

STATE OF NEW YORK

3614--E

2023-2024 Regular Sessions

IN SENATE

February 1, 2023

Introduced by Sen. GOUNARDES -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- 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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law and the education law, in relation to member contribution per centum increases

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

- 1 Section 1. Paragraphs 1, 2, 3, 4 and 5 of subdivision a of section 517
2 of the retirement and social security law, as added by chapter 18 of the
3 laws of 2012, are amended to read as follows:
4 1. members with wages of forty-five thousand dollars per annum or less
5 shall contribute three per centum of annual wages. On April one, two
6 thousand twenty-five, members with wages of fifty thousand dollars per
7 annum or less shall contribute three per centum of annual wages, and
8 beginning on April one, two thousand twenty-six, the wages in this para-
9 graph shall be increased by the annual inflation, as determined from the
10 increase in the consumer price index in the one year period ending on
11 December thirty-first of the year prior. Said percentage shall then be
12 rounded up to the next higher one-tenth of one percent and shall not
13 exceed three percent;
14 2. members with wages greater than forty-five thousand per annum, but
15 not more than fifty-five thousand per annum shall contribute three and

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

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1 one-half per centum of annual wages. On April one, two thousand twenty-
2 five, members with wages greater than fifty thousand per annum, but not
3 more than sixty thousand per annum shall contribute three and one-half
4 per centum of annual wages, and beginning on April one, two thousand
5 twenty-six, the wages in this paragraph shall be increased by the annual
6 inflation, as determined from the increase in the consumer price index
7 in the one year period ending on December thirty-first of the year
8 prior. Said percentage shall then be rounded up to the next higher one-
9 tenth of one percent and shall not exceed three percent;

10 3. members with wages greater than fifty-five thousand per annum, but
11 not more than seventy-five thousand per annum shall contribute four and
12 one-half per centum of annual wages. On April one, two thousand twenty-
13 five, members with wages greater than sixty thousand per annum, but not
14 more than eighty thousand per annum shall contribute four and one-half
15 per centum of annual wages, and beginning on April one, two thousand
16 twenty-six, the wages in this paragraph shall be increased by the annual
17 inflation, as determined from the increase in the consumer price index
18 in the one year period ending on December thirty-first of the year
19 prior. Said percentage shall then be rounded up to the next higher one-
20 tenth of one percent and shall not exceed three percent;

21 4. members with wages greater than seventy-five thousand per annum but
22 not more than one hundred thousand per annum shall contribute five and
23 three-quarters per centum of annual wages. On April one, two thousand
24 twenty-five, members with wages greater than eighty thousand dollars per
25 annum but not more than one hundred five thousand dollars per annum
26 shall contribute five and three-quarters per centum of annual wages, and
27 beginning on April one, two thousand twenty-six, the wages in this para-
28 graph shall be increased by the annual inflation, as determined from the
29 increase in the consumer price index in the one year period ending on
30 December thirty-first of the year prior. Said percentage shall then be
31 rounded up to the next higher one-tenth of one percent and shall not
32 exceed three percent; and

33 5. members with wages greater than one hundred thousand per annum
34 shall contribute six per centum of annual wages. On April one, two thou-
35 sand twenty-five, members with wages greater than one hundred five thou-
36 sand dollars per annum shall contribute six per centum of annual wages,
37 and beginning on April one, two thousand twenty-six, the wages in this
38 paragraph shall be increased by the annual inflation, as determined from
39 the increase in the consumer price index in the one year period ending
40 on December thirty-first of the year prior. Said percentage shall then
41 be rounded up to the next higher one-tenth of one percent and shall not
42 exceed three percent.

43 § 2. Subparagraphs (i), (ii), (iii), (iv) and (v) of paragraph 1 of
44 subdivision a, subparagraphs (i), (ii), (iii), (iv) and (v) of paragraph
45 2 of subdivision a, paragraphs 1, 2, 3, 4 and 5 of subdivision f and
46 paragraphs 1, 2, 3, 4 and 5 of subdivision g of section 613 of the
47 retirement and social security law, subparagraphs (i), (ii), (iii), (iv)
48 and (v) of paragraph 1 and subparagraphs (i), (ii), (iii), (iv) and (v)
49 of paragraph 2 of subdivision a as amended by chapter 510 of the laws of
50 2015 and paragraphs 1, 2, 3, 4 and 5 of subdivision f and paragraphs 1,
51 2, 3, 4 and 5 of subdivision g as added by chapter 18 of the laws of
52 2012, are amended to read as follows:

53 (i) members with wages of forty-five thousand dollars per annum or
54 less shall contribute three per centum of annual wages. On April one,
55 two thousand twenty-five, members with wages of fifty thousand dollars
56 per annum or less shall contribute three per centum of annual wages, and

1 beginning on April one, two thousand twenty-six, the wages in this
2 subparagraph shall be increased by the annual inflation, as determined
3 from the increase in the consumer price index in the one year period
4 ending on December thirty-first of the year prior. Said percentage shall
5 then be rounded up to the next higher one-tenth of one percent and shall
6 not exceed three percent;

