law, Brian Stebbins,
2 a member of the New York state and local employees' retirement system,
3 who was employed on August 1, 2003, by the village of Green Island, and
4 who filed a membership application in such system on August 1, 2003,
5 which should have given him Tier IV status but for reasons not ascriba-
6 ble to his own negligence and due to an administrative error, the appli-
7 cation was not processed in the usual manner and therefore not processed
8 until March 15, 2012, may be deemed to have become a member of the New
9 York state and local employees' retirement system on August 1, 2003, if
10 on or before December 31, 2017 he shall file an application therefor
11 with the state comptroller. Upon the receipt of such application, Brian
12 Stebbins shall be granted Tier IV status in the New York state and local
13 employees' retirement system and be eligible for all the rights and
14 benefits thereof. No contributions made to the New York state and local
15 employees' retirement system by Brian Stebbins shall be returned to him
16 pursuant to this act.

17 § 2. Any past service costs incurred in implementing the provisions of
18 this act shall be borne by the village of Green Island.

19 § 3. This act shall take effect immediately.

FISCAL NOTE.--This bill will grant Tier 4 status in the New York State and Local Employees' Retirement System to Brian M. Stebbins, a current Tier 5 member employed by the State of New York, by changing his date of membership to August 1, 2003, the first date he was employed by the Village of Green Island.

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

LBD11757-02-7

If this legislation is enacted during the 2017 legislative session, we anticipate that there will be an increase of approximately \$2,000 in the annual contributions of the State of New York for the fiscal year ending March 31, 2018. In future years, this cost will vary as the billing rates and salary of Brian M. Stebbins change.

In addition to the annual contributions discussed above, there will be an immediate past service cost of approximately \$11,000 which will be borne by the Village of Green Island as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated May 16, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-100, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 201

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

3991--A
Cal. No. 1458

2017-2018 Regular Sessions

IN SENATE

February 1, 2017

Introduced by Sen. MURPHY -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- committee discharged and said bill committed to the Committee on Rules -- ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the retirement and social security law, in relation to including assistant wardens as eligible members for performance of duty disability retirement benefits

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

1 Section 1. Subdivisions a, b and paragraph 2 of subdivision d of
2 section 63-b of the retirement and social security law, as added by
3 chapter 639 of the laws of 1999, are amended to read as follows:
4 a. A member employed by a county shall be eligible for a performance
5 of duty disability retirement if the county elects to make the benefits
6 provided herein available, as provided for in subdivision d of this
7 section, and such member is a sheriff, deputy sheriff, undersheriff,
8 assistant warden or correction officer.
9 b. Any sheriff, deputy sheriff, undersheriff, assistant warden or
10 correction officer as defined in subdivision a of this section, who
11 becomes physically or mentally incapacitated for the performance of
12 duties as the natural and proximate result of an injury, sustained in
13 the performance or discharge of his or her duties by, or as the natural
14 and proximate result of an act of any inmate or any person confined in
15 an institution under the jurisdiction of such county, shall be paid a
16 performance of duty disability retirement allowance equal to that which
17 is provided in section sixty-three of this title, subject to the
18 provisions of section sixty-four of this title.
19 2. The performance of duty disability retirement as defined in subdi-
20 visions b and c of this section shall be available only to sheriffs,
21 deputy sheriffs, undersheriffs, assistant wardens and correction offi-

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

LBD02321-04-7

1 cers whose employer elects to provide such benefits by adopting a resol-
2 ution to such effect and filing a certified copy thereof with the comp-
3 troller. Such resolution shall be accompanied by the affidavit of the
4 chief executive officer of the county that the county has received an
5 estimate from the retirement system of the cost of the benefit provided
6 by this section.

7 § 2. Subdivisions a and f of section 607-c of the retirement and
8 social security law, subdivision a as added by chapter 639 of the laws
9 of 1999 and subdivision f as added by chapter 521 of the laws of 2014,
10 are amended to read as follows:

11 a. Any sheriff, deputy sheriff, undersheriff, **assistant warden** or
12 correction officer as defined in subdivision a of section sixty-three-b
13 of this chapter, and who are employed in a county which makes an
14 election pursuant to subdivision d of such section sixty-three-b, who
15 becomes physically or mentally incapacitated for the performance of
16 duties as the natural and proximate result of an injury, sustained in
17 the performance or discharge of his or her duties by, or as the natural
18 and proximate result of any act of any inmate or any person confined in
19 an institution under the jurisdiction of such county, shall be paid a
20 performance of duty disability retirement allowance equal to that which
21 is provided in section sixty-three of this chapter, subject to the
22 provisions of section sixty-four of this chapter.

23 f. Any sheriff, deputy sheriff, undersheriff, **assistant warden** or
24 correction officer as defined in subdivision a of section sixty-three-b
25 of this chapter, and who are employed in Westchester county, who becomes
26 physically or mentally incapacitated for the performance of duties as
27 the natural and proximate result of an injury, sustained in the perform-
28 ance or discharge of his or her duties by, or as the natural and proxi-
29 mate result of an intentional or reckless act of any civilian visiting,
30 or otherwise present at, an institution under the jurisdiction of such
31 county, shall be paid a performance of duty disability retirement allow-
32 ance equal to that which is provided in section sixty-three of this
33 chapter, subject to the provisions of section sixty-four of this chap-
34 ter.

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

38 § 4. This act shall take effect immediately.

FISCAL NOTE.--This bill will grant coverage under a 75% of pay
performance of duty disability benefit for assistant wardens whose
employers already have elected to provide this benefit for their sher-
iff, undersheriff, deputy sheriffs and correction officers.

If this bill is enacted, the increase in the annual contributions of
such affected counties will depend on the current salary and plan cover-
age of the affected members in its employ. For the fiscal year ending
March 31, 2018, the additional annual cost, expressed as a percentage of
annual pay of the affected members, will be 2.1% of pay for tiers 3, 4
and 5, and 1.9% of pay for tier 6. In future years, this annual cost
will vary as the billing rates of these plans change.

There would also be a one-time past service cost of 12.6% of the
affected wardens' annual billing salaries. This past service cost would
be shared by the State of New York and the participating employers in
the New York State and Local Employees' Retirement System.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed
change was the same as that used in the March 31, 2016 actuarial valu-

ation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated January 30, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-41, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 222

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3991-A, entitled:

"AN ACT to amend the retirement and social security law, in relation to including assistant wardens as eligible members for performance of duty disability retirement benefits"

Senate Bill Number 6529, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability benefits for firefighters employed by the division of military and naval affairs"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have repeatedly vetoed similar or identical bills because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$5 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support bills that would unnecessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local

governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

6529

2017-2018 Regular Sessions

IN SENATE

June 1, 2017

Introduced by Sen. MURPHY -- 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 disability benefits for firefighters employed by the division of military and naval affairs

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

1 Section 1. The retirement and social security law is amended by adding
2 two new sections 63-g and 63-h to read as follows:
3 § 63-g. Performance of duty disability retirement. a. Any member of
4 the retirement system employed by the division of military and naval
5 affairs shall be eligible to retire pursuant to the provisions of this
6 section if he or she is an airport firefighter apprentice, airport fire-
7 fighter I, airport firefighter II, airport firefighter III or training
8 and safety officer.
9 b. Notwithstanding any provision of this chapter or of any general or
10 special law to the contrary, any member who becomes physically or
11 mentally incapacitated as the result of a disability from any condition
12 of impairment of health caused by: (1) diseases of the heart; or (2) any
13 (i) melanoma or (ii) condition of cancer affecting the lymphatic, diges-
14 tive, hematological, urinary, neurological, breast, reproductive or
15 prostate systems, who is presently employed and who shall have sustained
16 such disability while so employed and while actually a member of the
17 retirement system, who successfully passed a physical examination on
18 entry into service as an airport firefighter apprentice, airport fire-
19 fighter I, airport firefighter II, airport firefighter III or training
20 and safety officer, which examination failed to disclose evidence of any
21 disease or other impairment of the heart or such melanoma or condition,
22 shall be presumptive evidence that such disability or death (A) was
23 caused by the natural and proximate result of an accident, not caused by
24 such firefighter's own negligence and (B) was incurred in the perform-

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

LBD09309-03-7

1 ance and discharge of duty, unless the contrary be proven by competent
2 evidence and shall be paid a performance of duty disability retirement
3 benefit payable pursuant to this section.

4 c. Application for a performance of duty disability retirement allow-
5 ance for such a member may be made by:

6 1. Such member;

7 2. The head of the department in which such member is employed; or

8 3. Some person acting on behalf of and authorized by such member.

9 d. After the filing of such an application such member shall be given
10 one or more medical examinations.

11 e. If the comptroller determines that the member is physically or
12 mentally incapacitated for the performance of duty and ought to be
13 retired for performance of duty disability, such member shall be so
14 retired. Such retirement shall be effective as of a date approved by
15 the comptroller.

16 f. The retirement allowance payable upon retirement for performance of
17 duty disability shall consist of a pension of one-half of his or her
18 final average salary plus an annuity which shall be the actuarial equiv-
19 alent of such member's accumulated contributions, if any.

20 g. If the member, at the time of the filing of an application under
21 the provisions of subdivision c of this section, is eligible for a
22 service retirement benefit, then and in that event, such member may
23 simultaneously file an application for service retirement in accordance
24 with the provisions of section seventy of this article, provided that
25 the member indicates on the application for service retirement that such
26 application is filed without prejudice to the application for perform-
27 ance of duty disability retirement.

28 h. Any benefit provided pursuant to this section shall not be consid-
29 ered as an accidental disability benefit within the meaning of section
30 sixty-four of this title. Any benefit payable pursuant to the workers'
31 compensation law to a member receiving a disability allowance pursuant
32 to this section shall be in addition to such retirement for disability
33 incurred in performance of duty allowance.

34 § 63-h. Certain impairments of health; presumption. a. Any member of
35 the retirement system employed by the division of military and naval
36 affairs shall be eligible to retire pursuant to the provisions of this
37 section if he or she is an airport firefighter apprentice, airport fire-
38 fighter I, airport firefighter II, airport firefighter III or training
39 and safety officer.

40 b. Notwithstanding any provision of this chapter or of any general or
41 special law to the contrary, any condition of impairment of health
42 caused by: (1) diseases of the heart; or (2) any (i) melanoma or (ii)
43 condition of cancer affecting the lymphatic, digestive, hematological,
44 urinary, neurological, breast, reproductive or prostate systems result-
45 ing in disability to a member covered by this section, presently
46 employed and who shall have sustained such disability as the result of
47 an accident not caused by his or her own willful negligence sustained in
48 such service and while actually a member of the retirement system, who
49 successfully passed a physical examination on entry into service as an
50 airport firefighter apprentice, airport firefighter I, airport fire-
51 fighter II, airport firefighter III or training and safety officer which
52 examination failed to disclose evidence of any disease or other impair-
53 ment of the heart or such melanoma or condition, shall be presumptive
54 evidence that such disability or death (A) was caused by the natural and
55 proximate result of an accident, not caused by such firefighter's own
56 negligence and (B) was incurred in the performance and discharge of

1 duty, unless the contrary be proven by competent evidence and shall be
2 paid a performance of duty disability retirement allowance equal to that
3 which is provided in section sixty-three of this title, subject to the
4 provisions of section sixty-four of this title.

5 c. Notwithstanding any provision of this chapter or of any general or
6 special law to the contrary, any condition of impairment of health
7 caused by diseases of the lung, resulting in disability to a member
8 covered by this section, presently employed and while actually a member
9 of the retirement system, who successfully passed a physical examination
10 on entry into service as an airport firefighter apprentice, airport
11 firefighter I, airport firefighter II, airport firefighter III or train-
12 ing and safety officer, which examination failed to disclose evidence of
13 any disease or other impairment of the lung, shall be presumptive
14 evidence that such disability or death (1) was caused by the natural and
15 proximate result of an accident, not caused by such firefighter's own
16 negligence and (2) was incurred in the performance and discharge of
17 duty, unless the contrary be proven by competent evidence and shall be
18 paid a performance of duty disability retirement allowance equal to that
19 which is provided in section sixty-three of this title, subject to the
20 provisions of section sixty-four of this title.

