STATE OF NEW YORK

8499

2025-2026 Regular Sessions

IN ASSEMBLY

May 20, 2025

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

AN ACT to amend the retirement and social security law, in relation to the eligibility of New York city transit authority employees for performance of duty disability retirement

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

Section 1. Section 607-b of the retirement and social security law is amended by adding a new subdivision a-1 to read as follows:

a-1. Any member of the New York city employees' retirement system who is employed by the New York city transit authority and who participated in World Trade Center rescue, recovery or cleanup operations, as defined in section two of this chapter, who, on or after September eleventh, two thousand one, becomes physically or mentally incapacitated for the performance of duties as the natural and proximate result of an injury sustained in the performance or discharge of such member's duties as a result of such participation in World Trade Center rescue, recovery or cleanup operations shall be paid a performance of duty disability retirement allowance equal to three-quarters of final average salary, subject to section 13-176 of the administrative code of the city of New York. Any member who has made application or who, after the effective date of this subdivision, makes application for such performance of duty pension shall be entitled to invoke the medical review procedure provided for in subdivision e of section six hundred five of this article, subject to the terms and conditions set forth in such subdivision.

§ 2. This act shall take effect immediately.

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

SUMMARY: This proposed legislation would grant New York City Transit Authority (NYCTA) active and retired members of NYCERS who have incurred a World Trade Center (WTC) Qualifying Condition, a performance of duty

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

LBD08329-02-5

disability retirement equivalent to 75% of the member's Final Average Salary prospectively as of the effective date.

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

Year	Current WTC Retirees	Future Incidents (Illustration) One Incident	One Incident Per Year
2026	14,100	23	23
2027	0	23	47
2028	0	23	71
2029	0	23	96
2030	0	23	122
2031	0	23	148
2032	0	23	176
2033	0	23	204
2034	0	23	233
2035	0	23	263
2036	0	23	294
2037	0	23	326
2038	0	23	358
2039	0	23	392
2040	0	0	404
2041	0	0	416
2042	0	0	428
2043	0	0	441
2044	0	0	454
2045	0	0	468
2046	0	0	482
2047	0	0	496
2048	0	0	511
2049	0	0	527
2050	0	0	543

Employer contribution impact beyond Fiscal Year 2050 is not shown.

The potential increases in employer contributions will be allocated to the NYCTA.

PRESENT VALUE OF BENEFITS: The Present Value of Benefits is the discounted expected value of benefits paid to current members if all assumptions are met, including future service accrual and pay increases. Future new hires are not included in this present value.

INITIAL INCREASE (DECREASE) IN ACTUARIAL PRESENT VALUES
as of June 30, 2024 ($ in Millions)

Present Value (PV)	Current WTC Retirees	Per Future WTC Disability
(1) PV of Employer Contributions:	12.8	0.2
(2) PV of Employee Contributions:	**0.0**	**(0.0)**
Total PV of Benefits (1) + (2):	12.8	0.2

UNFUNDED ACCRUED LIABILITY (UAL): Actuarial Accrued Liabilities are the portion of the Present Value of Benefits allocated to past service.

Changes in UAL attributable to future incidents were amortized as ongoing gain/loss using level dollar payments. UAL attributable to inactive members was recognized in the first year.

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY

	WTC Retirees	Per WTC Disability
Increase (Decrease) in UAL:	12.8 M	0.2 M
Number of Payments:	1	14
Amortization Payment:	14.1 M	0.02 M

CENSUS DATA: The number of members who will benefit in the future from this fiscal note is unknown. The estimates presented herein are based on preliminary census data collected as of June 30, 2024. The census data for members who have been approved for WTC benefits and the population used to develop the average costs (potentially impacted members who have filed qualified WTC notices of participation) is summarized below.

	NYCERS
Receiving Members (Current WTC)	
- Number Count:	59
- Average Age:	65.2
Active Members (Potentially Eligible)	
- Number Count:	224
- Average Age:	57.7
- Average Service:	26.2
- Average Salary:	113,900
Receiving Members (Potentially Eligible)	
- Number Count:	1,005
- Average Age:	67.6

IMPACT ON MEMBER BENEFITS: Currently, a NYCTA member who incurs a WTC Qualifying Condition, is eligible for a performance of duty disability retirement, generally a lifetime payment equal to the greater of 1/3 of Final Average Salary (FAS), 1/60th of FAS times service, or the service retirement benefit, if eligible.

Under the proposed legislation, the performance of duty disability benefit for a NYCTA member who incurs a WTC Qualifying Condition would be equal to 75% of FAS, less any applicable Workers' Compensation benefit.

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

There are currently 59 members who have been approved for WTC disability benefits. The cost for these members is recognized in the first-year cost. The number of additional members and eligible retirees who will benefit in the future from this fiscal note is unknown and included as per-incident WTC disability costs. The cost of this proposed legislation could vary greatly depending on the number of future members who benefit and on their length of service, age, and salary history.

The estimated per-incident financial impact for disabled members has been calculated assuming 50% would retire under an Accidental Disability benefit, and 50% would continue working if the proposed legislation were not passed.

The bill appears to grant eligible NYCTA members and retirees the ability to utilize the presumptions for infectious diseases pursuant to subsection b of Retirement and Social Security Law Section 607-b. Costs

associated with granting these presumptions have not been included in this Fiscal Note.

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

This Fiscal Note is intended to measure pension-related impacts and does not include other potential costs (e.g., administrative and Other Postemployment Benefits). This Fiscal Note does not reflect any chapter laws that may have been enacted during the current legislative session.

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

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2025-43 dated April 17, 2025 was prepared by the Chief Actuary for the New York City Retirement Systems and Pension Funds and is intended for use only during the 2025 Legislative Session.