7 (ii) members with wages greater than forty-five thousand per annum,
8 but not more than fifty-five thousand per annum shall contribute three
9 and one-half per centum of annual wages. On April one, two thousand
10 twenty-five, members with wages greater than fifty thousand per annum,
11 but not more than sixty thousand per annum shall contribute three and
12 one-half per centum of annual wages, and beginning on April one, two
13 thousand twenty-six, the wages in this subparagraph shall be increased
14 by the annual inflation, as determined from the increase in the consumer
15 price index in the one year period ending on December thirty-first of
16 the year prior. Said percentage shall then be rounded up to the next
17 higher one-tenth of one percent and shall not exceed three percent;

18 (iii) members with wages greater than fifty-five thousand per annum,
19 but not more than seventy-five thousand per annum shall contribute four
20 and one-half per centum of annual wages. On April one, two thousand
21 twenty-five, members with wages greater than sixty thousand per annum,
22 but not more than eighty thousand per annum shall contribute four and
23 one-half per centum of annual wages, and beginning on April one, two
24 thousand twenty-six, the wages in this subparagraph shall be increased
25 by the annual inflation, as determined from the increase in the consumer
26 price index in the one year period ending on December thirty-first of
27 the year prior. Said percentage shall then be rounded up to the next
28 higher one-tenth of one percent and shall not exceed three percent;

29 (iv) members with wages greater than seventy-five thousand per annum
30 but not more than one hundred thousand per annum shall contribute five
31 and three-quarters per centum of annual wages. On April one, two thou-
32 sand twenty-five, members with wages greater than eighty thousand
33 dollars per annum but not more than one hundred five thousand dollars
34 per annum shall contribute five and three-quarters per centum of annual
35 wages, and beginning on April one, two thousand twenty-six, the wages in
36 this subparagraph shall be increased by the annual inflation, as deter-
37 mined from the increase in the consumer price index in the one year
38 period ending on December thirty-first of the year prior. Said percent-
39 age shall then be rounded up to the next higher one-tenth of one percent
40 and shall not exceed three percent; and

41 (v) members with wages greater than one hundred thousand per annum
42 shall contribute six per centum of annual wages. On April one, two thou-
43 sand twenty-five, members with wages greater than one hundred five thou-
44 sand dollars per annum shall contribute six per centum of annual wages,
45 and beginning on April one, two thousand twenty-six, the wages in this
46 subparagraph shall be increased by the annual inflation, as determined
47 from the increase in the consumer price index in the one year period
48 ending on December thirty-first of the year prior. Said percentage shall
49 then be rounded up to the next higher one-tenth of one percent and shall
50 not exceed three percent.

51 (i) members with wages of forty-five thousand dollars per annum or
52 less shall contribute three per centum of annual wages. On April one,
53 two thousand twenty-five, members with wages of fifty thousand dollars
54 per annum or less shall contribute three per centum of annual wages, and
55 beginning on April one, two thousand twenty-six, the wages in this
56 subparagraph shall be increased by the annual inflation, as determined

1 from the increase in the consumer price index in the one year period
2 ending on December thirty-first of the year prior. Said percentage shall
3 then be rounded up to the next higher one-tenth of one percent and shall
4 not exceed three percent;

5 (ii) members with wages greater than forty-five thousand per annum,
6 but not more than fifty-five thousand per annum shall contribute three
7 and one-half per centum of annual wages. On April one, two thousand
8 twenty-five, members with wages greater than fifty thousand per annum,
9 but not more than sixty thousand per annum shall contribute three and
10 one-half per centum of annual wages, and beginning on April one, two
11 thousand twenty-six, the wages in this subparagraph shall be increased
12 by the annual inflation, as determined from the increase in the consumer
13 price index in the one year period ending on December thirty-first of
14 the year prior. Said percentage shall then be rounded up to the next
15 higher one-tenth of one percent and shall not exceed three percent;

16 (iii) members with wages greater than fifty-five thousand per annum,
17 but not more than seventy-five thousand per annum shall contribute four
18 and one-half per centum of annual wages. On April one, two thousand
19 twenty-five, members with wages greater than sixty thousand per annum,
20 but not more than eighty thousand per annum shall contribute four and
21 one-half per centum of annual wages, and beginning on April one, two
22 thousand twenty-six, the wages in this subparagraph shall be increased
23 by the annual inflation, as determined from the increase in the consumer
24 price index in the one year period ending on December thirty-first of
25 the year prior. Said percentage shall then be rounded up to the next
26 higher one-tenth of one percent and shall not exceed three percent;

27 (iv) members with wages greater than seventy-five thousand per annum
28 but not more than one hundred thousand per annum shall contribute five
29 and three-quarters per centum of annual wages. On April one, two thou-
30 sand twenty-five, members with wages greater than eighty thousand
31 dollars per annum but not more than one hundred five thousand dollars
32 per annum shall contribute five and three-quarters per centum of annual
33 wages, and beginning on April one, two thousand twenty-six, the wages in
34 this subparagraph shall be increased by the annual inflation, as deter-
35 mined from the increase in the consumer price index in the one year
36 period ending on December thirty-first of the year prior. Said percent-
37 age shall then be rounded up to the next higher one-tenth of one percent
38 and shall not exceed three percent; and