21 § 2. The retirement and social security law is amended by adding two
22 new sections 607-i and 607-j to read as follows:

23 § 607-i. Performance of duty disability retirement. a. Any member of
24 the retirement system employed by the division of military and naval
25 affairs shall be eligible to retire pursuant to the provisions of this
26 section if he or she is an airport firefighter apprentice, airport fire-
27 fighter I, airport firefighter II, airport firefighter III or training
28 and safety officer.

29 b. Notwithstanding any provision of this chapter or of any general or
30 special law to the contrary, any member who becomes physically or
31 mentally incapacitated as the result of a disability from any condition
32 of impairment of health caused by: (1) diseases of the heart; or (2) any
33 (i) melanoma or (ii) condition of cancer affecting the lymphatic, diges-
34 tive, hematological, urinary, neurological, breast, reproductive or
35 prostate systems, who is presently employed and who shall have sustained
36 such disability while so employed and while actually a member of the
37 retirement system, who successfully passed a physical examination on
38 entry into service as an airport firefighter apprentice, airport fire-
39 fighter I, airport firefighter II, airport firefighter III or training
40 and safety officer, which examination failed to disclose evidence of any
41 disease or other impairment of the heart or such melanoma or condition,
42 shall be presumptive evidence that such disability or death (A) was
43 caused by the natural and proximate result of an accident, not caused by
44 such firefighter's own negligence and (B) was incurred in the perform-
45 ance and discharge of duty, unless the contrary be proven by competent
46 evidence and shall be paid a performance of duty disability retirement
47 benefit payable pursuant to this section.

48 c. Application for a performance of duty disability retirement allow-
49 ance for such a member may be made by:

50 1. Such member;

51 2. The head of the department in which such member is employed; or

52 3. Some person acting on behalf of and authorized by such member.

53 d. After the filing of such an application such member shall be given
54 one or more medical examinations.

55 e. If the comptroller determines that the member is physically or
56 mentally incapacitated for the performance of duty and ought to be

1 retired for performance of duty disability, such member shall be so
2 retired. Such retirement shall be effective as of a date approved by the
3 comptroller.

4 f. The retirement allowance payable upon retirement for performance of
5 duty disability shall consist of a pension of one-half of his or her
6 final average salary plus an annuity which shall be the actuarial equiv-
7 alent of such member's accumulated contributions, if any.

8 g. If the member, at the time of the filing of an application under
9 the provisions of subdivision c of this section, is eligible for a
10 service retirement benefit, then and in that event, such member may
11 simultaneously file an application for service retirement in accordance
12 with the provisions of section seventy of this chapter, provided that
13 the member indicates on the application for service retirement that such
14 application is filed without prejudice to the application for perform-
15 ance of duty disability retirement.

16 h. Any benefit provided pursuant to this section shall not be consid-
17 ered as an accidental disability benefit within the meaning of section
18 sixty-four of this chapter. Any benefit payable pursuant to the workers'
19 compensation law to a member receiving a disability allowance pursuant
20 to this section shall be in addition to such retirement for disability
21 incurred in performance of duty allowance.

22 § 607-j. Certain impairments of health; presumption. a. Any member of
23 the retirement system employed by the division of military and naval
24 affairs shall be eligible to retire pursuant to the provisions of this
25 section if he or she is an airport firefighter apprentice, airport fire-
26 fighter I, airport firefighter II, airport firefighter III or training
27 and safety officer.

28 b. Notwithstanding any provision of this chapter or of any general or
29 special law to the contrary, any condition of impairment of health
30 caused by: (1) diseases of the heart; or (2) any (i) melanoma or (ii)
31 condition of cancer affecting the lymphatic, digestive, hematological,
32 urinary, neurological, breast, reproductive or prostate systems result-
33 ing in disability to a member covered by this section, presently
34 employed and who shall have sustained such disability as the result of
35 an accident not caused by his or her own willful negligence sustained in
36 such service and while actually a member of the retirement system, who
37 successfully passed a physical examination on entry into service as an
38 airport firefighter apprentice, airport firefighter I, airport fire-
39 fighter II, airport firefighter III or training and safety officer which
40 examination failed to disclose evidence of any disease or other impair-
41 ment of the heart or such melanoma or condition, shall be presumptive
42 evidence that such disability or death (A) was caused by the natural and
43 proximate result of an accident, not caused by such firefighter's own
44 negligence and (B) was incurred in the performance and discharge of
45 duty, unless the contrary be proven by competent evidence and shall be
46 paid a performance of duty disability retirement allowance equal to that
47 which is provided in section sixty-three of this chapter, subject to the
48 provisions of sections sixty-three and sixty-four of this chapter.

49 c. Notwithstanding any provision of this chapter or of any general or
50 special law to the contrary, any condition of impairment of health
51 caused by diseases of the lung, resulting in disability to a member
52 covered by this section, presently employed and while actually a member
53 of the retirement system, who successfully passed a physical examination
54 on entry into service as an airport firefighter apprentice, airport
55 firefighter I, airport firefighter II, airport firefighter III or train-
56 ing and safety officer, which examination failed to disclose evidence of

1 any disease or other impairment of the lung, shall be presumptive
 2 evidence that such disability or death (1) was caused by the natural and
 3 proximate result of an accident, not caused by such firefighter's own
 4 negligence and (2) was incurred in the performance and discharge of
 5 duty, unless the contrary be proven by competent evidence and shall be
 6 paid a performance of duty disability retirement allowance equal to that
 7 which is provided in section sixty-three of this chapter, subject to the
 8 provisions of section sixty-four of this chapter.

9 § 3. This act shall take effect immediately.

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

This bill would grant improved disability pensions to airport firefighters and training and safety officers in the New York State division of military and naval affairs who sustain a disability related to heart disease, lung disease and certain forms of cancer. This bill would help individuals who sustained such disabilities to establish the presumption that they were incurred in the performance and discharge of duty, unless the contrary be proven by competent evidence. The benefit for a heart or cancer related accidental disability, or a lung disease related performance of duty disability would be 75% of final average salary (FAS) minus worker's compensation (WC).

If this bill is enacted, the disability benefits of affected members with heart, lung or certain cancer related disabilities would increase from approximately 1/3 of FAS to 75% of FAS minus WC. The estimated increase in the annual contributions of the state of New York for the fiscal year ending March 31, 2018 would be approximately \$24,000.

In addition to the annual contributions discussed above, there will be an immediate past service cost of \$202,000 which will be borne by the state of New York as a one-time payment. This estimate is based on the assumption that payment will be made on February 1, 2018.

These estimated costs are based on 61 members having an annual salary for the fiscal year ending March 31, 2016 of approximately \$3.7 million.

Summary of relevant resources:

The membership data used in measuring the impact of the proposed change was the same as that used in the March 31, 2016 actuarial valuation. Distributions and other statistics can be found in the 2016 Report of the Actuary and the 2016 Comprehensive Annual Financial Report.

The actuarial assumptions and methods used are described in the 2015 and 2016 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, 2016 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 estimate, dated May 26, 2017, and intended for use only during the 2017 Legislative Session, is Fiscal Note No. 2017-60, prepared by the Actuary for the New York State and Local Retirement System.

VETO MESSAGE - No. 246

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3991-A, entitled:

"AN ACT to amend the retirement and social security law, in relation to including assistant wardens as eligible members for performance of duty disability retirement benefits"

Senate Bill Number 6529, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability benefits for firefighters employed by the division of military and naval affairs"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have repeatedly vetoed similar or identical bills because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$5 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support bills that would unnecessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

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SECTION III

Legislation Affecting Other
New York Public Retirement Systems

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STATE OF NEW YORK

S. 2009--C

A. 3009--C

SENATE - ASSEMBLY

January 23, 2017

IN SENATE -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read twice and ordered printed, and when printed to be committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

IN ASSEMBLY -- A BUDGET BILL, submitted by the Governor pursuant to article seven of the Constitution -- read once and referred to the Committee on Ways and Means -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, in relation to disability benefits for certain members of the New York city police pension fund (Part SSS)

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

PART SSS

44 Section 1. Subdivision 28 of section 501 of the retirement and social
45 security law, as added by chapter 298 of the laws of 2016, is amended to
46 read as follows:

47 28. "New York city enhanced plan member" shall mean (a) a New York
48 city police/fire revised plan member who becomes subject to the
49 provisions of this article on or after June fifteenth, two thousand
50 sixteen and who is a member of the New York city fire department pension
51 fund, (b) a police/fire member who is a member of the New York city fire
52 department pension fund and who makes an election, which shall be irrev-
53 ocable and shall be duly executed and filed with the administrative head
54 of such pension fund no later than one hundred twenty days after the

1 effective date of this subdivision, to be subject to the provisions of
2 this article related to New York city enhanced plan members, ~~or~~ (c) a
3 New York city police/fire revised plan member who became subject to the
4 provisions of this article before June fifteenth, two thousand sixteen,
5 who is a member of the New York city fire department pension fund, and
6 who makes an election, which shall be irrevocable and shall be duly
7 executed and filed with the administrative head of such pension fund no
8 later than one hundred twenty days after the effective date of this
9 subdivision, to be subject to the provisions of this article related to
10 New York city enhanced plan members, (d) a New York city police/fire
11 revised plan member who becomes subject to the provisions of this arti-
12 cle on or after April first, two thousand seventeen and who is a member
13 of the New York city police pension fund, (e) a police/fire member who
14 is a member of the New York city police pension fund and who makes an
15 election, which shall be irrevocable and shall be duly executed and
16 filed with the administrative head of such pension fund no later than
17 one hundred twenty days after the effective date of the chapter of the
18 laws of two thousand seventeen which amended this subdivision, to be
19 subject to the provisions of this article related to New York city
20 enhanced plan members, or (f) a New York city police/fire revised plan
21 member who became subject to the provisions of this article before April
22 first, two thousand seventeen, who is a member of the New York city
23 police pension fund, and who makes an election, which shall be irrev-
24 ocable and shall be duly executed and filed with the administrative head
25 of such pension fund no later than one hundred twenty days after the
26 effective date of the chapter of the laws of two thousand seventeen
27 which amended this subdivision, to be subject to the provisions of this
28 article related to New York city enhanced plan members.

29 § 2. Subdivision h of section 517 of the retirement and social securi-
30 ty law, as added by chapter 298 of the laws of 2016, is amended to read
31 as follows:

32 h. Notwithstanding any inconsistent provision of subdivision a of this
33 section, New York city enhanced plan members who are members of the New
34 York city fire department pension fund shall, as of the effective date
35 of this subdivision pursuant to chapter two hundred ninety-eight of the
36 laws of two thousand sixteen, contribute three percent of annual wages
37 to the pension fund in which they have membership, plus an additional
38 percentage of annual wages as set forth in the chapter of the laws of
39 two thousand sixteen which added this subdivision.

40 § 3. Section 517 of the retirement and social security law is amended
41 by adding a new subdivision i to read as follows:

42 i. Notwithstanding any inconsistent provision of subdivision a of this
43 section, New York city enhanced plan members who are members of the New
44 York city police pension fund shall, as of the effective date of this
45 subdivision, contribute three percent of annual wages to the pension
46 fund in which they have membership, plus an additional percentage of
47 annual wages as set forth in the chapter of the laws of two thousand
48 seventeen which added this subdivision.

49 § 4. New York city enhanced plan members, as defined in section 501 of
50 the retirement and social security law as amended by section one of this
51 act, shall contribute, pursuant to subdivision i of section 517 of the
52 retirement and social security law as added by section three of this
53 act, an additional one percent of annual wages to the pension fund in
54 which they have membership. Every three years from the effective date of
55 this act, the actuary of such pension fund shall prepare an analysis,
56 using current actuarial methods and assumptions in effect as of the date

1 of such analysis, assessing the total cost of providing the benefits
2 established by this act expressed as an employee contribution of a
3 percentage of annual wages of New York City enhanced plan members which
4 would require no additional employer contribution. On the basis of such
5 analysis, the additional percentage of annual wages provided for herein
6 shall be adjusted to equal one percent of annual wages plus any amount
7 by which the employee contribution calculated in such analysis exceeds
8 2.2 percent of annual wages, provided, however, that in no event shall
9 the additional percentage of annual wages exceed 3 percent.

10 § 5. Section 81 of chapter 18 of the laws of 2012 shall not apply to
11 this act.

12 § 6. This act shall take effect immediately.

