

# STATE OF NEW YORK

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3614--E

2023-2024 Regular Sessions

## IN SENATE

February 1, 2023

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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.

LBD03315-13-4

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

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

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

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

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

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

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

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

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

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

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

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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,  
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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  
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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;



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

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

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

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

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

a. members with wages of forty-five thousand dollars per annum or less shall contribute three per centum of annual wages. On April one, two thousand twenty-five, members with wages of fifty thousand dollars per annum or less shall contribute three per centum of annual wages, and beginning on April one, two thousand twenty-six, the wages in this subdivision shall be increased by the annual inflation, as determined from the increase in the consumer price index in the one year period 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

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

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

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

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

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

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

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