39 (v) members with wages greater than one hundred thousand per annum
40 shall contribute six per centum of annual wages. On April one, two thou-
41 sand twenty-five, members with wages greater than one hundred five thou-
42 sand dollars per annum shall contribute six per centum of annual wages,
43 and beginning on April one, two thousand twenty-six, the wages in this
44 subparagraph shall be increased by the annual inflation, as determined
45 from the increase in the consumer price index in the one year period
46 ending on December thirty-first of the year prior. Said percentage shall
47 then be rounded up to the next higher one-tenth of one percent and shall
48 not exceed three percent.

49 1. members with wages of forty-five thousand dollars per annum or less
50 shall contribute three per centum of annual wages. On April one, two
51 thousand twenty-five, members with wages of fifty thousand dollars per
52 annum or less shall contribute three per centum of annual wages, and
53 beginning on April one, two thousand twenty-six, the wages in this para-
54 graph shall be increased by the annual inflation, as determined from the
55 increase in the consumer price index in the one year period ending on
56 December thirty-first of the year prior. Said percentage shall then be

1 rounded up to the next higher one-tenth of one percent and shall not
2 exceed three percent;

3 2. members with wages greater than forty-five thousand per annum, but
4 not more than fifty-five thousand per annum shall contribute three and
5 one-half per centum of annual wages. On April one, two thousand twenty-
6 five, members with wages greater than fifty thousand per annum, but not
7 more than sixty thousand per annum shall contribute three and one-half
8 per centum of annual wages, and beginning on April one, two thousand
9 twenty-six, the wages in this paragraph shall be increased by the annual
10 inflation, as determined from the increase in the consumer price index
11 in the one year period ending on December thirty-first of the year
12 prior. Said percentage shall then be rounded up to the next higher one-
13 tenth of one percent and shall not exceed three percent;

14 3. members with wages greater than fifty-five thousand per annum, but
15 not more than seventy-five thousand per annum shall contribute four and
16 one-half per centum of annual wages. On April one, two thousand twenty-
17 five, members with wages greater than sixty thousand per annum, but not
18 more than eighty thousand per annum shall contribute four and one-half
19 per centum of annual wages, and beginning on April one, two thousand
20 twenty-six, the wages in this paragraph shall be increased by the annual
21 inflation, as determined from the increase in the consumer price index
22 in the one year period ending on December thirty-first of the year
23 prior. Said percentage shall then be rounded up to the next higher one-
24 tenth of one percent and shall not exceed three percent;

25 4. members with wages greater than seventy-five thousand per annum but
26 not more than one hundred thousand per annum shall contribute five and
27 three-quarters per centum of annual wages. On April one, two thousand
28 twenty-five, members with wages greater than eighty thousand dollars per
29 annum but not more than one hundred five thousand dollars per annum
30 shall contribute five and three-quarters per centum of annual wages, and
31 beginning on April one, two thousand twenty-six, the wages in this para-
32 graph shall be increased by the annual inflation, as determined from the
33 increase in the consumer price index in the one year period ending on
34 December thirty-first of the year prior. Said percentage shall then be
35 rounded up to the next higher one-tenth of one percent and shall not
36 exceed three percent; and

37 5. members with wages greater than one hundred thousand per annum
38 shall contribute six per centum of annual wages. On April one, two thou-
39 sand twenty-five, members with wages greater than one hundred five thou-
40 sand dollars per annum shall contribute six per centum of annual wages,
41 and beginning on April one, two thousand twenty-six, the wages in this
42 paragraph shall be increased by the annual inflation, as determined from
43 the increase in the consumer price index in the one year period ending
44 on December thirty-first of the year prior. Said percentage shall then
45 be rounded up to the next higher one-tenth of one percent and shall not
46 exceed three percent.

47 1. members with wages of forty-five thousand dollars per annum or less
48 shall contribute three per centum of annual wages. On April one, two
49 thousand twenty-five, members with wages of fifty thousand dollars per
50 annum or less shall contribute three per centum of annual wages, and
51 beginning on April one, two thousand twenty-six, the wages in this para-
52 graph shall be increased by the annual inflation, as determined from the
53 increase in the consumer price index in the one year period ending on
54 December thirty-first of the year prior. Said percentage shall then be
55 rounded up to the next higher one-tenth of one percent and shall not
56 exceed three percent;

1 2. members with wages greater than forty-five thousand per annum, but
2 not more than fifty-five thousand per annum shall contribute three and
3 one-half per centum of annual wages. On April one, two thousand twenty-
4 five, members with wages greater than fifty thousand per annum, but not
5 more than sixty thousand per annum shall contribute three and one-half
6 per centum of annual wages, and beginning on April one, two thousand
7 twenty-six, the wages in this paragraph shall be increased by the annual
8 inflation, as determined from the increase in the consumer price index
9 in the one year period ending on December thirty-first of the year
10 prior. Said percentage shall then be rounded up to the next higher one-
11 tenth of one percent and shall not exceed three percent;