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

PROVISIONS OF PROPOSED LEGISLATION: The proposed legislation would amend provisions of the Retirement and Social Security Law (RSSL) to permit existing New York City Police Pension Fund (POLICE) Tier 3 and Revised Tier 3 POLICE Members to elect to join the RSSL Article 14 Enhanced Plan, and require participation for those POLICE Members who become subject to Article 14 on or after April 1, 2017. The Enhanced Plan provides changes to Accidental Disability Retirement (ADR) and Ordinary Disability Retirement (ODR) benefits, and includes a formula for adjusting increased contribution rates within defined parameters. The proposed legislation would also allow eligible POLICE Members to utilize applicable statutory presumptions for purposes of ADR.

The Effective Date of the proposed legislation would be the date of enactment.

For purposes of this Fiscal Note, all POLICE members subject to Article 14 of the RSSL will be referred to as "Tier 3 POLICE Members." Tier 3 POLICE Members who have a date of membership prior to April 1, 2012 will be referred to as "Original Tier 3 POLICE Members." Tier 3 POLICE Members who have a date of membership on or after April 1, 2012 will be referred to as "Revised Tier 3 POLICE Members."

Tier 3 POLICE Members who are Members prior to April 1, 2017 would have the option of remaining under the current benefit structure or irrevocably electing, within 120 days of the effective date of the proposed legislation, to be covered under the benefit structure contained in the proposed legislation. Tier 3 POLICE Members who become Members on and after April 1, 2017 would be subject to the benefit structure contained in the proposed legislation. Tier 3 POLICE Members who elect the benefits of this proposed legislation, and Tier 3 POLICE Members who are subject to mandatory participation, are referred to as "POLICE Enhanced Plan Members."

POLICE Enhanced Plan Members would, in addition to paying the current contribution rate of 3% of annual wages, be required to contribute additional contributions initially at 1% of annual wages and, in the future, ranging from 1% to 3% of annual wage depending on specified future cost calculations of providing POLICE Enhanced Plan benefits.

CURRENT ODR BENEFITS PAYABLE: The current ODR benefits for Tier 3 POLICE Members are equal to the greater of:

- * 33 1/3% of Final Average Salary (FAS), or
- * 2% of FAS multiplied by years of credited service (not in excess of 22 years),

Reduced by:

- * 50% of the Primary Social Security Disability benefits (determined under RSSL Section 511), and

- * 100% of Workers' Compensation benefits (if any).

FAS is a Three-Year Average (FAS3) for Original Tier 3 POLICE Members and a Five-Year Average (FAS5) for Revised Tier 3 POLICE Members.

It is the understanding of the Actuary that POLICE Members are not covered by Workers' Compensation.

IMPACT ON ODR BENEFITS PAYABLE: Under the proposed legislation, the ODR benefits for POLICE Enhanced Plan Members would be revised to be equal to the greater of:

- * 33 1/3% of FAS5, or

- * 2% of FAS5 multiplied by years of credited service (not in excess of 22 years).

Reduced by:

- * 100% of Workers' Compensation benefits (if any).

It is the understanding of the Actuary that POLICE Members are not covered by Workers' Compensation.

Eligibility for ODR benefits for Enhanced Plan Members would remain the same.

In addition, the proposed legislation would not apply the Escalation available under RSSL Section 510 to ODR benefits for POLICE Enhanced Plan Members. However, such ODR benefits would still be eligible for Cost-of-Living Adjustments (COLA) under Chapter 125 of the Laws of 2000.

CURRENT ADR BENEFITS PAYABLE: The current ADR benefits for Tier 3 POLICE Members is equal to:

- * 50% multiplied by FAS,

Reduced by:

- * 50% of Primary Social Security disability benefit or Primary Social Security benefits, whichever begins first (determined under RSSL Section 511), and

- * 100% of Workers' Compensation benefits (if any).

FAS is a FAS3 for Original Tier 3 POLICE Members and a FAS5 for Revised Tier 3 POLICE Members.

It is the understanding of the Actuary that POLICE Members are not covered by Workers' Compensation.

IMPACT ON ADR BENEFITS PAYABLE: Under the proposed legislation, the eligibility requirements for ADR benefits for POLICE Enhanced Plan Members would be the same as current Tier 3 POLICE Members. However, these Members would also become eligible to utilize applicable statutory presumptions (e.g., certain heart conditions) for purposes of ADR.

Under the proposed legislation, the ADR benefits for Enhanced Plan Members would be revised to equal a retirement allowance of:

- * 75% multiplied by FAS5,

Reduced by:

- * 100% of Workers' Compensation benefits (if any).

It is the understanding of the Actuary that POLICE Members are not covered by Workers' Compensation.

In addition, the proposed legislation would not apply the Escalation available under RSSL Section 510 to ADR benefits for Enhanced Plan Members. However, such ADR benefits would still be eligible for COLA under Chapter 125 of the Laws of 2000.

FINANCIAL IMPACT - CHANGES IN PROJECTED ACTUARIAL PRESENT VALUE OF FUTURE EMPLOYER CONTRIBUTIONS AND PROJECTED EMPLOYER CONTRIBUTIONS: For purposes of this Fiscal Note, it is assumed that the changes in the Actuarial Present Value (APV) of benefits (APVB), APV of member contributions, the Unfunded Actuarial Accrued Liability (UAAL) and APV of future employer contributions would be reflected for the first time in the June 30, 2016 actuarial valuation of POLICE. Under the One-Year Lag Methodology (OYLM), the first year in which changes in benefits for

Enhanced Plan Members could impact employer contributions to POLICE would be Fiscal Year 2018.

The estimated increases in employer contributions shown in Table 1 are based upon the following projection assumptions:

- * Level workforce (i.e., new employees are hired to replace those who leave active status).

- * Salary increases consistent with those used in projections to be presented to the New York City Office of Management and Budget in April, 2017 (Preliminary Projections).

- * New entrant salaries consistent with those used in the Preliminary Projections.

OTHER COSTS: Not measured in this Fiscal Note are the following:

- * The initial, additional administrative costs of POLICE to implement the proposed legislation.

- * The impact of this proposed legislation on Other Postemployment Benefit (OPEB) costs.

CENSUS DATA: The starting census data used for the calculations presented herein is the census data used in the Preliminary June 30, 2016 (Lag) actuarial valuation of POLICE to determine the Preliminary Fiscal Year 2018 employer contributions.

The 3,211 Original Tier 3 POLICE members who have a date of membership prior to April 1, 2012 had an average age of approximately 31.3, average service of approximately 5.2 years and an average salary of approximately \$87,300 as of June 30, 2016. The 7,998 Revised Tier 3 POLICE Members who have a date of membership on or after April 1, 2012 had an average age of approximately 28.4, average service of approximately 1.8 years and an average salary of approximately \$58,400 as of June 30, 2016.

ACTUARIAL ASSUMPTIONS AND METHODS: The additional employer contributions presented herein have been calculated based on the actuarial assumptions and methods in effect for the Preliminary June 30, 2016 (Lag) actuarial valuations used to determine the Preliminary Fiscal Year 2018 employer contributions of POLICE.

In determining the change in employer contributions, the probabilities of accidental disability used for Tier 3 POLICE members equal those currently used for Tier 2 POLICE members who are not eligible for World Trade Center benefits.

It has been further assumed that all Tier 3 POLICE members who became members prior to April 1, 2017 will choose the new disability provisions.

The actuarial valuation methodology does not include a calculation of the value of an offset for Workers' Compensation benefits for Tier 3 POLICE members as it is the understanding of the Actuary that these members are not covered by such benefits.

Employer contributions under current methodology have been estimated assuming the additional APVB would be financed through future normal contributions including an amortization of the new UAAL attributable to this proposed legislation over a 15-year period (14 payments under the OYLM Methodology).

New entrants were projected to replace the members expected to leave the active population to maintain a steady-state population.

For purposes of estimating the financial impact of the changes described above, an assumed Escalation rate of 2.5% was used for current Tier 3 Police Member benefits, which is consistent with the underlying Consumer Price Inflation (CPI) assumption of 2.5% per year. Consistent with Chapter 125 of the Laws of 2000, a COLA rate of 1.5% per year (i.e., 50% of CPI adjusted to recognize a 1.0% minimum and 3.0% maximum)

on the first \$18,000 of benefit was assumed for purposes of valuing proposed Enhanced Plan benefits.

In accordance with ACNY Section 13.638.2(k-2), new UAAL attributable to benefit changes are to be amortized as determined by the Actuary but generally over the remaining working lifetime of those impacted by the benefit changes. As of June 30, 2016, the remaining working lifetime of the Tier 3 POLICE members is approximately 18 years. Recognizing that this period will decrease over time as the group of Enhanced Plan Members matures, the Actuary would likely choose to amortize the new UAAL attributable to this proposed legislation over a 15-year to 20-year period (between 14 and 19 payments under the OYLM Methodology). For purposes of this Fiscal Note, the Actuary has elected to amortize the change in UAAL over a 15-year period (14 payments).

Table 1 presents an estimate of the increases in the APV of future employer contributions and in employer contributions to POLICE for Fiscal Years 2018 through 2022 due to the changes in ODR and ARD provisions for Enhanced Plan Members based on the applicable actuarial assumptions and methods noted herein:

Table 1

Estimated Financial Impact on POLICE
If certain Revisions are Made to
Provisions for ODR and ADR Benefits for Tier 3 POLICE Members

(\$ Millions)

Fiscal Year	Increase in APV of Future Employer Contributions	Increase In Employer Contributions
2018	\$69.4	\$13.1
2019	74.2	14.1
2020	77.7	15.1
2021	79.7	15.9
2022	80.7	16.3

Table 2 presents the total number of active employees of POLICE used in the projections, assuming a level work force, and the cumulative number (i.e., net of withdrawals) of Tier 3 Members as of each June 30 from 2016 thorough 2020.

Table 2

Surviving Actives from Census Data on June 30, 2016
and
Cumulative Tier 3 POLICE Members from 2016
Used in the Projections*

June 30	Tier 1 & 2	Tier 3	Total
2016	24,752	11,209	35,961
2017	22,798	13,163	35,961
2018	20,785	15,176	35,961
2019	18,976	16,985	35,961
2020	17,532	18,429	35,961

* Total active members included in the projections assume a level work force based on the June 30, 2016 (Lag) actuarial valuation census data.

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I meet the Qualifications Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2017-04 dated April 3, 2017 was prepared by the Chief Actuary for the New York City POLICE Pension Fund. This estimate is intended for use only during the 2017 Legislative Session.

