



NEW YORK STATE SENATOR

John A. DeFrancisco

Senator DeFrancisco Reiterates Call for Comptroller to Report on State Pension System Sustainability

JOHN A. DEFRANCISCO September 4, 2009

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SENATOR DEFRANCISCO REITERATES CALL FOR COMPTROLLER TO REPORT ON STATE PENSION SYSTEM SUSTAINABILITY

California's Recent Crisis May Predict Future of New York's Pension System

Senator John A. DeFrancisco (R-I-C, Syracuse) delivered a letter to New York State Comptroller, Thomas DiNapoli on August 20th, requesting that he commission a report providing the cost to ensure the sustainability of the State pension system. The Senator has not yet received a response to that request.

This communication was sent in light of California's recent announcement that its' pension system was experiencing significant shortfalls and that employers would have to pay 40% of payroll for pension costs.

The Empire Center and other fiscal experts have stated that New York's pension is also in jeopardy because "the State's accounting method has been understating future obligations and taxpayer funded pension costs in New York will need to triple over the next five years". Just yesterday that think tank also stated "This is just the tip of the iceberg".

"While I appreciate the Comptroller's forewarning that local pension contributions will increase in 2011, State taxpayers deserve an indepth report with more precise cost projections to sustain the current system", said Senator DeFrancisco. The Senator also requested that the Comptroller include recommendations which could receive legislative consideration as to how those projected costs could be reduced and the projected savings which would be derived upon their implementation.

“We need to know how serious this problem is and has the potential to become before we can begin to intelligently discuss possible solutions, which is why I am renewing my call for Comptroller DiNapoli to respond to this request”, DeFrancisco concluded.

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