12 3. members with wages greater than fifty-five thousand per annum, but
13 not more than seventy-five thousand per annum shall contribute four and
14 one-half per centum of annual wages. On April one, two thousand twenty-
15 five, members with wages greater than sixty thousand per annum, but not
16 more than eighty thousand per annum shall contribute four and one-half
17 per centum of annual wages, and beginning on April one, two thousand
18 twenty-six, the wages in this paragraph shall be increased by the annual
19 inflation, as determined from the increase in the consumer price index
20 in the one year period ending on December thirty-first of the year
21 prior. Said percentage shall then be rounded up to the next higher one-
22 tenth of one percent and shall not exceed three percent;

23 4. members with wages greater than seventy-five thousand per annum but
24 not more than one hundred thousand per annum shall contribute five and
25 three-quarters per centum of annual wages. On April one, two thousand
26 twenty-five, members with wages greater than eighty thousand dollars per
27 annum but not more than one hundred five thousand dollars per annum
28 shall contribute five and three-quarters per centum of annual wages, and
29 beginning on April one, two thousand twenty-six, the wages in this para-
30 graph shall be increased by the annual inflation, as determined from the
31 increase in the consumer price index in the one year period ending on
32 December thirty-first of the year prior. Said percentage shall then be
33 rounded up to the next higher one-tenth of one percent and shall not
34 exceed three percent; and

35 5. members with wages greater than one hundred thousand per annum
36 shall contribute six per centum of annual wages. On April one, two thou-
37 sand twenty-five, members with wages greater than one hundred five thou-
38 sand dollars per annum shall contribute six per centum of annual wages,
39 and beginning on April one, two thousand twenty-six, the wages in this
40 paragraph shall be increased by the annual inflation, as determined from
41 the increase in the consumer price index in the one year period ending
42 on December thirty-first of the year prior. Said percentage shall then
43 be rounded up to the next higher one-tenth of one percent and shall not
44 exceed three percent.

45 § 3. Subdivisions a, b, c, d and e of section 1204 of the retirement
46 and social security law, as added by chapter 18 of the laws of 2012, are
47 amended to read as follows:

48 a. members with wages of forty-five thousand dollars per annum or less
49 shall contribute three per centum of annual wages. On April one, two
50 thousand twenty-five, members with wages of fifty thousand dollars per
51 annum or less shall contribute three per centum of annual wages, and
52 beginning on April one, two thousand twenty-six, the wages in this
53 subdivision shall be increased by the annual inflation, as determined
54 from the increase in the consumer price index in the one year period
55 ending on December thirty-first of the year prior. Said percentage shall

1 then be rounded up to the next higher one-tenth of one percent and shall
2 not exceed three percent;

3 b. members with wages greater than forty-five thousand per annum, but
4 not more than fifty-five thousand per annum shall contribute three and
5 one-half per centum of annual wages. On April one, two thousand twenty-
6 five, members with wages greater than fifty thousand per annum, but not
7 more than sixty thousand per annum shall contribute three and one-half
8 per centum of annual wages, and beginning on April one, two thousand
9 twenty-six, the wages in this subdivision shall be increased by the
10 annual inflation, as determined from the increase in the consumer price
11 index in the one year period ending on December thirty-first of the year
12 prior. Said percentage shall then be rounded up to the next higher one-
13 tenth of one percent and shall not exceed three percent;

14 c. members with wages greater than fifty-five thousand per annum, but
15 not more than seventy-five thousand per annum shall contribute four and
16 one-half per centum of annual wages. On April one, two thousand twenty-
17 five, members with wages greater than sixty thousand per annum, but not
18 more than eighty thousand per annum shall contribute four and one-half
19 per centum of annual wages, and beginning on April one, two thousand
20 twenty-six, the wages in this subdivision shall be increased by the
21 annual inflation, as determined from the increase in the consumer price
22 index in the one year period ending on December thirty-first of the year
23 prior. Said percentage shall then be rounded up to the next higher one-
24 tenth of one percent and shall not exceed three percent;

25 d. members with wages greater than seventy-five thousand per annum but
26 not more than one hundred thousand per annum shall contribute five and
27 three-quarters per centum of annual wages. On April one, two thousand
28 twenty-five, members with wages greater than eighty thousand dollars per
29 annum but not more than one hundred five thousand dollars per annum
30 shall contribute five and three-quarters per centum of annual wages, and
31 beginning on April one, two thousand twenty-six, the wages in this
32 subdivision shall be increased by the annual inflation, as determined
33 from the increase in the consumer price index in the one year period
34 ending on December thirty-first of the year prior. Said percentage shall
35 then be rounded up to the next higher one-tenth of one percent and shall
36 not exceed three percent; and

37 e. members with wages greater than one hundred thousand per annum
38 shall contribute six per centum of annual wages. On April one, two thou-
39 sand twenty-five, members with wages greater than one hundred five thou-
40 sand dollars per annum shall contribute six per centum of annual wages,
41 and beginning on April one, two thousand twenty-six, the wages in this
42 subdivision shall be increased by the annual inflation, as determined
43 from the increase in the consumer price index in the one year period
44 ending on December thirty-first of the year prior. Said percentage shall
45 then be rounded up to the next higher one-tenth of one percent and shall
46 not exceed three percent.