STATE OF NEW YORK

5821

2017-2018 Regular Sessions

IN SENATE

May 2, 2017

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

AN ACT to amend the administrative code of the city of New York, in relation to the rate of interest used in the actuarial valuation of liabilities for the purpose of calculating contributions to the New York city employees' retirement system, the New York city teachers' retirement system, the police pension fund, subchapter two, the fire department pension fund, subchapter two and the board of education retirement system of such city by public employers and other obligors required to make employer contributions to such retirement systems, the crediting of special interest and additional interest to members of such retirement systems, and the allowance of supplementary interest on the funds of such retirement systems

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

1 Section 1. Paragraph 2 of subdivision b of section 13-638.2 of the
2 administrative code of the city of New York, as amended by chapter 83 of
3 the laws of 2016, is amended to read as follows:

4 (2) With respect to each retirement system, such rate of interest
5 shall be as hereinafter set forth in this paragraph:

	Rate of interest per centum per annum, compounded annually	First day and last day of fiscal year or series of fiscal years for which rate is effective
10 Retirement System		
13 NYCERS	7%	July 1, 2011 to June 30, [2017] 2018
15 NYCTRS	7%	July 1, 2011 to

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

LBD11258-02-7

1			June 30, [2017]	<u>2018</u>
2	PPF	7%	July 1, 2011 to	
3			June 30, [2017]	<u>2018</u>
4	FPF	7%	July 1, 2011 to	
5			June 30, [2017]	<u>2018</u>
6	BERS	7%	July 1, 2011 to	
7			June 30, [2017]	<u>2018</u>

8 § 2. Paragraph 2 of subdivision f of section 13-638.2 of the adminis-
 9 trative code of the city of New York, as amended by chapter 83 of the
 10 laws of 2016, is amended to read as follows:

11 (2) Such special interest shall be allowed at the rates and for the
 12 periods set forth below in this paragraph:

13			First day and	
14			last day of	
15		Rate of interest	fiscal year or	
16		per centum per	series of fiscal	
17	Retirement	annum, compounded	years for which	
18	System	annually	rate is effective	
19				
20	NYCERS	1 1/4%	July 1, 2011 to	
21			June 30, [2017]	<u>2018</u>
22	NYCTRS	1 1/4%	July 1, 2011 to	
23			June 30, [2017]	<u>2018</u>
24	PPF	1 1/4%	July 1, 2011 to	
25			June 30, [2017]	<u>2018</u>
26	FPF	1 1/4%	July 1, 2011 to	
27			June 30, [2017]	<u>2018</u>
28	BERS	1 1/4%	July 1, 2011 to	
29			June 30, [2017]	<u>2018</u>

30 § 3. Paragraph 2 of subdivision g of section 13-638.2 of the adminis-
 31 trative code of the city of New York, as amended by chapter 83 of the
 32 laws of 2016, is amended to read as follows:

33 (2) Such additional interest shall be included at the rates and for
 34 the periods set forth below in this paragraph:

35			First day and	
36			last day of	
37		Rate of interest	fiscal year or	
38		per centum per	series of fiscal	
39	Retirement	annum, compounded	years for which	
40	System	annually	rate is effective	
41				
42	NYCERS	1 1/4%	July 1, 2011 to	
43			June 30, [2017]	<u>2018</u>
44	NYCTRS	1 1/4%	July 1, 2011 to	
45			June 30, [2017]	<u>2018</u>
46	PPF	1 1/4%	July 1, 2011 to	
47			June 30, [2017]	<u>2018</u>
48	FPF	1 1/4%	July 1, 2011 to	
49			June 30, [2017]	<u>2018</u>
50	BERS	1 1/4%	July 1, 2011 to	
51			June 30, [2017]	<u>2018</u>

1 § 4. Paragraph 2 of subdivision i of section 13-638.2 of the adminis-
2 trative code of the city of New York, as amended by chapter 83 of the
3 laws of 2016, is amended to read as follows:

4 (2) Such supplementary interest shall be allowed at the rates and for
5 the periods set forth below in this paragraph:

6 7 8 9 10 11	Retirement System	Rate of interest per centum per annum, compounded annually	First day and last day of fiscal year or series of fiscal years for which rate is effective
12	NYCERS	0%	July 1, 2011 to June 30, [2017] 2018
13	NYCTRS	0%	July 1, 2011 to June 30, [2017] 2018
14	PPF	0%	July 1, 2011 to June 30, [2017] 2018
15	FPF	0%	July 1, 2011 to June 30, [2017] 2018
16	BERS	0%	July 1, 2011 to June 30, [2017] 2018
17			

18 § 5. This act shall take effect July 1, 2017, except that if it shall
19 have become a law subsequent to such date, this act shall take effect
20 immediately and be deemed to have been in full force and effect on and
21 after July 1, 2017.

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

This proposed legislation would continue for Fiscal Year 2018 the interest rate of 8.25% per annum used for Fiscal Years 2012 through 2017 to credit interest on Tier 1 and Tier 2 member contributions (the sum of the 7.00% regular interest rate and the 1.25% special interest rate) and Increased-Take-Home-Pay (ITHP) Reserves (the sum of the 7.00% regular interest rate and the 1.25% additional interest rate). The proposed legislation would also continue for Fiscal Year 2018 the Actuarial Interest Rate (AIR) assumption of 7.00% per annum used to determine employer contributions to the New York City Pension Funds and Retirement Systems (NYCRS).

PROVISIONS OF PROPOSED LEGISLATION - OVERVIEW: The enactment of this proposed legislation (the Interest Rate Extender Legislation) would amend Administrative Code of the City of New York (ACNY) Section 13-638.2, as amended by Chapter 83 of the Laws of 2016, to continue for Fiscal Year 2018 the following rates of interest that expire on July 1, 2017 for the five actuarially-funded New York City Pension Funds and Retirement Systems (NYCRS):

* The 8.25% per annum rate used to credit interest on Tier 1 and Tier 2 member account balances (the sum of the 7.00% regular interest rate and the 1.25% special interest rate) and Increased-Take-Home-Pay (ITHP) Reserves (the sum of the 7.00% regular interest rate and the 1.25% additional interest rate), and

* The 7.00% per annum Actuarial Interest Rate (AIR) assumption used to compute employer contributions.

The Effective Date for this proposed Interest Rate Extender Legislation would be July 1, 2017.

FINANCIAL IMPACT - EMPLOYER CONTRIBUTIONS: The continuation for Fiscal Year 2018 of the same 8.25% per annum rate that was used for Fiscal Year 2017 to credit interest on Tier 1 and Tier 2 member contributions and ITHP Reserves would not change the amount or timing of expected employer contributions.

The continuation for Fiscal Year 2018 of the AIR assumption of 7.00% per annum that was used to determine employer contributions to the NYCERS for Fiscal Year 2017 would not change the expected amount or timing of employer contributions.

OTHER COSTS: Enactment of this proposed legislation would not be expected to produce any additional costs.

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. To the best of my 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 is Fiscal Note 2017-05 dated April 5, 2017, was prepared by the Chief Actuary for the New York City Pension Funds and Retirement Systems. This estimate is intended for use only during the 2017 Legislative Session.

STATE OF NEW YORK

5135--A

2017-2018 Regular Sessions

IN SENATE

March 9, 2017

Introduced by Sen. SAVINO -- (at request of the NYS Teachers' Retirement System) -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the education law, in relation to making technical corrections to eliminate the restrictions upon transferring for members of the New York state teachers' retirement system

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

1 Section 1. Subdivision 2 of section 522 of the education law, as
 2 amended by chapter 219 of the laws of 1976, is amended to read as
 3 follows:
 4 2. Any contributor entering the retirement system after having with-
 5 drawn from another retirement system and having given notice at the time
 6 of withdrawal to the retirement board of such system of his **or her**
 7 intention of becoming [~~within one year~~] a member of the retirement
 8 system, may deposit in the annuity savings fund the amount of his **or her**
 9 accumulated contributions withdrawn from such other retirement system or
 10 if the member had no accumulated contributions credited to his **or her**
 11 individual account in such other retirement system, such member shall in
 12 lieu of depositing moneys in the annuity savings fund, file a notice of
 13 intent to transfer pursuant to rules and regulations adopted by the
 14 retirement board. [~~Within one year of such deposit or~~] **Upon** the filing
 15 of a notice of intent to transfer as provided by this subdivision, the
 16 pension reserve to his **or her** credit in such other retirement system, if
 17 such other retirement system is operated upon an actuarial basis under
 18 the laws of this state, shall be transferred, and if such other system
 19 is operated upon an actuarial basis under the laws of another state, may
 20 be transferred to the pension accumulation fund. Notwithstanding
 21 anything to the contrary in this article, such contributor shall be

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

LBD10435-02-7

1 classified in this retirement system as a present teacher or as a new
2 entrant accordingly as he or she would have been classified had the
3 service rendered in the other retirement system been rendered while a
4 member of this retirement system. A person so transferred to this
5 retirement system or who has heretofore transferred to this retirement
6 system shall be deemed to have been a member of this retirement system
7 during the entire period of membership service credited to him or her in
8 the system from which he or she has transferred. Such transferee, howev-
9 er, shall not receive more than three per cent interest on his or her
10 contributions and accumulated contributions unless he or she has contin-
11 uously been a member in either the system from which he or she has
12 transferred or in this retirement system since a date prior to the first
13 day of July, nineteen hundred forty-eight. This shall not be construed
14 to prevent a change in the interest rate to such member if the interest
15 rate payable to other members of this retirement system is changed. In
16 case he or she comes from a retirement system not under the laws of this
17 state, he or she shall be given a prior service certificate showing a
18 period of service such that the liability incurred by the retirement
19 system on his or her account by reason of prior service shall be equal
20 in amount to the amount of the reserve so transferred, provided that in
21 no case shall such a contributor who is classified as a new entrant be
22 given less credit in his or her prior service certificate than he or she
23 would have received had no reserve been transferred on his or her
24 account. In case a contributor transfers between retirement systems
25 under the laws of this state, he or she shall be credited in the system
26 to which he or she is transferring with all service allowed to him or
27 her in the first system. Such contributor, notwithstanding any other
28 provision of law, shall on retirement [~~after three years of service in~~
29 ~~the second retirement system~~] be entitled to a pension based on [~~a final~~
30 ~~average~~] salary earned during [~~any five consecutive years of~~] member
31 service [~~in either retirement system or~~] in both retirement systems
32 together, [~~whichever average amount may be the greater, with the condi-~~
33 ~~tion that no such contributor shall be entitled on retirement within~~
34 ~~three years of the date of his transfer to a greater pension for such~~
35 ~~service rendered before his transfer than he would have received had he~~
36 ~~remained under the pension provisions of the first retirement system~~
37 pursuant to the statutory requirements of the second retirement system.

38 § 2. This act shall take effect immediately and shall be deemed to
39 have been in full force and effect on and after November 14, 2016.

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

This bill would amend subdivision 2 of Section 522 of the Education Law to remove the one year time limit for members to give notice of their intent to transfer between retirement systems. This bill would also remove the restriction on a member who transfers that he/she may not retire within three years and receive a greater benefit for the service rendered before transfer than he/she would have received under the prior retirement system.

The annual cost to the employers of members of the New York State Teachers' Retirement System is estimated to be negligible if this bill is enacted.

Employee data is from the System's most recent actuarial valuation files, consisting of data provided by the employers to the Retirement System. Data distributions and statistics can be found in the System's comprehensive Annual Financial Report (CAFR). System assets are as reported in the System's financial statements, and can also be found in

the CAFR. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report.

The source of this estimate is Fiscal Note 2017-3 dated October 7, 2016 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2017 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

STATE OF NEW YORK

6901

2017-2018 Regular Sessions

IN ASSEMBLY

March 24, 2017

Introduced by M. of A. STEC -- read once and referred to the Committee
on Governmental Employees

AN ACT to authorize the payment of ordinary disability retirement bene-
fits by the New York state teachers' retirement system to the widow of
Lawrence L. Allen

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

1 Section 1. Notwithstanding any other provision of law to the contrary,
2 Christine M. Allen, the widow of Lawrence L. Allen, who was a member of
3 the New York state teachers' retirement system, who prior to his death,
4 in the presence of a notary public, completed and mailed an application
5 for an ordinary disability retirement and a retirement election form to
6 the New York state teachers' retirement system, and who died before the
7 application was received by the New York state teachers' retirement
8 system, shall be authorized to re-file such application and election on
9 behalf of her deceased husband, if within 1 year of the effective date
10 of this act she shall file a request therefor with the retirement board
11 of the New York state teachers' retirement system. Such application for
12 an ordinary disability retirement and retirement option election shall
13 be deemed to have become effective on March 18, 1999. All retirement
14 benefits payable pursuant to the provisions of this act shall be paid to
15 Christine M. Allen and shall be in lieu of any other death benefits
16 payable.

17 § 2. This act shall take effect immediately.

FISCAL NOTE.--This bill would allow Christine M. Allen, the widow of
Lawrence L. Allen who was a Tier 1 member of the New York State Teachers'
Retirement System who had applied for a disability retirement and
died before the application was received by the New York State Teachers'
Retirement System, to re-file such application on behalf of her deceased
husband. She must file a request with the head of the New York State
Teachers' Retirement System within one year of the effective date of

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

LBD00660-02-7

this act. Such application for disability retirement shall be deemed to have become effective on March 18, 1999, and the death benefit payable would therefore be in accordance with the option election, and not the active member death benefit. The benefit payable pursuant to the provisions of this bill shall be paid to Christine M. Allen and be in lieu of any other death benefit.

The cost for this benefit is equal to the increase in the present value of benefits, which is estimated to be \$260,000. This cost is to be borne by the employers of members of the New York State Teachers' Retirement System.

Employee data is from the System's most recent actuarial valuation files, consisting of data provided by the employers to the Retirement System. Data Distributions and statistics can be found in the System's Comprehensive Annual Financial Report (CAFR). System assets are as reported in the System's financial statements, and can also be found in the CAFR. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report.

