

A2239-A Stern Same as **S 1091-A** GAUGHRAN

General Municipal Law

TITLE....Authorizes a municipality to increase the number of years of service that a participant in a defined contribution plan or defined benefit plan service award program may receive a contribution

01/14/21 referred to local governments

03/25/21 amend (t) and recommit to local governments

03/25/21 print number 2239a

STERN, SIMPSON

Amd §§218 & 219, Gen Muni L

Authorizes a municipality to increase the number of years of service that a participant in a defined contribution plan or defined benefit plan service award program may receive a contribution for up to an additional ten years, to a maximum of fifty years; makes related provisions.

STATE OF NEW YORK

2239--A

2021-2022 Regular Sessions

IN ASSEMBLY

January 14, 2021

Introduced by M. of A. STERN, SIMPSON -- read once and referred to the Committee on Local Governments -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the general municipal law, in relation to authorizing a municipality to increase the number of years of service that a participant in a defined contribution plan service award program or a defined benefit plan service award program may receive a contribution

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

1 Section 1. Subdivision (b) of section 218 of the general municipal
2 law, as amended by chapter 474 of the laws of 2019, is amended to read
3 as follows:

4 (b) The sponsor of a defined contribution plan shall contribute to the
5 plan a fixed amount of money, as determined by the sponsor, on behalf of
6 each participant who is credited with a year of service. The minimum and
7 maximum contribution requirements for a defined contribution service
8 award program shall be as follows. The minimum contribution shall be one
9 hundred twenty dollars per year of service. The maximum contribution
10 shall be twelve hundred dollars per year of service. The maximum number
11 of years of service for which a participant may receive a contribution
12 shall be forty years. The sponsor shall appropriate annually an amount
13 sufficient to pay the contributions. The governing board of a political
14 subdivision may extend the maximum number of years of service for which
15 a participant may receive a contribution for up to an additional ten
16 years, to a maximum of fifty years, and such increases in the number of
17 years may be added in multiple increments or in a single action, pursu-
18 ant to the adoption of the required resolution or resolutions of the
19 governing board, receiving the affirmative vote of at least sixty
20 percent of the governing board of the political subdivision, and the
21 approval of any mandatory referendum or referenda authorizing the exten-

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

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1 sion of benefits under the program by eligible voters within such poli-
2 tical subdivision.

3 § 2. Subdivision (b) of section 219 of the general municipal law, as
4 amended by chapter 452 of the laws of 2004, is amended to read as
5 follows:

6 (b) The minimum and maximum retirement benefit requirements for a
7 service award program that is a defined benefit plan shall be defined as
8 follows. Each participating active volunteer firefighter shall be enti-
9 tled to a minimum service award benefit of five dollars per month for
10 each year of firefighting service completed after satisfying the
11 program's eligibility requirement and after establishment of the
12 program. The maximum benefit amount payable to a participating active
13 volunteer firefighter entitled to a benefit shall be determined on the
14 basis of an actuarial valuation. The valuation shall take into account
15 the age, and such other factors as the actuary deems appropriate, of the
16 eligible participating active volunteer firefighters and the amount of
17 available financing available per active covered volunteer firefighter.
18 The maximum service award under a service award program shall be a
19 monthly payment, payable for life, that does not exceed an amount equal
20 to thirty dollars for each year of firefighting service credited under
21 the terms of the program to a maximum of forty years of firefighting
22 service. The governing board of a political subdivision may extend the
23 maximum number of years of service for which a participant may receive a
24 contribution for up to an additional ten years, to a maximum of fifty
25 years, and such increases in the number of years may be added in multi-
26 ple increments or in a single action, pursuant to the adoption of the
27 required resolution or resolutions of the governing board, receiving the
28 affirmative vote of at least sixty percent of the governing board of the
29 political subdivision, and the approval of any mandatory referendum or
30 referenda authorizing the extension of benefits under the program by
31 eligible voters within such political subdivision.

32 § 3. This act shall take effect immediately and shall apply to all
33 current and future participants.

**NEW YORK STATE ASSEMBLY
MEMORANDUM IN SUPPORT OF LEGISLATION
submitted in accordance with Assembly Rule III, Sec 1(f)**

BILL NUMBER: A2239A

SPONSOR: Stern

TITLE OF BILL:

An act to amend the general municipal law, in relation to authorizing a municipality to increase the number of years of service that a participant in a defined contribution plan service award program or a defined benefit plan service award program may receive a contribution

PURPOSE OR GENERAL IDEA OF BILL:

Gives local governments the ability to increase the number of years of service that a participant in a defined benefit contribution plan or defined benefit plan service award program may receive a contribution.

SUMMARY OF PROVISIONS:

Section 1: Amends subdivision (b) to authorize local governments to 40 years to 50 years, for which a of section 218 of the generalmunicipal law service from

Section 2: Amends subdivision (b) to authorize local governments to 40 years to 50 years, for which aincrease the maximum years ofmunicipal law service from participant would be eligible of section 219 of the general increase the maximum years of participant would be eligible

Section 3: Sets the effective date.

DIFFERENCE BETWEEN ORIGINAL AND AMENDED VERSION:

Adds more explicit language stating that the additional years of LOSAP are only to be authorized at local option.

JUSTIFICATION:

Total service time for Length of Service Award Program (LOSAP) participants often exceeds the current forty year maximum timeframe. This bill will give local governments the ability to provide additional LOSAP credits to the many volunteer firefighters and ambulance workers who are still actively participating after forty years of service.

PRIOR LEGISLATIVE HISTORY:

2019-2020: A, 7276 Referred to Local Governments

FISCAL IMPLICATIONS FOR STATE AND LOCAL GOVERNMENTS:

None to the state.

EFFECTIVE DATE:

This act shall take effect immediately.