47 § 4. Paragraphs (a), (b), (c), (d) and (e) of subdivision 2 of section
48 182 of the education law, as added by chapter 18 of the laws of 2012,
49 are amended to read as follows:

50 (a) members with wages of forty-five thousand dollars per annum or
51 less shall contribute three per centum of annual wages. On April one,
52 two thousand twenty-five, members with wages of fifty thousand dollars
53 per annum or less shall contribute three per centum of annual wages, and
54 beginning on April one, two thousand twenty-six, the wages in this para-
55 graph shall be increased by the annual inflation, as determined from the
56 increase in the consumer price index in the one year period ending on

1 December thirty-first of the year prior. Said percentage shall then be
2 rounded up to the next higher one-tenth of one percent and shall not
3 exceed three percent;

4 (b) members with wages greater than forty-five thousand per annum, but
5 not more than fifty-five thousand per annum shall contribute three and
6 one-half per centum of annual wages. On April one, two thousand twenty-
7 five, members with wages greater than fifty thousand per annum, but not
8 more than sixty thousand per annum shall contribute three and one-half
9 per centum of annual wages, and beginning on April one, two thousand
10 twenty-six, the wages in this paragraph shall be increased by the annual
11 inflation, as determined from the increase in the consumer price index
12 in the one year period ending on December thirty-first of the year
13 prior. Said percentage shall then be rounded up to the next higher one-
14 tenth of one percent and shall not exceed three percent;

15 (c) members with wages greater than fifty-five thousand per annum, but
16 not more than seventy-five thousand per annum shall contribute four and
17 one-half per centum of annual wages. On April one, two thousand twenty-
18 five, members with wages greater than sixty thousand per annum, but not
19 more than eighty thousand per annum shall contribute four and one-half
20 per centum of annual wages, and beginning on April one, two thousand
21 twenty-six, the wages in this paragraph shall be increased by the annual
22 inflation, as determined from the increase in the consumer price index
23 in the one year period ending on December thirty-first of the year
24 prior. Said percentage shall then be rounded up to the next higher one-
25 tenth of one percent and shall not exceed three percent;

26 (d) members with wages greater than seventy-five thousand per annum
27 but not more than one hundred thousand per annum shall contribute five
28 and three-quarters per centum of annual wages. On April one, two thou-
29 sand twenty-five, members with wages greater than eighty thousand
30 dollars per annum but not more than one hundred five thousand dollars
31 per annum shall contribute five and three-quarters per centum of annual
32 wages, and beginning on April one, two thousand twenty-six, the wages in
33 this paragraph shall be increased by the annual inflation, as determined
34 from the increase in the consumer price index in the one year period
35 ending on December thirty-first of the year prior. Said percentage shall
36 then be rounded up to the next higher one-tenth of one percent and shall
37 not exceed three percent; and

38 (e) members with wages greater than one hundred thousand per annum
39 shall contribute six per centum of annual wages. On April one, two thou-
40 sand twenty-five, members with wages greater than one hundred five thou-
41 sand dollars per annum shall contribute six per centum of annual wages,
42 and beginning on April one, two thousand twenty-six, the wages in this
43 paragraph shall be increased by the annual inflation, as determined from
44 the increase in the consumer price index in the one year period ending
45 on December thirty-first of the year prior. Said percentage shall then
46 be rounded up to the next higher one-tenth of one percent and shall not
47 exceed three percent.

48 § 5. Subparagraphs (i), (ii), (iii), (iv) and (v) of paragraph (d) of
49 subdivision 2 of section 392 of the education law, as added by chapter
50 18 of the laws of 2012, are amended to read as follows:

51 (i) members with wages of forty-five thousand dollars per annum or
52 less shall contribute three per centum of annual wages. On July one, two
53 thousand twenty-five, members with wages of fifty thousand dollars per
54 annum or less shall contribute three per centum of annual wages, and
55 beginning on July one, two thousand twenty-six, the wages in this
56 subparagraph shall be increased by the annual inflation, as determined

1 from the increase in the consumer price index in the one year period
2 ending on December thirty-first of the year prior. Said percentage shall
3 then be rounded up to the next higher one-tenth of one percent and shall
4 not exceed three percent;

5 (ii) members with wages greater than forty-five thousand per annum,
6 but not more than fifty-five thousand per annum shall contribute three
7 and one-half per centum of annual wages. On July one, two thousand twen-
8 ty-five, members with wages greater than fifty thousand per annum, but
9 not more than sixty thousand per annum shall contribute three and one-
10 half per centum of annual wages, and beginning on July one, two thousand
11 twenty-six, the wages in this subparagraph shall be increased by the
12 annual inflation, as determined from the increase in the consumer price
13 index in the one year period ending on December thirty-first of the year
14 prior. Said percentage shall then be rounded up to the next higher one-
15 tenth of one percent and shall not exceed three percent;

