STATE OF NEW YORK

10108

IN ASSEMBLY

February 2, 2026

Introduced by M. of A. STECK -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law, the education law and the administrative code of the city of New York, in relation to providing cost-of-living adjustments

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

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

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual retirement allowance defined in subdivision b of this section. **Effective on the first day of September, two thousand twenty-six, said cost-of-living adjustment shall be computed on a base benefit amount not to exceed twenty-one thousand dollars of the annual retirement allowance defined in subdivision b of this section.**

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

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual retirement allowance defined in subdivision b of this section. **Effective on the first day of September, two thousand twenty-six, said cost-of-living adjustment shall be computed on a base benefit amount not to exceed twenty-one thousand dollars of the annual retirement allowance defined in subdivision b of this section.**

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

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual retirement allowance defined in subdivision b of this section. **Effective on the first day of September, two thousand twenty-six, said cost-of-living adjustment shall be computed on a base benefit amount not to exceed**

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

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twenty-one thousand dollars of the annual retirement allowance defined in subdivision b of this section.

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

c. Said cost-of-living adjustment shall be computed on a base benefit amount not to exceed eighteen thousand dollars of the annual fixed retirement allowance defined in subdivision b of this section. **Effective on the first day of September, two thousand twenty-six, said cost-of-living adjustment shall be computed on a base benefit amount not to exceed twenty-one thousand dollars of the annual retirement allowance defined in subdivision b of this section.**

§ 5. This act shall take effect immediately.

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

Bill Description: This fiscal note is prepared for legislative bill draft #01112-01-5. This bill would amend subdivision c of Section 532-a of the Retirement and Social Security Law to apply the cost-of-living adjustment (COLA) percentage to a base benefit amount not to exceed $21,000 of annual retirement benefit. The current cap on the annual base benefit amount for COLA purposes is $18,000. This benefit improvement would be effective September 1, 2026.

Cost: The annual cost to the participating employers of the New York State Teachers' Retirement System is estimated to be $94.7 million or 0.46% of payroll if this bill is enacted.

Data: Member data as of June 30, 2025, prepared for the most recent actuarial valuation was used in determining this cost. The most recent data distributions and statistics can be found in the System's Annual Report for the fiscal year ended June 30, 2025. System assets are as reported in the System's financial statements which can be found in the System's Annual Report. This data will also be presented in the System's Actuarial Valuation Report as of June 30, 2025.

Methods and Assumptions: A summary of actuarial assumptions and methods will be provided in the System's Actuarial Valuation Report as of June 30, 2025. Further details can be found in the most recent Recommended Actuarial Assumptions 2025 Report.

Actuarial Certification: We, the undersigned actuaries for the New York State Teachers' Retirement System, certify the following:

1. The actuarial assumptions, methods, and data used are reasonable for the purposes of this fiscal note, internally consistent and are in accordance with standards of practice prescribed by the Actuarial Standards Board and generally accepted actuarial principles and procedures.

2. We relied on member data supplied by the participating employers of the New York State Teachers' Retirement System and assets as supplied in the annual Financial Statements by NYSTRS' Finance Department.

3. Results were prepared based on our current understanding of the proposal as of the date of this fiscal note. If the language or our understanding of the proposal changes, the results could change and require the issuance of a new fiscal note. The next annual update of the actuarial valuation could also produce different results. Results should not be relied upon for any other purpose.

4. This fiscal note was prepared in accordance with New York State Retirement and Social Security Law, New York State Education Law, applicable Internal Revenue Code, and accepted actuarial standards of practice as of the date of this fiscal note. This fiscal note does not constitute a legal opinion on the viability of this legislative proposal.

5. We are members of the American Academy of Actuaries and the Society of Actuaries, and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. We are currently compliant with the Continuing Professional Development Requirement of the Society of Actuaries.

Melody Prangley Heather Marks Thomas M. King
Chief Actuary Director - Actuarial Valuation Director - Actuarial Risk

Fiscal Note Identification: This Fiscal Note, 2026-2, dated January 29, 2026, was prepared by the Office of the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2026 Legislative Session.