The source of this estimate is Fiscal Note 2017-8 dated March 15, 2017 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2017 Legislative Session. I, Richard A. Young, am the Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

STATE OF NEW YORK

6591

2017-2018 Regular Sessions

IN SENATE

June 6, 2017

Introduced by Sen. DILAN -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the retirement and social security law, in relation to allowing members of the New York city transit authority twenty-five year and age fifty-five retirement plan to purchase credit for prior service

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

1 Section 1. Subdivision e of section 604-b of the retirement and social security law is amended by adding a new paragraph 11 to read as follows:

2 11. Notwithstanding any provision of law, rule or regulation to the
3 contrary, any member who is a current member of the New York city trans-
4 it authority twenty-five year and age fifty-five retirement plan author-
5 ized in this section:

6 (i) whose name was included on a preferred eligible list during any
7 period occurring on or after May eleventh, two thousand ten and on or
8 prior to July twenty-fifth, two thousand twelve, by reason of the aboli-
9 tion of a position held by him or her with the New York city transit
10 authority; and

11 (ii) who was a member or former member at the time when his or her
12 name was placed on such list;

13 shall be permitted to contribute to such retirement plan, the amount
14 which he or she would have contributed to such system for the duration
15 of time his or her name was included on such list, together with regular
16 interest on such amount, and the length of credited time for which
17 contributions are made pursuant to this paragraph shall be credited as
18 allowable service in the transit authority plan under this section for
19 all purposes, including eligibility for benefits.

20 § 2. This act shall take effect immediately.

FISCAL NOTE.--PROVISIONS OF PROPOSED LEGISLATION: The proposed legis-
lation would amend Retirement and Social Security Law (RSSL) Section

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

LBD10265-02-7

604-b to permit eligible New York City Employees' Retirement System (NYCERS) members in the Tier 4 or Tier 6 Twenty-Five Year and Age Fifty-Five Retirement Program for New York City Transit Authority Members (Transit 25/55 Plan) to purchase certain furlough time for Allowable Service credit in the Plan.

The Effective Date of the proposed legislation would be the date of enactment.

To be eligible to purchase furlough time, an individual must:

- * be a current NYCERS Transit 25/55 Plan member,
- * have been on a preferred eligible list anytime on and after May 11, 2010 to July 25, 2012, inclusive, because of the abolition of his or her position by the Transit Authority, and
- * have been a member or former member of the Transit 25/55 Plan at the time his or her name was placed on such list.

In order to receive Allowable Service credit in the Transit 25/55 Plan, an eligible member must make any applicable contributions to NYCERS, with interest, for the period of eligible furlough time. The period of purchased furlough time shall be considered Allowable Service in the Transit Authority for all purposes in the Transit 25/55 Plan, including eligibility for and calculation of benefits.

For purposes of this Fiscal Note, it is assumed that eligible Transit 25/55 Plan Members who purchase applicable furlough time would be ineligible to receive service credit in any public retirement system within the State including NYCERS, for the same period of time.

FINANCIAL IMPACT - ACTUARIAL PRESENT VALUES: With respect to NYCERS and based on the actuarial assumptions and methods described herein, the enactment of this proposed legislation would increase the actuarial Present Value (APV) of Benefits (APVB) by approximately \$1,180,000. In addition, there would be a decrease in the APV of Future Employee Contributions of \$6,000, resulting in an increase in the APV of Future Employer Contributions of \$1,186,000.

FINANCIAL IMPACT - ANNUAL EMPLOYER CONTRIBUTIONS: In accordance with the Administrative Code of the City of New York (ACNY) Section 13.638.2(k-2), new UAAL attributable to benefit changes are to be amortized as determined by the Actuary but generally over the remaining working lifetime of those impacted by the benefit changes. As of June 30, 2016, the remaining working lifetime of the transit Authority members that would be impacted by the proposed legislation is approximately 13 years.

With respect to NYCERS based on the actuarial assumptions and methods used in the Preliminary June 30, 2016 valuations of NYCERS, the enactment of this proposed legislation would increase annual employer contributions by approximately \$160,000 per year beginning in Fiscal Year 2019.

OTHER COSTS: Not measured in this Fiscal Note are the initial, additional administrative costs of NYCERS and other New York City agencies to implement the proposed legislation.

CENSUS DATA: The starting census data used for the calculations presented herein is the census data used in the Preliminary June 30, 2016 (Lag) actuarial valuation of NYCERS. This data was supplemented by additional service data provided by NYCERS for 156 Transit Authority employees who would benefit under the proposed legislation. These 156 members had an average age of approximately 46.7, average service of approximately 10.3 years (11.1 years after reflecting purchase of furlough time if the proposed legislation is enacted), and an average salary of approximately \$68,000.

ACTUARIAL ASSUMPTIONS AND METHODS: The additional employer contributions presented herein have been calculated based on the actuarial assumptions and methods used to determine the Preliminary Fiscal Year 2018 employer contributions of NYCERS.

Employer contributions under current methodology have been estimated assuming the additional APVB would be financed through future normal contributions including an amortization of the new UAAL attributable to this proposed legislation over a 13-year period (12 payments under the One-Year Lag Methodology).

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2017-15 dated May 9, 2017, was prepared by the Chief Actuary for the New York City Employees' Retirement System. This estimate is intended for use only during the 2017 Legislative Session.

STATE OF NEW YORK

7185--A

2017-2018 Regular Sessions

IN ASSEMBLY

April 12, 2017

Introduced by M. of A. DenDEKKER -- read once and referred to the Committee on Governmental Employees -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law and the general municipal law, in relation to pension benefits of widows or widowers of sanitation workers

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

1 Section 1. Subdivision 7 of section 501 of the retirement and social
2 security law, as amended by chapter 18 of the laws of 2012, is amended
3 to read as follows:
4 7. "Eligible beneficiary" for the purposes of section five hundred
5 nine of this article shall mean the following persons or classes of
6 persons in the order set forth: (a) a surviving spouse who has not
7 renounced survivorship rights in a separation agreement, until remar-
8 riage, (b) surviving children until age twenty-five, (c) dependent
9 parents, determined under regulations promulgated by the comptroller,
10 (d) any other person who qualified as a dependent on the final federal
11 income tax return of the member or the return filed in the year imme-
12 diately preceding the year of death, until such person reaches twenty-
13 one years of age [~~and~~], (e) with respect to members of the New York city
14 employees' retirement system (other than a New York city uniformed
15 correction/sanitation revised plan member or an investigator revised
16 plan member) and the board of education retirement system of the city of
17 New York, a person whom the member shall have nominated in the form of a
18 written designation, duly acknowledged and filed with the head of the
19 retirement system for the purpose of section five hundred eight of this
20 article. In the event that a class of eligible beneficiaries consists of
21 more than one person, benefits shall be divided equally among the
22 persons in such class. For the purposes of section five hundred eight of

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

LBD09379-08-7

1 this article the term "eligible beneficiary" shall mean such person as
 2 the member shall have nominated to receive the benefits provided in this
 3 article. To be effective, such a nomination must be in the form of a
 4 written designation, duly acknowledged and filed with the head of the
 5 retirement system for this specific purpose. In the event such desig-
 6 nated beneficiary does not survive him, or if he shall not have so
 7 designated a beneficiary, such benefits shall be payable to the deceased
 8 member's estate or as provided in section one thousand three hundred ten
 9 of the surrogate's court procedure act **and (f) notwithstanding any other**
 10 **provisions of law, "eligible beneficiary" of a New York city uniformed**
 11 **sanitation revised plan member for the purposes of section five hundred**
 12 **nine of this article shall mean the following persons or classes of**
 13 **persons in the order set forth: (i) a surviving spouse who has not**
 14 **renounced survivorship rights in a separation agreement, (ii) surviving**
 15 **children until age twenty-five, (iii) dependent parents, determined**
 16 **under regulations promulgated by the comptroller and (iv) any other**
 17 **person who qualified as a dependent on the final federal income tax**
 18 **return of the member or the return filed in the year immediately preced-**
 19 **ing the year of death, until such person reaches twenty-one years of**
 20 **age.**

21 § 2. Subdivision d of section 601 of the retirement and social securi-
 22 ty law, is amended by adding a new paragraph 6 to read as follows:

23 **6. Notwithstanding any other provisions of law, "eligible beneficiary"**
 24 **of a New York city uniformed sanitation member shall mean the following**
 25 **persons or classes of persons in the order set forth: (i) a surviving**
 26 **spouse who has not renounced survivorship in a separation agreement,**
 27 **(ii) surviving children until age twenty-five, (iii) dependent parents,**
 28 **determined under regulations promulgated by the comptroller and (iv) any**
 29 **other person who qualified as a dependent on the final federal income**
 30 **tax return of the member or the return filed in the year immediately**
 31 **preceding the year of death, until such person reaches twenty-one years**
 32 **of age.**

33 § 3. Subdivision a of section 208-f of the general municipal law, as
 34 separately amended by chapters 583 and 742 of the laws of 2004, is
 35 amended to read as follows:

36 a. Notwithstanding any other provision of law, the special accidental
 37 death benefit provided by this section shall be paid to the widow or
 38 widower or the deceased member's children under the age of eighteen, or,
 39 if a student under the age of twenty-three, if the widow or widower has
 40 died of: (i) a deceased member of a pension or retirement system of a
 41 police department or paid fire department of a city, town or village;
 42 (ii) a deceased paid member of the police force of the police department
 43 of the New York city transit authority; (iii) a deceased paid member of
 44 the police force of the police department of the New York city housing
 45 authority; (iv) a deceased paid member of the uniformed correction force
 46 of the New York city department of correction; (v) a deceased paid
 47 uniformed member of a county sheriff's department (outside the city of
 48 New York); ~~(vi)~~ (vi) a deceased employee of the city of New York or the
 49 New York city health and hospitals corporation in a title whose duties
 50 are those of an emergency medical technician or advanced emergency
 51 medical technician (as those terms are defined in section three thousand
 52 one of the public health law), or in a title whose duties require the
 53 supervision of employees whose duties are those of an emergency medical
 54 technician or advanced emergency medical technician (as those terms are
 55 defined in section three thousand one of the public health law); ~~(vi)~~
 56 ~~(vi)]~~ **(vii)** a deceased paid bridge and tunnel member of the New York

1 city employees' retirement system; or (viii) a deceased paid member of
 2 the uniformed force of the New York city department of sanitation,
 3 providing the widow or widower is ineligible to receive benefits pursu-
 4 ant to section three hundred sixty-one-a of the retirement and social
 5 security law as ~~added~~ amended by chapter ~~[four hundred seventy-two]~~
 6 seven hundred thirty-three of the laws of ~~[nineteen hundred seventy-~~
 7 ~~eight]~~ nineteen hundred ninety and the deceased member:

8 1. Died before the effective date of his or her retirement, as the
 9 natural and proximate result of an accident sustained in the performance
 10 of duty in the service upon which his membership was based, and

11 2. Did not cause such accident by his or her own willful negligence,
 12 and

13 3. At the time of such accident was actually a member of: (i) a
 14 pension or retirement system of a police department or paid fire depart-
 15 ment of a city, town or village; (ii) a pension or retirement system
 16 covering the police force of the police department of the New York city
 17 transit authority; (iii) a pension or retirement system covering the
 18 police force of the police department of the New York city housing
 19 authority; (iv) a pension or retirement system covering the uniformed
 20 correction force of the New York city department of correction; (v) a
 21 pension or retirement system covering uniformed members of a county
 22 sheriff's department (outside the city of New York); ~~[ex]~~ (vi) a pension
 23 or retirement system covering employees of the city of New York, or the
 24 New York city health and hospitals corporation in a title whose duties
 25 are those of an emergency medical technician or advanced emergency
 26 medical technician (as those terms are defined in section three thousand
 27 one of the public health law), or in a title whose duties require the
 28 supervision of employees whose duties are those of an emergency medical
 29 technician or advanced emergency medical technician (as those terms are
 30 defined in section three thousand one of the public health law); ~~[ex~~
 31 ~~(vi)]~~ (vii) a pension or retirement system covering paid bridge and
 32 tunnel members of the New York city employees' retirement system; or
 33 (viii) a pension or retirement system covering paid members of the
 34 uniformed force of the New York city department of sanitation.