16 (iii) members with wages greater than fifty-five thousand per annum,
17 but not more than seventy-five thousand per annum shall contribute four
18 and one-half per centum of annual wages. On July one, two thousand twen-
19 ty-five, members with wages greater than sixty thousand per annum, but
20 not more than eighty thousand per annum shall contribute four and one-
21 half per centum of annual wages, and beginning on July one, two thousand
22 twenty-six, the wages in this subparagraph shall be increased by the
23 annual inflation, as determined from the increase in the consumer price
24 index in the one year period ending on December thirty-first of the year
25 prior. Said percentage shall then be rounded up to the next higher one-
26 tenth of one percent and shall not exceed three percent;

27 (iv) members with wages greater than seventy-five thousand per annum
28 but not more than one hundred thousand per annum shall contribute five
29 and three-quarters per centum of annual wages. On July one, two thousand
30 twenty-five, members with wages greater than eighty thousand dollars per
31 annum but not more than one hundred five thousand dollars per annum
32 shall contribute five and three-quarters per centum of annual wages, and
33 beginning on July one, two thousand twenty-six, the wages in this
34 subparagraph shall be increased by the annual inflation, as determined
35 from the increase in the consumer price index in the one year period
36 ending on December thirty-first of the year prior. Said percentage shall
37 then be rounded up to the next higher one-tenth of one percent and shall
38 not exceed three percent; and

39 (v) members with wages greater than one hundred thousand per annum
40 shall contribute six per centum of annual wages. On July one, two thou-
41 sand twenty-five, members with wages greater than one hundred five thou-
42 sand dollars per annum shall contribute six per centum of annual wages,
43 and beginning on July one, two thousand twenty-six, the wages in this
44 subparagraph shall be increased by the annual inflation, as determined
45 from the increase in the consumer price index in the one year period
46 ending on December thirty-first of the year prior. Said percentage shall
47 then be rounded up to the next higher one-tenth of one percent and shall
48 not exceed three percent.

49 § 6. Subparagraphs 1, 2, 3, 4 and 5 of paragraph (d) of subdivision 2
50 of section 6252 of the education law, as added by chapter 18 of the laws
51 of 2012, are amended to read as follows:

52 (1) members with wages of forty-five thousand dollars per annum or
53 less shall contribute three per centum of annual wages. On July one, two
54 thousand twenty-five, members with wages of fifty thousand dollars per
55 annum or less shall contribute three per centum of annual wages, and
56 beginning on July one, two thousand twenty-six, the wages in this

1 subparagraph shall be increased by the annual inflation, as determined
2 from the increase in the consumer price index in the one year period
3 ending on December thirty-first of the year prior. Said percentage shall
4 then be rounded up to the next higher one-tenth of one percent and shall
5 not exceed three percent;

6 (2) members with wages greater than forty-five thousand per annum, but
7 not more than fifty-five thousand per annum shall contribute three and
8 one-half per centum of annual wages. On July one, two thousand twenty-
9 five, members with wages greater than fifty thousand per annum, but not
10 more than sixty thousand per annum shall contribute three and one-half
11 per centum of annual wages, and beginning on July one, two thousand
12 twenty-six, the wages in this subparagraph shall be increased by the
13 annual inflation, as determined from the increase in the consumer price
14 index in the one year period ending on December thirty-first of the year
15 prior. Said percentage shall then be rounded up to the next higher one-
16 tenth of one percent and shall not exceed three percent;

17 (3) members with wages greater than fifty-five thousand per annum, but
18 not more than seventy-five thousand per annum shall contribute four and
19 one-half per centum of annual wages. On July one, two thousand twenty-
20 five, members with wages greater than sixty thousand per annum, but not
21 more than eighty thousand per annum shall contribute four and one-half
22 per centum of annual wages, and beginning on July one, two thousand
23 twenty-six, the wages in this subparagraph shall be increased by the
24 annual inflation, as determined from the increase in the consumer price
25 index in the one year period ending on December thirty-first of the year
26 prior. Said percentage shall then be rounded up to the next higher one-
27 tenth of one percent and shall not exceed three percent;

28 (4) members with wages greater than seventy-five thousand per annum
29 but not more than one hundred thousand per annum shall contribute five
30 and three-quarters per centum of annual wages. On July one, two thousand
31 twenty-five, members with wages greater than eighty thousand dollars per
32 annum but not more than one hundred five thousand dollars per annum
33 shall contribute five and three-quarters per centum of annual wages, and
34 beginning on July one, two thousand twenty-six, the wages in this
35 subparagraph shall be increased by the annual inflation, as determined
36 from the increase in the consumer price index in the one year period
37 ending on December thirty-first of the year prior. Said percentage shall
38 then be rounded up to the next higher one-tenth of one percent and shall
39 not exceed three percent; and

40 (5) members with wages greater than one hundred thousand per annum
41 shall contribute six per centum of annual wages. On July one, two thou-
42 sand twenty-five, members with wages greater than one hundred five thou-
43 sand dollars per annum shall contribute six per centum of annual wages,
44 and beginning on July one, two thousand twenty-six, the wages in this
45 subparagraph shall be increased by the annual inflation, as determined
46 from the increase in the consumer price index in the one year period
47 ending on December thirty-first of the year prior. Said percentage shall
48 then be rounded up to the next higher one-tenth of one percent and shall
49 not exceed three percent.

