

1809

2009-2010 Regular Sessions

I N S E N A T E

February 9, 2009

Introduced by Sen. LANZA -- 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, the education law and the administrative code of the city of New York, in relation to providing cost-of-living adjustments

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Subdivision d of section 78-a of the retirement and social
2 security law, as added by chapter 125 of the laws of 2000, is amended to
3 read as follows:
4 d. The percentage referred to in this section shall be determined
5 annually by reference to the consumer price index (all urban consumers,
6 CPI-U, U.S. city average, all items, 1982-84=100), published by the
7 United States bureau of labor statistics, for each applicable calendar
8 year. Said percentage shall equal fifty percent of the annual inflation,
9 AND EFFECTIVE THE FIRST DAY OF SEPTEMBER, TWO THOUSAND NINE SHALL EQUAL
10 ONE HUNDRED PERCENT OF THE ANNUAL INFLATION, as determined from the
11 increase in the consumer price index in the one year period ending on
12 the March thirty-first prior to the cost-of-living adjustment effective
13 on the ensuing September first. Said percentage shall then be rounded up
14 to the next higher one-tenth of one percent and shall not exceed three
15 percent nor be less than one percent.
16 S 2. Subdivision d of section 378-a of the retirement and social secu-
17 rity law, as added by chapter 125 of the laws of 2000, is amended to
18 read as follows:
19 d. The percentage referred to in this section shall be determined
20 annually by reference to the consumer price index (all urban consumers,
21 CPI-U, U.S. city average, all items, 1982-84=100), published by the
22 United States bureau of labor statistics, for each applicable calendar
23 year. Said percentage shall equal fifty percent of the annual inflation,
24 AND EFFECTIVE THE FIRST DAY OF SEPTEMBER, TWO THOUSAND NINE SHALL EQUAL

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

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1 ONE HUNDRED PERCENT OF THE ANNUAL INFLATION, as determined from the
2 increase in the consumer price index in the one year period ending on
3 the March thirty-first prior to the cost-of-living adjustment effective
4 on the ensuing September first. Said percentage shall then be rounded up
5 to the next higher one-tenth of one percent and shall not exceed three
6 percent nor be less than one percent.

7 S 3. Subdivision d of section 532-a of the education law, as added by
8 chapter 125 of the laws of 2000, is amended to read as follows:

9 d. The percentage referred to in this section shall be determined
10 annually by reference to the consumer price index (all urban consumers,
11 CPI-U, U.S. city average, all items, 1982-84=100), published by the
12 United States bureau of labor statistics, for each applicable calendar
13 year. Said percentage shall equal fifty percent of the annual inflation,
14 AND EFFECTIVE THE FIRST DAY OF SEPTEMBER, TWO THOUSAND NINE SHALL EQUAL
15 ONE HUNDRED PERCENT OF THE ANNUAL INFLATION, as determined from the
16 increase in the consumer price index in the one year period ending on
17 the March thirty-first prior to the cost-of-living adjustment effective
18 on the ensuing September first. Said percentage shall then be rounded up
19 to the next higher one-tenth of one percent and shall not exceed three
20 percent nor be less than one percent.

21 S 4. Subdivision d of section 13-696 of the administrative code of the
22 city of New York, as added by chapter 125 of the laws of 2000, is
23 amended to read as follows:

24 d. The percentage referred to in this section shall be determined
25 annually by reference to the consumer price index (all urban consumers,
26 CPI-U, U.S. city average, all items, 1982-84=100), published by the
27 United States bureau of labor statistics, for each applicable calendar
28 year. Said percentage shall equal fifty percent of the annual inflation,
29 AND EFFECTIVE THE FIRST DAY OF SEPTEMBER, TWO THOUSAND NINE SHALL EQUAL
30 ONE HUNDRED PERCENT OF THE ANNUAL INFLATION, as determined from the
31 increase in the consumer price index in the one year period ending on
32 the March thirty-first prior to the cost-of-living adjustment effective
33 on the ensuing September first. Said percentage shall then be rounded up
34 to the next higher one-tenth of one percent and shall not exceed three
35 percent nor be less than one percent.

36 S 5. This act shall take effect immediately.

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

This bill would provide an increase in the defined benefit cost-of-living adjustment (COLA) for New York public retirement systems. Starting with a payment in September 2009 the cost-of-living adjustment will be increased from fifty percent of the annual inflation to one hundred percent of the annual inflation, not to exceed an annual increase of 3%.

Insofar as this bill affects the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System, if this bill were enacted there would be an estimated first year cost of approximately \$300 million to the State of New York, \$410 million to participating employers in the New York State and Local Employees' Retirement System and \$50 million to the participating employers in the New York State and Local Police and Fire Retirement System.

This estimate, dated December 1, 2008 and intended for use only during the 2009 Legislative Session, is Fiscal Note No. 2009-63, prepared by the Actuary for the New York State and Local Employees' Retirement System and the New York State and Local Police and Fire Retirement System.