35 § 4. This act shall take effect immediately, provided that section
 36 three of this act shall be deemed to have been in full force and effect
 37 on or after November 1, 1996.

FISCAL NOTE. -- Pursuant to Legislative law, section 50:

PROVISIONS OF PROPOSED LEGISLATION: The proposed legislation would amend General Municipal Law (GML) Section 208-f to provide Special Accidental Death Benefits (SADB) to eligible beneficiaries of employees of the City of New York (the City) who are employed in the Uniformed Force of the Department of Sanitation (Sanitation), are members of the New York City Employees' Retirement System (NYCERS), and die as a natural and proximate result of an accident sustained in the performance of duty on or after November 1, 1996.

The proposed legislation further amends Retirement and Social Security Law (RSSL) Sections 501 and 601 to prospectively expand the definition of a Tier 4 and 6 (modified Tier 3) eligible beneficiary for Accidental Death Benefits contained in RSSL Sections 509 and 607 to include a surviving spouse who remarries after the eligible member's death.

The Effective Date of the proposed legislation would be the date of enactment, provided that the SADB would be retroactive to accidental deaths sustained in the performance of duty on and after November 1, 1996.

IMPACT ON SADB BENEFITS PAYABLE: The SADB provided by GML 208-f is paid to the deceased member's surviving spouse, if alive. If the spouse is no longer alive, then the SADB is paid to the deceased member's children until age eighteen or until age twenty-three if a student.

Under the proposed legislation, eligible beneficiaries of deceased Sanitation members, who met or meet the criteria of GML Section 208-f on and after November 1, 1996, would receive the SADB.

Under GML Section 208-f, the basic SADB is defined to equal:

- * The salary of the deceased member at date of death (or, in certain instances, a greater salary based on rank or other status) (Final Salary),

Reduced by:

- * Any Accidental Death Benefit (generally equal to an annual pension of 50% of Final Salary) as adjusted by any Supplementation or Cost-of-Living Adjustment (COLA) paid to the deceased member's eligible beneficiaries,

- * Any death benefit paid by Social Security to the deceased member's eligible beneficiaries, and

- * Any Workers' Compensation benefit paid to the deceased member's eligible beneficiaries (but it is the understanding of the OA that Sanitation members are ineligible for Workers' Compensation benefits).

The GML also provides that the SADB has been subject in the past to escalation based on the calendar year of the member's death.

IMPACT ON ACCIDENTAL DEATH BENEFITS PAYABLE: The Accidental Death Benefits provided by RSSL Sections 509 and 607 (generally 50% of Final Salary as adjusted by any Supplementation or COLA) are paid to the deceased member's surviving spouse, who has not renounced survivorship rights in a separation agreement, if alive and until remarriage.

If the surviving spouse is no longer alive or no longer eligible, then the Accidental Death Benefit is paid in successive order to any surviving children until age twenty-five, or any dependent parents. RSSL Section 509 further provides an additional successive class of any dependents listed on the member's federal income in the year immediately preceding the member's death.

Under the proposed legislation, a Sanitation member's surviving spouse, who has not renounced survivorship rights in a separation agreement, would continue to receive Accidental Death Benefits for life, even after remarriage.

FINANCIAL IMPACT - ACTUARIAL PRESENT VALUES OF BENEFITS (APVB): With respect to the eligible beneficiaries of deceased NYCERS members who would be impacted by this proposed legislation, under the actuarial assumptions used in the Preliminary June 30, 2016 (Lag) actuarial valuations of NYCERS, the enactment of this proposed legislation would increase the APVB by approximately \$48.2 million as of June 30, 2016. This amount is the sum of:

- * APVB of retroactive payments to current beneficiaries*: \$8.9 million

- * APVB of prospective payments to current beneficiaries: \$25.3 million

- * APVB of prospective payments to beneficiaries of current active members: \$14.0 million

*It has been assumed that no interest will be credited on these retroactive payments.

The APVB was calculated without regard to any death benefit paid by Social Security to the deceased member's eligible beneficiaries.

FINANCIAL IMPACT - EMPLOYER PAYMENTS: In accordance with the Administrative Code of the City of New York (ACNY) Section 13.638.2(k-2), new UAAL attributable to benefit changes are to be amortized as determined

by the Actuary but generally over the remaining working lifetime of those impacted by the benefit changes. As of June 30, 2016, the remaining working lifetime of the Sanitation members and beneficiaries that would be impacted by the proposed legislation is approximately 11 years.

With respect to NYCERS based on the actuarial assumptions and methods used in the Preliminary June 30, 2016 valuations of NYCERS, the enactment of this proposed legislation would increase annual employer contributions by approximately \$6.8 million per year beginning in Fiscal Year 2018.

Historically, the State of New York (the State) reimbursed the City for most GML Section 208-f payments. However, it is the understanding of the Actuary that since 2009 the State has limited its reimbursement to a fixed amount. Assuming this procedure is the same and the State does not reimburse beyond the current fixed amount, then the additional cost of this proposed legislation would be borne entirely by the City of New York.

OTHER COSTS: The enactment of this proposed legislation would also be expected to result in modest increases in administrative expenses of NYCERS.

CENSUS DATA: As of June 30, 2016, there are 7,338 active Sanitation members with an average age of approximately 42.9, average service of 12.0 years, and an average salary of approximately \$94,000.

As of June 30, 2016, there are 24 Sanitation beneficiaries of members who died on or after November 1, 1996 currently in receipt of accidental death benefits with an average age of approximately 53.3, average number of years in receipt of an accidental death benefit of 8.8 years, and an average annual pension benefit of approximately \$36,200.

ACTUARIAL ASSUMPTIONS AND METHODS: The additional APVB presented herein have been calculated based on the actuarial assumptions and methods in effect for the Preliminary June 30, 2016 (Lag) actuarial valuations used to determine the Preliminary Fiscal Year 2018 employer contributions of NYCERS. Also, for purposes of this Fiscal Note, we have assumed that the escalation of 3% per year provided historically to this benefit will continue in the future.

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2017-26 dated June 1, 2017 was prepared by the Chief Actuary for the New York City Employees' Retirement System. This estimate is intended for use only during the 2017 Legislative Session.

STATE OF NEW YORK

6460

2017-2018 Regular Sessions

IN SENATE

May 23, 2017

Introduced by Sen. SAVINO -- 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 the definition of additional member contributions and basic member contributions for certain New York city employees' retirement system members who are subject to certain retirement plans under articles 14 and 15 of the retirement and social security law, to allow such additional member contributions to be used, to offset a deficit of basic member contributions, or to allow an excess of basic member contributions to offset a deficit of additional member contributions upon retirement

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

1 Section 1. Subparagraph (i) of paragraph 8 of subdivision e of section 2 504-a of the retirement and social security law, as amended by chapter 3 631 of the laws of 1993, is amended to read as follows:

4 (i) Such additional member contributions (and any interest thereon) 5 shall be paid into the contingent reserve fund of the retirement system 6 of which the participant is a member and shall not for any purpose be 7 deemed to be member contributions or accumulated contributions of a 8 member under section five hundred seventeen of this article or otherwise 9 while he or she is a participant in the twenty-year retirement program 10 or otherwise, except that, upon the participant's separation from city 11 service as a result of retirement, a surplus of such additional member 12 contributions that are paid into the retirement system's contingent 13 reserve fund may be used for the sole purpose of offsetting a deficit of 14 basic member contributions.

15 § 2. Subparagraph (i) of paragraph 12 of subdivision e of section 16 504-b of the retirement and social security law, as added by chapter 631 17 of the laws of 1993, is amended to read as follows:

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

LBD11762-01-7

1 (i) All additional member contributions required by this subdivision
2 (and any interest thereon) which are received by the retirement system
3 of which the participant is a member shall be paid into its contingent
4 reserve fund and shall not for any purpose be deemed to be member
5 contributions or accumulated contributions of a member under section
6 five hundred seventeen of this article or otherwise while he or she is a
7 participant in the twenty-year retirement program for captains and above
8 or otherwise, **except that, upon the participant's separation from city**
9 **service as a result of retirement, a surplus of such additional member**
10 **contributions that are paid into the retirement system's contingent**
11 **reserve fund may be used for the sole purpose of offsetting a deficit of**
12 **basic member contributions.**

13 § 3. Subparagraph (i) of paragraph 9 of subdivision e of section 504-d
14 of the retirement and social security law, as added by chapter 622 of
15 the laws of 2004, is amended to read as follows:

16 (i) All additional member contributions required by this subdivision
17 (and any interest thereon) which are received by the retirement system
18 of which the participant is a member shall be paid into its contingent
19 reserve fund and shall not for any purpose be deemed to be member
20 contributions or accumulated contributions of a member under section
21 five hundred seventeen of this article or otherwise while he or she is a
22 participant in the twenty-year retirement program or otherwise, **except**
23 **that, upon the participant's separation from city service as a result of**
24 **retirement, a surplus of such additional member contributions that are**
25 **paid into the retirement system's contingent reserve fund may be used**
26 **for the sole purpose of offsetting a deficit of basic member contrib-**
27 **utions.**

28 § 4. Subdivision d of section 517 of the retirement and social securi-
29 ty law, as added by chapter 890 of the laws of 1976, is amended to read
30 as follows:

31 d. Notwithstanding any other provision of this article, a member shall
32 be entitled to withdraw any excess contributions within six months of
33 becoming subject to this article. Thereafter, such contributions, and
34 interest thereon, may only be withdrawn upon separation from service.
35 Upon retirement, such excess contributions, and any interest thereon,
36 may be withdrawn in a single lump sum, or at the election of the member
37 may be paid as an annuity under an option authorized pursuant to section
38 five hundred fourteen of this article, **or at the election of the partic-**
39 **ipant may be used to offset a deficit of additional member contributions**
40 **as required pursuant to sections five hundred four-a, five hundred**
41 **four-b, and five hundred four-d of this article. The use of basic member**
42 **contributions to offset a deficit of additional member contributions**
43 **does not affect the contributions' tax designation pursuant to section**
44 **414(h) of the Internal Revenue Code.**

45 § 5. Subparagraph (i) of paragraph 8 of subdivision e of section 604-a
46 of the retirement and social security law, as added by chapter 547 of
47 the laws of 1992, is amended to read as follows:

48 (i) Such additional member contributions (and any interest thereon)
49 shall be paid into the contingent reserve fund of the retirement system
50 of which the participant is a member and shall not for any purpose be
51 deemed to be member contributions or accumulated contributions of a
52 member under section six hundred thirteen of this article or otherwise
53 while he or she is a participant in the twenty-year retirement program
54 or otherwise, **except that, upon the participant's separation from city**
55 **service as a result of retirement, a surplus of such additional member**
56 **contributions that are paid into the retirement system's contingent**

1 reserve fund may be used for the sole purpose of offsetting a deficit of
2 basic member contributions.

3 § 6. Subparagraph (i) of paragraph 8 of subdivision e of section 604-b
4 of the retirement and social security law, as added by chapter 529 of
5 the laws of 1994, is amended to read as follows:

6 (i) Such additional member contributions (and any interest thereon)
7 shall be paid into the contingent reserve fund of the retirement system
8 of which the participant is a member and shall not for any purpose be
9 deemed to be member contributions or accumulated contributions of a
10 member under section six hundred thirteen of this article or otherwise
11 while he or she is a participant in the twenty-five-year and age fifty-
12 five retirement program or otherwise, except that, upon the partic-
13 ipant's separation from city service as a result of retirement, a
14 surplus of such additional member contributions that are paid into the
15 retirement system's contingent reserve fund may be used for the sole
16 purpose of offsetting a deficit of basic member contributions.

17 § 7. Subparagraph (i) of paragraph 7 of subdivision d of section 604-c
18 of the retirement and social security law, as added by chapter 96 of the
19 laws of 1995, is amended to read as follows:

20 (i) All additional member contributions required by this subdivision
21 (and any interest paid thereon) which are received by the retirement
22 system of which the participant is a member shall be paid into its
23 contingent reserve fund and shall not for any purpose be deemed to be
24 member contributions or accumulated contributions of a member under
25 section six hundred thirteen of this article or otherwise while he or
26 she is a participant in the twenty-five-year early retirement program or
27 otherwise, except that, upon the participant's separation from city
28 service as a result of retirement, a surplus of such additional member
29 contributions that are paid into the retirement system's contingent
30 reserve fund may be used for the sole purpose of offsetting a deficit of
31 basic member contributions.