50 § 7. Notwithstanding any other provision of law to the contrary, none
51 of the provisions of this act shall be subject to section 25 of the
52 retirement and social security law.

53 § 8. This act shall take effect immediately.

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

This bill would amend various sections of the Retirement and Social Security Law and the Education Law to increase the salary ranges used in

determining the employee contribution percentages for Tier 6 members thereby decreasing future required employee contributions. The current salary ranges would each increase by \$5,000 on April 1, 2025. Beginning on April 1, 2026, salary ranges would then be increased annually by the increase in the consumer price index in the one-year period ending on December thirty-first of the year prior, not to exceed 3%.

The annual cost to the employers of members of the New York State Teachers' Retirement System for this benefit is estimated to be \$28.7 million or 0.15% of payroll if this bill is enacted.

The System's "new entrant rate", a hypothetical employer contribution rate that would occur if we started a new Retirement System without any assets, is equal to 5.31% of pay under the current Tier 6 benefit structure. This can be thought of as the long-term expected employer cost of Tier 6, based on current actuarial assumptions. For the proposed change to the Tier 6 benefit structure under this bill, this new entrant rate is estimated to increase to 5.67% of pay, an increase of 0.36% of pay.

Member data is from the System's most recent actuarial valuation files as of June 30, 2023, consisting of data provided by the employers to the Retirement System. The most recent data distributions and statistics can be found in the System's Annual Report for fiscal year ended June 30, 2023. System assets are as reported in the System's financial statements and can also be found in the System's Annual Report. Actuarial assumptions and methods are provided in the System's Actuarial Valuation Report as of June 30, 2023.

The source of this estimate is Fiscal Note 2024-7 dated February 2, 2024 prepared by the Office of the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2024 Legislative Session. I, Richard A. Young, am the Chief Actuary for the New York State Teachers' Retirement System. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

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

This bill would increase the wage ranges to which Tier 6 member contribution rates are applied effective April 1, 2025 by \$5,000. Beginning on April 1, 2026, the wage ranges would increase each year by the annual inflation rate rounded up to the next tenth of a percent, not to exceed three percent.

The current contribution rates and wage ranges for Tier 6 members are:

- * three (3) percent for wages of \$45,000 or less,
- * three and one-half (3.5) percent for wages greater than \$45,000 but not more than \$55,000,
- * four and one-half (4.5) percent for wages greater than \$55,000 but not more than \$75,000,
- * five and three-quarters (5.75) percent for wages greater than \$75,000 but not more than \$100,000, or
- * six (6) percent for wages greater than \$100,000.

Insofar as this bill affects the New York State and Local Employees' Retirement System (NYSLERS), if this legislation is enacted during the 2024 Legislative Session, there would be an increase in the present value of future costs of approximately \$660 million which would be shared by the State of New York and all local participating employers in the NYSLERS. These costs will be funded by increasing Tier 6 billing rates by an average 0.5% of salary.

The increased billing rates will result in a recurring, increasing annual contribution beginning in the fiscal year ending March 31, 2026

of approximately \$38 million to the State of New York and approximately \$54 million to local participating employers in the NYSLERS. These annual costs are expected to increase significantly in future years and will vary by employer based upon the plan coverage and salary reported in Tier 6.

Insofar as this bill affects the New York State and Local Police and Fire Retirement System (NYSLPFRS), if this legislation is enacted during the 2024 Legislative Session, there would be an increase in the present value of future costs of approximately \$11 million which would be shared by the State of New York and all local participating employers in the NYSLPFRS. These costs will be funded by increasing Tier 6 billing rates by an average 0.1% of salary.

The increased billing rates will result in a recurring, increasing annual contribution beginning in the fiscal year ending March 31, 2026 of approximately \$400,000 to the State of New York and approximately \$1.4 million to local participating employers in the NYSLPFRS. These annual costs are expected to increase significantly in future years and will vary by employer based upon the plan coverage and salary reported in Tier 6.

Summary of relevant resources:

Membership data as of March 31, 2023 was used in measuring the impact of the proposed change, the same data used in the April 1, 2023 actuarial valuation. Distributions and other statistics can be found in the 2023 Report of the Actuary and the 2023 Annual Comprehensive Financial Report.

The actuarial assumptions and methods used are described in the 2023 Annual Report to the Comptroller on Actuarial Assumptions, and the Codes, Rules and Regulations of the State of New York: Audit and Control.

