

STATE OF NEW YORK

3614--C

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

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:

Section 1. Paragraphs 1, 2, 3, 4 and 5 of subdivision a of section 517 of the retirement and social security law, as added by chapter 18 of the laws of 2012, are amended to read as follows:

1. 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 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. 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

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

LBD03315-09-4

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

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

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

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

26 (iv) 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 subparagraph shall be increased by the annual inflation, as deter-
34 mined from the increase in the consumer price index in the one year
35 period ending on December thirty-first of the year prior. Said percent-
36 age shall then be rounded up to the next higher one-tenth of one percent
37 and shall not exceed three percent; and

38 (v) 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 subparagraph shall be increased by the annual inflation, as determined
44 from the increase in the consumer price index in the one year period
45 ending on December thirty-first of the year prior. Said percentage shall
46 then be rounded up to the next higher one-tenth of one percent and shall
47 not exceed three percent.

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

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

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

37 (v) 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 subparagraph 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 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.

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

§ 4. Paragraphs (a), (b), (c), (d) and (e) of subdivision 2 of section 182 of the education 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 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;

(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 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 July 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 July 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 July 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 July 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 July 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 July 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 July 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 July 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.

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

(1) 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 (2) members with wages greater than forty-five thousand per annum, but
6 not more than fifty-five thousand per annum shall contribute three and
7 one-half per centum of annual wages. On July one, two thousand twenty-
8 five, members with wages greater than fifty thousand per annum, but not
9 more than sixty thousand per annum shall contribute three and one-half
10 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 (3) members with wages greater than fifty-five thousand per annum, but
17 not more than seventy-five thousand per annum shall contribute four and
18 one-half per centum of annual wages. On July one, two thousand twenty-
19 five, members with wages greater than sixty thousand per annum, but not
20 more than eighty thousand per annum shall contribute four and one-half
21 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 (4) 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 (5) 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 § 7. Notwithstanding any other provision of law to the contrary, none
50 of the provisions of this act shall be subject to section 25 of the
51 retirement and social security law.

52 § 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.