32 § 8. Subparagraph (i) of paragraph 8 of subdivision e of section 604-c
33 of the retirement and social security law, as added by chapter 472 of
34 the laws of 1995, is amended to read as follows:

35 (i) Such additional member contributions (and any interest thereon)
36 shall be paid into the contingent reserve fund of the retirement system
37 of which the participant is a member and shall not for any purpose be
38 deemed to be member contributions or accumulated contributions of a
39 member under section six hundred thirteen of this article or otherwise
40 while he or she is a participant in the twenty-year/age fifty retirement
41 program or otherwise, except that, upon the participant's separation
42 from city service as a result of retirement, a surplus of such addi-
43 tional member contributions that are paid into the retirement system's
44 contingent reserve fund may be used for the sole purpose of offsetting a
45 deficit of basic member contributions.

46 § 9. Subparagraph (i) of paragraph 6 of subdivision f of section 604-d
47 of the retirement and social security law, as added by chapter 96 of the
48 laws of 1995, is amended to read as follows:

49 (i) All additional member contributions required by this subdivision
50 (and any interest paid thereon) which are received by the retirement
51 system of which the participant is a member shall be paid into its
52 contingent reserve fund and shall not for any purpose be deemed to be
53 member contributions or accumulated contributions of a member under
54 section six hundred thirteen of this article or otherwise while he or
55 she is a participant in the age fifty-seven retirement program or other-
56 wise, except that, upon the participant's separation from city service

1 as a result of retirement, a surplus of such additional member contrib-
2 utions that are paid into the retirement system's contingent reserve
3 fund may be used for the sole purpose of offsetting a deficit of basic
4 member contributions.

5 § 10. Subparagraph (i) of paragraph 10 of subdivision e of section
6 604-e of the retirement and social security law, as added by chapter 576
7 of the laws of 2000, is amended to read as follows:

8 (i) Such additional member contributions (and any interest thereon)
9 shall be paid into the contingent reserve fund of the retirement system
10 of which the participant is a member and shall not for any purpose be
11 deemed to be member contributions or accumulated contributions of a
12 member under section six hundred thirteen of this article or otherwise
13 while he or she is a participant in the twenty-five year retirement
14 program or otherwise, except that, upon the participant's separation
15 from city service as a result of retirement, a surplus of such addi-
16 tional member contributions that are paid into the retirement system's
17 contingent reserve fund may be used for the sole purpose of offsetting a
18 deficit of basic member contributions.

19 § 11. Subparagraph (i) of paragraph 10 of subdivision e of section
20 604-e of the retirement and social security law, as added by chapter 577
21 of the laws of 2000, is amended to read as follows:

22 (i) Such additional member contributions (and any interest thereon)
23 shall be paid into the contingent reserve fund of the retirement system
24 of which the participant is a member and shall not for any purpose be
25 deemed to be member contributions or accumulated contributions of a
26 member under section six hundred thirteen of this article or otherwise
27 while he or she is a participant in the twenty-five year retirement
28 program or otherwise, except that, upon the participant's separation
29 from city service as a result of retirement, a surplus of such addi-
30 tional member contributions that are paid into the retirement system's
31 contingent reserve fund may be used for the sole purpose of offsetting a
32 deficit of basic member contributions.

33 § 12. Subparagraph (i) of paragraph 10 of subdivision e of section
34 604-f of the retirement and social security law, as added by chapter 559
35 of the laws of 2001, is amended to read as follows:

36 (i) Such additional member contributions (and any interest thereon)
37 shall be paid into the contingent reserve fund of the retirement system
38 of which the participant is a member and shall not for any purpose be
39 deemed to be member contributions or accumulated contributions of a
40 member under section six hundred thirteen of this article or otherwise
41 while he or she is a participant in the twenty-five year retirement
42 program or otherwise, except that, upon the participant's separation
43 from city service as a result of retirement, a surplus of such addi-
44 tional member contributions that are paid into the retirement system's
45 contingent reserve fund may be used for the sole purpose of offsetting a
46 deficit of basic member contributions.

47 § 13. Subparagraph (i) of paragraph 10 of subdivision e of section
48 604-f of the retirement and social security law, as added by chapter 582
49 of the laws of 2001, is amended to read as follows:

50 (i) Such additional member contributions, and any interest thereon,
51 shall be paid into the contingent reserve fund of the retirement system
52 of which the participant is a member and shall not for any purpose be
53 deemed to be member contributions or accumulated contributions of a
54 member under section six hundred thirteen of this article or otherwise
55 while he or she is a participant in the twenty-five year retirement
56 program or otherwise, except that, upon the participant's separation

1 from city service as a result of retirement, a surplus of such addi-
 2 tional member contributions that are paid into the retirement system's
 3 contingent reserve fund may be used for the sole purpose of offsetting a
 4 deficit of basic member contributions.

5 § 14. Subparagraph (i) of paragraph 10 of subdivision e of section
 6 604-g of the retirement and social security law, as added by chapter 414
 7 of the laws of 2002, is amended to read as follows:

8 (i) Such additional member contributions (and any interest thereon)
 9 shall be paid into the contingent reserve fund of the retirement system
 10 of which the participant is a member and shall not for any purpose be
 11 deemed to be member contributions or accumulated contributions of a
 12 member under section six hundred thirteen of this article or otherwise
 13 while he or she is a participant in the twenty-five year/age fifty
 14 retirement program or otherwise, except that, upon the participant's
 15 separation from city service as a result of retirement, a surplus of
 16 such additional member contributions that are paid into the retirement
 17 system's contingent reserve fund may be used for the sole purpose of
 18 offsetting a deficit of basic member contributions.

19 § 15. Subparagraph (i) of paragraph 10 of subdivision e of section
 20 604-h of the retirement and social security law, as added by chapter 682
 21 of the laws of 2003, is amended to read as follows:

22 (i) Such additional member contributions (and any interest thereon)
 23 shall be paid into the contingent reserve fund of the retirement system
 24 of which the participant is a member and shall not for any purpose be
 25 deemed to be member contributions or accumulated contributions of a
 26 member under section six hundred thirteen of this article or otherwise
 27 while he or she is a participant in the twenty-five year retirement
 28 program or otherwise, except that, upon the participant's separation
 29 from city service as a result of retirement, a surplus of such addi-
 30 tional member contributions that are paid into the retirement system's
 31 contingent reserve fund may be used for the sole purpose of offsetting a
 32 deficit of basic member contributions.

33 § 16. Section 613 of the retirement and social security law is amended
 34 by adding a new subdivision h to read as follows:

35 h. Notwithstanding any other provision of law to the contrary, upon
 36 the participant's separation from city service as a result of retire-
 37 ment, a participant may use any excess basic member contributions to
 38 offset a deficit of additional member contributions as required pursuant
 39 to sections six hundred four-a, six hundred four-b, six hundred four-c,
 40 as added by chapter 96 of the laws of 1995, six hundred four-c, as added
 41 by chapter 472 of the laws of 1995, six hundred four-d, six hundred
 42 four-e, as added by chapter 576 of the laws of 2000, six hundred four-e,
 43 as added by chapter 577 of the laws of 2000, six hundred four-f, as
 44 added by chapter 559 of the laws of 2001, six hundred four-f, as added
 45 by chapter 582 of the laws of 2001, six hundred four-g, and six hundred
 46 four-h of this article. The use of basic member contributions to offset
 47 a deficit of additional member contributions does not affect the
 48 contributions' tax designation pursuant to section 414(h) of the Inter-
 49 nal Revenue Code.

50 § 17. This act shall take effect immediately.

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

PROVISIONS OF PROPOSED LEGISLATION: This proposed legislation would
 amend the contribution provisions applicable to certain New York City
 Employees' Retirement System (NYCERS) Special Plans subject to Retirement
 and Social Security Law (RSSL) Article 14 and Article 15 to allow,

upon retirement, using any excess basic or additional member contributions to offset any deficits in such other contribution account.

The Effective Date of the proposed legislation would be the date of enactment.

PLANS IMPACTED BY THE PROPOSED LEGISLATION: The proposed legislation would cover those members of NYCERS who are participants in the following special plans requiring the payment of additional member contributions (Special Plans):

Article 14 Special Plans:

Twenty-Year Retirement Program for New York City Correction Members below the Rank of Captain

Twenty-Year Retirement Program for New York City Correction Members of the Rank of Captain or above

Twenty-Year Retirement Program for New York City Correction Members

Article 15 Special Plans:

Twenty-Year Retirement Program for New York City Sanitation Members

Twenty-Five-Year and Age Fifty-Five Retirement Program for New York City Transit Authority Members

Optional Twenty-Five-Year Early Retirement Program for Certain New York City Members

Twenty-Year/Age Fifty Retirement Program for Triborough Bridge and Tunnel Members

Age Fifty-Seven Retirement Program for Certain New York City Members

Twenty-Five Year Retirement Program for Dispatcher Members

Twenty-Five Year Retirement Program for EMT Members

Twenty-Five Year Retirement Program for Deputy Sheriff Members

Twenty-Five Year Retirement Program for Special Officer, Parking Control Specialist, School Safety Agent, Campus Peace Officer or New York City Taxi and Limousine Inspector Members

Twenty-Five Year/Age Fifty Retirement Program for Automotive Members

Twenty-Five Year Retirement Program for Police Communications Members

IMPACT ON BENEFITS PAYABLE: The proposed legislation would not materially affect the benefits payable to participants in the Special Plans. Rather, the proposed legislation would help reduce the administrative burdens associated with requiring the return of excess basic or additional member contributions, and requiring the return of excess basic or additional member contributions, and requiring a separate payment for any contribution deficits in such accounts (or the calculation of an actuarial reduction based such deficits) upon retirement.

FINANCIAL IMPACT - EMPLOYER CONTRIBUTIONS: The enactment of this proposed legislation would not result in any change in employer contributions.

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2017-10 dated April 25, 2017, was prepared by the Chief Actuary for the New York City Employees' Retirement System. This estimate is intended for use only during the 2017 Legislative Session.



SECTION IV

Vetoed Legislation Affecting Other
New York Public Retirement Systems

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STATE OF NEW YORK

7193--C

2017-2018 Regular Sessions

IN ASSEMBLY

April 12, 2017

Introduced by M. of A. PERRY, SIMON, COOK, D'URSO, BLAKE, DICKENS, JONES, CRESPO, RODRIGUEZ, ORTIZ, COLTON, HYNDMAN, JEAN-PIERRE, WALKER, SEPULVEDA, VANEL -- Multi-Sponsored by -- M. of A. LENTOL -- read once and referred to the Committee on Governmental Employees -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee -- again reported from said committee with amendments, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved

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

1 Section 1. Section 45 of the retirement and social security law, as
 2 added by chapter 878 of the laws of 1986, is amended to read as follows:
 3 § 45. Right to membership. **a.** Upon the employment of any employee
 4 whose right to membership in a public retirement system of the state,
 5 which for purposes of this section shall include any public retirement
 6 system other than the New York state teachers' retirement system, has
 7 been made optional by the head of the retirement system involved, the
 8 employer shall inform the employee in writing of the right to join the
 9 system. Each such employee shall acknowledge the receipt of such notice
 10 by signing a copy thereof and filing it with such employer; provided,
 11 however, the failure to inform such employee shall not in any way be
 12 construed to waive the requirement that membership for such an employee
 13 commences only when an application for membership is filed with the
 14 system, nor shall it be construed to waive any of the eligibility
 15 requirements for previous service credit.

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

LBD10847-09-7

1 b. 1. Notwithstanding the provisions of subdivision a of this section,
2 upon the employment of any employee whose right to membership in the
3 board of education retirement system has been made optional by the head
4 of the retirement system involved, the employer shall provide the
5 respective automatic contribution arrangement for the employee to join
6 the retirement system ninety days after the commencement of employment,
7 with membership in the retirement system commencing on the ninety-first
8 day after commencement of employment, provided that, if the employee
9 files with the system an application to opt out of membership within
10 ninety days after commencement of employment, the employer shall refrain
11 from enrolling the employee in the retirement system unless and until
12 such employee subsequently files an application for membership with the
13 system. The automatic enrollment of optional employees as provided for
14 in this section shall not be construed to modify the right of eligible
15 employees to join the retirement system as of the first date of covered
16 employment by filing an application for membership with the system. The
17 employer shall further inform the employee in writing of the right to
18 join the system as well as the fact that the employee shall be enrolled
19 in the retirement system after the ninetieth day after commencement of
20 employment, unless such employee files with the system an application to
21 opt out of the system prior to such date. Any eligible employee who
22 elects to opt out of membership in the retirement system within the
23 ninety day period shall retain the right to join such system by subse-
24 quently filing an application for membership so long as such employee
25 remains in covered employment.