The Market Assets and GASB Disclosures are found in the March 31, 2023 New York State and Local Retirement System Financial Statements and Supplementary Information.

I am a member of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

This fiscal note does not constitute a legal opinion on the viability of the proposed change nor is it intended to serve as a substitute for the professional judgment of an attorney.

This estimate, dated February 14, 2024, and intended for use only during the 2024 Legislative Session, is Fiscal Note No. 2024-123, prepared by the Actuary for the New York State and Local Retirement System.

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

SUMMARY: This proposed legislation, as it relates to the New York City Retirement Systems and Pension Funds (NYCRS), would introduce an annual increase based on inflation for the salary bands used to determine contribution rates for Tier 6 members of NYCERS, TRS, and BERS.

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

Year	NYCERS	TRS	BERS	TOTAL
2025	15.6	6.1	1.3	23.0
2026	17.6	6.5	1.5	25.6
2027	19.7	7.1	1.6	28.4
2028	21.8	7.6	1.8	31.2

2029	24.0	8.2	1.9	34.1
2030	26.1	8.9	2.1	37.1
2031	28.2	9.5	2.2	39.9
2032	30.4	10.2	2.4	43.0
2033	32.6	11.0	2.6	46.2
2034	34.8	11.8	2.8	49.4
2035	37.0	12.6	2.9	52.5
2036	39.3	13.5	3.1	55.9
2037	41.5	14.4	3.3	59.2
2038	43.8	15.3	3.0	62.1
2039	46.1	16.3	3.2	65.6
2040	43.8	17.4	3.4	64.6
2041	46.1	18.5	3.6	68.2
2042	48.5	19.6	3.8	71.9
2043	50.9	20.7	4.0	75.6
2044	53.3	20.1	4.2	77.6
2045	55.7	21.2	4.4	81.3
2046	58.1	22.3	4.6	85.0
2047	60.5	23.3	4.8	88.6
2048	62.9	24.3	5.0	92.2
2049	65.3	25.4	5.2	95.9

Employer Contribution impact beyond Fiscal Year 2049 is not shown.
Projected contributions include future new hires that may be impacted.

The initial increase in employer contributions of \$23.0 million is estimated to be \$16.2 million for New York City and \$6.8 million for the other obligors of NYCERS.

INITIAL INCREASE (DECREASE) IN ACTUARIAL LIABILITIES
as of June 30, 2023 (\$ in Millions)

Present Value (PV)	NYCERS	TRS	BERS
PV of Benefits:	(13.1)	(6.9)	(1.1)
PV of Employee Contributions:	(189.9)	(92.3)	(15.0)
PV of Employer Contributions:	176.8	85.4	13.9
Unfunded Accrued Liabilities:	41.1	16.8	3.5

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY

	NYCERS	TRS	BERS
Number of Payments:	15	19	13
Fiscal Year of Last Payment:	2039	2043	2037
Amortization Payment:	4.7M	1.7M	0.4M

Unfunded Accrued Liability increases were amortized over the expected remaining working lifetime of those impacted by the benefit changes using level dollar payments.

CENSUS DATA: The estimates presented herein are based on preliminary census data collected as of June 30, 2023. The census data for the impacted population is summarized below.

	NYCERS	TRS	BERS
Active Members			
- Number Count:	85,203	60,663	12,932
- Average Age:	42.4	38.1	46.9
- Average Service:	4.4	5.0	4.0

- Average Salary:	78900	80,000	56,200
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IMPACT ON MEMBER CONTRIBUTIONS: Currently, Tier 6 members of NYCERS, TRS, and BERS are generally required to make Basic Member Contributions (BMC) ranging from 3% to 6% of annual wages, determined by wages for a prior defined period.

Under the proposed legislation, the salary bands used to determine BMC would be increased by specified amounts as shown in the table below on April 1, 2025.

Contribution Rate	Current Salary Band	New Salary Band
3.00%	\$45,000 or less	\$50,000 or less
3.50%	\$45,001 up to \$55,000	\$50,001 up to \$60,000
4.50%	\$55,001 up to \$75,000	\$60,001 up to \$80,000
5.75%	\$75,001 up to \$100,000	\$80,001 up to \$105,000
6.00%	Greater than \$100,000	Greater than \$105,000

Beginning April 1, 2026, and every year thereafter, the salary bands will increase by the prior calendar year's increase in consumer price index (CPI), rounded to the next higher one-tenth of a percent, not to exceed 3% in any year. The result of an increase in Tier 6 salary bands would be an overall decrease in employee contribution rates.

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

* New entrants were assumed to replace exiting members so that total payroll increases by 3% each year for impacted groups. New entrant demographics were developed based on data for recent new hires and actuarial judgement.

* Future salary bands were assumed to increase 2.5% annually, consistent with the long-term CPI inflation rate assumption of 2.5%.

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).

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 2024-18 dated March 8, 2024 was prepared by the Chief Actuary for the New York City Retirement Systems and Pension Funds. This estimate is intended for use only during the 2024 Legislative Session.