

# STATE OF NEW YORK

4907

2013-2014 Regular Sessions

## IN SENATE

May 1, 2013

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

AN ACT to amend the state finance law, in relation to establishing employee representative participation on the city of New York deferred compensation plan board

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

1 Section 1. Subdivision 5 of section 5 of the state finance law, as  
 2 amended by chapter 768 of the laws of 1984, is amended as follows:  
 3 5. Should a public employer elect to provide or elect to participate  
 4 in a deferred compensation plan for employees otherwise eligible to  
 5 participate in the plan, employees in a negotiating unit represented by  
 6 an employee organization which negotiates pursuant to article fourteen  
 7 of the civil service law shall not be permitted to participate under the  
 8 provisions of this section until such time as such participation is  
 9 authorized pursuant to a collectively negotiated agreement between the  
 10 public employer and the employee organization; provided, however, that  
 11 the public employer need only negotiate whether or not such employees  
 12 shall be included in such plan. Notwithstanding the other provisions of  
 13 this section, the board of any deferred compensation plan established by  
 14 the city of New York shall include an equal number of employer and union  
 15 representatives. The union representatives shall be selected by the  
 16 chair of the municipal labor committee as that term is defined by subdi-  
 17 vision k of section 12-303 of the administrative code of the city of New  
 18 York. Any act of the board shall be approved by a majority of members.  
 19 The concurrence of one union representative and one employer represen-  
 20 tative shall be necessary for any act of such board.  
 21 § 2. This act shall take effect immediately.

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

LBD10427-02-3

**NEW YORK STATE SENATE  
INTRODUCER'S MEMORANDUM IN SUPPORT  
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S4907

SPONSOR: GOLDEN

TITLE OF BILL: An act to amend the state finance law, in relation to establishing employee representative participation on the city of New York deferred compensation plan board

PURPOSE: This bill intends to provide employee input into the New York City deferred compensation plan administration.

SUMMARY OF PROVISIONS: This legislation would require equal union and employer representation on the board of the deferred compensation plan established by the city of New York.

CURRENT LAW: The New York City Deferred Compensation Board is comprised of three members. This bill expands board membership to include employee representation.

JUSTIFICATION: The New York City deferred compensation is solely comprised of employer representatives. The function of this board is to determine the rules and regulations regarding the standards and requirements of the City's compensation plan, a role which includes the designation of the financial institutions in which participants may invest. The board's composition, does not require representatives from the parties impacted by any board decision -- the employees.

This legislation would update the Chapter Laws of 1982 so as to incorporate both employee and employer perspectives into the decision-making process. The equal representation between employees and employers on the board will ensure that the New York City Deferred Compensation Board plan is striving to meet the needs of plan participants. In that deferred compensation plan is Comprised of assets held for exclusive benefit of employees, in an effort to ensure the long-term financial security of many employees, in an effort to ensure the employee representation on the Deferred Compensation Board is not only justifiable, but fundamental.

LEGISLATIVE HISTORY: A8282 of 1999

FISCAL IMPLICATIONS: None

EFFECTIVE DATE: This act shall take effect immediately.

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**STATE OF NEW YORK**

6867

2013-2014 Regular Sessions

**IN ASSEMBLY**

April 23, 2013

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

AN ACT to amend the state finance law, in relation to establishing employee representative participation on the city of New York deferred compensation plan board

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

- 1 Section 1. Subdivision 5 of section 5 of the state finance law, as  
2 amended by chapter 768 of the laws of 1984, is amended as follows:  
3 5. Should a public employer elect to provide or elect to participate  
4 in a deferred compensation plan for employees otherwise eligible to  
5 participate in the plan, employees in a negotiating unit represented by  
6 an employee organization which negotiates pursuant to article fourteen  
7 of the civil service law shall not be permitted to participate under the  
8 provisions of this section until such time as such participation is  
9 authorized pursuant to a collectively negotiated agreement between the  
10 public employer and the employee organization; provided, however, that  
11 the public employer need only negotiate whether or not such employees  
12 shall be included in such plan. Notwithstanding the other provisions of  
13 this section, the board of any deferred compensation plan established by  
14 the city of New York shall include an equal number of employer and union  
15 representatives. The union representatives shall be selected by the  
16 chair of the municipal labor committee as that term is defined by subdi-  
17 vision k of section 12-303 of the administrative code of the city of New  
18 York. Any act of the board shall be approved by a majority of members.  
19 The concurrence of one union representative and one employer represen-  
20 tative shall be necessary for any act of such board.  
21 § 2. This act shall take effect immediately.

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

LBD10427-02-3

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

BILL NUMBER: A6867

SPONSOR: Abbate

TITLE OF BILL: An act to amend the state finance law, in relation to establishing employee representative participation on the city of New York deferred compensation plan board

PURPOSE OR GENERAL IDEA OF BILL:

This bill intends to provide employee input into the New York City deferred compensation plan administration.

SUMMARY OF SPECIFIC PROVISIONS:

This legislation would require equal union and employer representation on the board of the deferred compensation plan established by the city of New York.

EFFECTS OF PRESENT LAW WHICH THIS BILL WOULD ALTER:

The New York City Deferred Compensation Board is comprised of three members. This bill expands board membership to include employee representation.

JUSTIFICATION:

The New York City deferred compensation is solely comprised of employer representatives. The function of this board is to determine the rules and regulations regarding the standards and requirements of the City's compensation plan, a role which includes the designation of the financial institutions in which participants may invest. The board's composition, does not require representatives from the parties impacted by any board decision -- the employees.

This legislation would update the Chapter Laws of 1982 so as to incorporate both employee and employer perspectives into the decision-making process. The equal representation between employees and employers on the board will ensure that the New York City Deferred Compensation Board plan is striving to meet the needs of plan participants. In that • deferred compensation plan is Comprised of assets held for exclusive benefit of employees, in an effort to ensure the long-term financial security of many employees, in an effort to ensure the employee representation on the Deferred Compensation Board is not only justifiable, but fundamental.

PRIOR LEGISLATIVE HISTORY:

A8282 of 1999.

FISCAL IMPLICATIONS FOR STATE AND LOCAL GOVERNMENTS:

None

EFFECTIVE DATE:

This act shall take effect immediately.

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