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

1816--A

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 -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

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 c 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:

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual retirement allowance defined in subdivision b of this section. EFFECTIVE ON THE FIRST DAY OF SEPTEMBER, TWO THOUSAND TEN, SAID COST-OF-LIVING ADJUSTMENT SHALL BE COMPUTED ON A BASE BENEFIT AMOUNT NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS OF THE ANNUAL RETIREMENT ALLOWANCE DEFINED IN SUBDIVISION B OF THIS SECTION.

S 2. Subdivision c 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:

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual retirement allowance defined in subdivision b of this section. EFFECTIVE ON THE FIRST DAY OF SEPTEMBER, TWO THOUSAND TEN, SAID COST-OF-LIVING ADJUSTMENT SHALL BE COMPUTED ON A BASE BENEFIT AMOUNT NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS OF THE ANNUAL RETIREMENT ALLOWANCE DEFINED IN SUBDIVISION B OF THIS SECTION.

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

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

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual retirement allowance defined in subdivision b of this section. EFFECTIVE ON THE FIRST DAY OF SEPTEMBER, TWO THOUSAND TEN, SAID COST-OF-LIVING ADJUSTMENT SHALL BE COMPUTED ON A BASE BENEFIT AMOUNT NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS OF THE ANNUAL RETIREMENT ALLOWANCE DEFINED IN SUBDIVISION B OF THIS SECTION.

S 4. Subdivision c 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:

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual fixed retirement allowance defined in subdivision b of this section. EFFECTIVE ON THE FIRST DAY OF SEPTEMBER, TWO THOUSAND TEN, SAID COST-OF-LIVING ADJUSTMENT SHALL BE COMPUTED ON A BASE BENEFIT AMOUNT NOT TO EXCEED TWENTY-FIVE THOUSAND DOLLARS OF THE ANNUAL RETIREMENT ALLOWANCE DEFINED IN SUBDIVISION B OF THIS SECTION.

S 5. This act shall take effect immediately.

FISCAL NOTE.--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 2010 the annual cost of living adjustment will be computed on a base benefit amount not to exceed $25,000.

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 $90 million to the State of New York, $119 million to the participating employers in the New York State and Local Employees' Retirement System and $22 million to the participating employers in the New York State and Local Police and Fire Retirement System.

This estimate, dated December 4, 2009 and intended for use only during the 2010 Legislative Session, is Fiscal Note No. 2010-27, 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.