S T A T E O F N E W Y O R K

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:

Section 1. Subdivision d of section 78-a of the retirement and social security law, as added by chapter 125 of the laws of 2000, is amended to read as follows:

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

S 2. Subdivision d of section 378-a of the retirement and social security law, as added by chapter 125 of the laws of 2000, is amended to read as follows:

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

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

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

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

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

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.