26 2. Each employer shall enroll in the retirement system every current
27 employee eligible for, but not enrolled in, the retirement system, on
28 October first, two thousand eighteen, unless such employee files an
29 application with the system to opt out of the retirement system by
30 September thirtieth, two thousand eighteen. Automatic enrollment in the
31 retirement system shall not be construed to waive any of the eligibility
32 requirements for previous service credit.

33 3. The automatic enrollment of optional employees as provided for in
34 this section shall not be construed to modify the rights and obligations
35 of any employee who is a mandated member of a public retirement system
36 under any applicable law, and such mandated members may not opt out of
37 membership.

38 § 2. This act shall take effect July 1, 2018.

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

In response to your request, this letter presents the estimated financial impact if participation is made mandatory for the Board of Education Retirement System of the City of New York (BERS).

The ultimate employer cost for this change will be determined by the number, ages, years of service, and salary of those employees that would otherwise not have elected to become member of BERS.

In order to prepare this analysis, we were supplied a file of 12,287 individuals who are not currently members of BERS but could voluntarily elect to participate. This group consisted of 11,292 part-time and 995 full-time employees that was approximately 73% female with an average age of 34.9, average salary of approximately \$25,500, and average past service of 2.4 years. We are also told, for calendar year 2016, employees in Payroll Codes 745, 744 and 056 are part-time and earned 0.80 years, 0.44 years and 0.72 years of service on average, respectively. Employees in Payroll Code 740 are generally full-time employees. Finally, we were told 72% of eligible employees eventually join BERS.

Based on this data and these statistics, we have estimated that the additional annual employer contribution will be \$11.0 million if no prior years of service are purchased by these individuals and \$18.1 million if all years of prior service eligible for buyback are purchased. These estimates assume that the fractional years of service earned in 2016 as described above remains unchanged in the future. These estimates also assume a level workforce (i.e., the number and salary, age and service characteristics of the added group remain approximately the same in future years.) Finally, for purposes of determining the portion of the annual employer contribution attributable to the buyback of prior service, we have assumed an amortization period of 15 years (14 payments under the Lag methodology used in the actuarial valuation.) All other actuarial assumptions and methods are the same as those used in the June 30, 2016 (Lag) actuarial valuation to determine the Preliminary Fiscal Year 2018 employer contributions for BERS.

If the change to mandatory participation is made prior to July 1, 2017, these new additional members would likely be included in the census data as of June 30, 2017 and if so the increase in employer contributions to BERS would first be reflected in Fiscal Year 2019.

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. To the best of my knowledge, the results contained herein have been prepared in accordance with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

VETO MESSAGE - No. 180

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain

Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

STATE OF NEW YORK

7642

2017-2018 Regular Sessions

IN ASSEMBLY

May 5, 2017

Introduced by M. of A. ABBATE -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees

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

1 Section 1. Paragraph (ii) of subdivision a of section 651 of the
2 retirement and social security law, as amended by chapter 225 of the
3 laws of 2006, is amended to read as follows:

4 (ii) For each full year of covered employment [~~occurring prior to~~
5 ~~January first, two thousand nine~~] which is subsequent to December thir-
6 ty-first, nineteen hundred seventy, his or her normal retirement age
7 shall be reduced by four months.

8 § 2. Section 2 of chapter 511 of the laws of 1988, amending the
9 retirement and social security law relating to a reduction in retirement
10 age for certain members, as amended by chapter 225 of the laws of 2006,
11 is amended to read as follows:

12 § 2. This act shall take effect immediately[~~, and shall apply only to~~
13 ~~covered employment performed on or before December 31, 2008~~].

14 § 3. This act shall take effect immediately and shall be deemed to
15 have been in full force and effect on and after December 31, 2008.

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

PROVISIONS OF PROPOSED LEGISLATION: This proposed legislation would amend Retirement and Social Security Law (RSSL) Section 651(a)(ii) and Chapter 511 of the Laws of 1988 to extend special unreduced early retirement provisions for certain Tier 1, 2, 3 and 4 Triborough Bridge and Tunnel Authority (TBTA) employees who are members of the New York City Employees' Retirement System (NYCERS).

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

LBD09402-02-7

The Effective Date of the proposed legislation would be the date of enactment and would be deemed to have been in full force and effect on and after December 31, 2008.

MEMBERS IMPACTED BY THE PROPOSED LEGISLATION: The proposed legislation would cover those members of NYCERS who are employed in the following TBTA job titles (Covered Members):

- * Bridge and Tunnel Officer,
- * Bridge and Tunnel Sergeant,
- * Bridge and Tunnel Lieutenant,
- * Assistant Bridge and Tunnel Maintainer,
- * Bridge and Tunnel Maintainer,
- * Senior Bridge and Tunnel Maintainer, and
- * Bridge and Tunnel Laborer.

IMPACT ON BENEFITS PAYABLE: The proposed legislation would permit Covered Members, who otherwise meet applicable service retirement requirements, to retire earlier than their applicable normal retirement age.

Under current law, a Tier 1 member's normal retirement age is 55. A Tier 2, 3 and 4 member's current normal retirement age is 62. Retiring for service prior to these ages would generally result in a reduction of the member's annual retirement benefit.

Under the proposed legislation, each year of qualifying TBTA service would reduce such normal retirement ages by 4 months (e.g., 12 years of qualifying TBTA service would reduce the applicable normal retirement age by 4 years) without subjecting the member to a retirement benefit reduction.

However, in no event shall a Tier 1 member retire, other than for disability, prior to age 50, and in no event shall a Tier 2, 3, or 4 member retire, other than for disability, prior to age 55.

FINANCIAL IMPACT - ACTUARIAL PRESENT VALUES (APV): With respect to the TBTA members who would be impacted by this proposed legislation, under the actuarial assumptions used in the Preliminary June 30, 2016 (Lag) actuarial valuations of NYCERS, the enactment of this proposed legislation would increase the APV of Benefits (APVB) by approximately \$1.7 million.

FINANCIAL IMPACT - EMPLOYER CONTRIBUTIONS: In accordance with the Administrative Code of the City of New York (ACNY) Section 13.638.2 (k-2), new Unfunded Actuarial Accrued Liability (UAAL) attributable to benefit changes are to be amortized as determined by the Actuary but generally over the remaining working lifetime of those impacted by the benefit changes. As of June 30, 2016, the remaining working lifetime of the TBTA members and beneficiaries who would be impacted by the proposed legislation is approximately 10 years.

Based on the actuarial assumptions and methods used in the Preliminary June 30, 2016 valuation of NYCERS, the enactment of this proposed legislation would increase annual employer contributions by approximately \$300,000 per year beginning in Fiscal Year 2018.

OTHER COSTS: Not measured in this Fiscal Note are the initial, additional administrative costs of NYCERS to implement the proposed legislation.

CENSUS DATA: As of June 30, 2016, there are 1,311 active TBTA members with annual salaries of approximately \$126.6 million.

The members affected by the proposed legislation consisted of 82 Tier 4 members with salaries of approximately \$8.2 million whose average age and average service as of June 30, 2016 were 48.9 years and 19.7 years, respectively.

ACTUARIAL ASSUMPTIONS AND METHODS: The additional APVB, APVSAL and employer contributions presented herein have been calculated based on the actuarial assumptions and methods in effect for the Preliminary June 30, 2016 (Lag) actuarial valuations used to determine the Preliminary Fiscal Year 2018 employer contributions of NYCERS.

Employer contributions under current methodology have been estimated assuming the additional APVB would be financed through future normal contributions including an amortization of the new UAAL attributable to this proposed legislation over a 10 year period (9 payments under the OYLM Methodology).

To determine the impact of the proposed legislation, it was necessary to determine who would benefit actuarially, by calculating for each member, the net APV of future employer costs (i.e., the APVB less the APV of future member contributions) under the current Period Without Reduction Before Normal Retirement Age (PWRBN) provisions and the proposed PWRBN provisions. If such net APV measured for the proposed PWRBN provisions was greater than the net APV under the current PWRBN provisions, the member was deemed to benefit actuarially.

STATEMENT OF ACTUARIAL OPINION: I, Sherry S. Chan, am the Chief Actuary for, and independent of, the New York City Pension Funds and Retirement Systems. I am a Fellow of the Society of Actuaries, a Fellow of the Conference of Consulting Actuaries and a Member of the American Academy of Actuaries. I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2017-09 dated April 19, 2017, was prepared by the Chief Actuary for the New York City Employee's Retirement System. This estimate is intended for use only during the 2017 Legislative Session.

VETO MESSAGE - No. 181

TO THE ASSEMBLY:

I am returning herewith, without my approval, the following bills:

Assembly Bill Number 5194, entitled:

"AN ACT granting retroactive tier IV membership in the New York state and local employees' retirement system to Scott Goodfellow"

Assembly Bill Number 5927, entitled:

"AN ACT granting retroactive membership in the New York state and local employees' retirement system to Adam Markel"

Assembly Bill Number 7193-C, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing for the automatic enrollment for employees whose right to membership has been made optional by the head of the public retirement system involved"

Assembly Bill Number 7642, entitled:

"AN ACT to amend the retirement and social security law and chapter 511 of the laws of 1988 amending the retirement and social security law relating to a reduction in retirement age for certain members, in relation to a reduced retirement age for certain Triborough bridge and tunnel authority employees"

TO THE SENATE:

I am returning herewith, without my approval, the following bills:

Senate Bill Number 3670, entitled:

"AN ACT to amend the retirement and social security law, in relation to eligibility for retirement benefits for certain members of the unified court system"

Senate Bill Number 3671, entitled:

"AN ACT to amend the retirement and social security law, in relation to accidental disability retirement for uniformed court officers and peace officers employed in the unified court system"

Senate Bill Number 4324, entitled:

"AN ACT to amend the general municipal law, in relation to providing notice of health insurance contracts for retired officers, employees, and their families"

Senate Bill Number 5130, entitled:

"AN ACT to amend the retirement and social security law, in relation to disability retirement benefits for sheriffs, deputy sheriffs, undersheriffs, and correction officers in Nassau county"

Senate Bill Number 5704, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing performance of duty disability retirement benefits for ambulance medical technician supervisors, ambulance medical technician coordinators and ambulance medical technicians in Nassau county"

Senate Bill Number 5705, entitled:

"AN ACT to amend the retirement and social security law, in relation to providing accidental disability retirement benefits for chief fire marshals, assistant chief fire marshals, division supervising fire marshals, supervising fire marshals, fire marshals and fire marshal trainees in Nassau county"

Senate Bill Number 6448-A, entitled:

"AN ACT granting retroactive membership with tier IV status in the New York state and local employees' retirement system to Jessica Strizzi"

Senate Bill Number 6449, entitled:

"AN ACT granting retroactive Tier IV membership in the New York state and local employees' retirement system to Brian Stebbins"

NOT APPROVED

These bills would provide State and local public employees with a variety of enhanced retirement benefits without offering any funding sources to cover their costs in the current fiscal year or in future years.

I have vetoed similar or identical bills in each of the past several years because the costs imposed were not accounted for in the State's financial plan. In order to provide all of the benefits associated with these bills, the State and its localities would be required to pay a combined, estimated total of \$53 million in near-term costs. As the Legislature has failed to appropriate any funds to pay for these benefits, I cannot support a package of bills that would necessarily impose a substantial and unplanned burden on New York State taxpayers.

Moreover, these costs will also place an undue fiscal pressure on local governments to provide vital services to their residents. Fixed costs associated with pension enhancements hinder the ability of local governments to function within current property tax levels and negatively impact the State's economic competitiveness.

As such costs must be addressed in the context of the annual budget negotiations, I am therefore constrained to veto these bills.

These bills are disapproved.

(signed) ANDREW M. CUOMO

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