

# STATE OF NEW YORK

5843

2025-2026 Regular Sessions

## IN ASSEMBLY

February 24, 2025

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

AN ACT to amend the retirement and social security law, in relation to  
service retirement benefits for uniformed sanitation members of the  
New York city employees' retirement system

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

1 Section 1. Section 505 of the retirement and social security law, as  
2 amended by chapter 18 of the laws of 2012, is amended to read as  
3 follows:

4 § 505. Service retirement benefits; police/fire members, New York city  
5 uniformed correction/sanitation revised plan members and investigator  
6 revised plan members. a. The normal service retirement benefit for  
7 police/fire members, New York city uniformed correction/sanitation  
8 revised plan members and investigator revised plan members at normal  
9 retirement age shall be a pension equal to fifty percent of final aver-  
10 age salary, less fifty percent of the primary social security retirement  
11 benefit commencing at age sixty-two, as provided in section five hundred  
12 eleven of this article, except that for New York city uniformed sanita-  
13 tion revised plan members of the New York city employees' retirement  
14 system, the normal service retirement benefit shall not be reduced by  
15 the primary social security retirement benefit commencing at age sixty-  
16 two as provided in section five hundred eleven of this article.

17 b. The early service retirement benefit for police/fire members, New  
18 York city uniformed sanitation revised plan members and investigator  
19 revised plan members shall be a pension equal to two and one-tenths  
20 percent of final average salary times years of credited service at the  
21 completion of twenty years of service or upon attainment of age sixty-  
22 two, increased by one-third of one percent of final average salary for  
23 each month of service in excess of twenty years, but not in excess of  
24 fifty percent of final average salary, less fifty percent of the primary

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

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1 social security retirement benefit commencing at age sixty-two as  
2 provided in section five hundred eleven of this article, provided,  
3 however, that New York city police/fire revised plan members, New York  
4 city uniformed sanitation revised plan members and investigator revised  
5 plan members shall not be eligible to retire for service prior to the  
6 attainment of twenty years of credited service, and provided further  
7 that for New York city uniformed sanitation revised plan members of the  
8 New York city employees' retirement system, the early service retirement  
9 benefit shall not be reduced by the primary social security retirement  
10 benefit commencing at age sixty-two as provided in section five hundred  
11 eleven of this article.

12 c. A police/fire member, a New York city uniformed sanitation revised  
13 plan member or an investigator revised plan member who retires with  
14 twenty-two years of credited service or less may become eligible for  
15 annual escalation of the service retirement benefit if [~~he~~] such member  
16 elects to have the payment of [~~his~~] such member's benefit commence on  
17 the date [~~he~~] such member would have completed twenty-two years and one  
18 month or more of service. In such event, the service retirement benefit  
19 shall equal two percent of final average salary for each year of credit-  
20 ed service, less fifty percent of the primary social security retirement  
21 benefit commencing at age sixty-two as provided in section five hundred  
22 eleven of this article, except that for New York city uniformed sanita-  
23 tion revised plan members of the New York city employees' retirement  
24 system, the service retirement benefit shall not be reduced by the  
25 primary social security retirement benefit commencing at age sixty-two  
26 as provided in section five hundred eleven of this article.

27 § 2. Section 511 of the retirement and social security law is amended  
28 by adding a new subdivision h to read as follows:

29 h. This section shall not apply to New York city uniformed sanitation  
30 revised plan members of the New York city employees' retirement system  
31 who receive a service retirement benefit pursuant to section five  
32 hundred five of this article or a deferred vested benefit pursuant to  
33 section five hundred sixteen of this article.

34 § 3. Subdivision c of section 516 of the retirement and social securi-  
35 ty law, as amended by chapter 18 of the laws of 2012, is amended to read  
36 as follows:

37 c. The deferred vested benefit of police/fire members, New York city  
38 police/fire revised plan members, New York city uniformed  
39 correction/sanitation revised plan members or investigator revised plan  
40 members shall be a pension commencing at early retirement age equal to  
41 two and one-tenths percent of final average salary times years of cred-  
42 ited service, less fifty percent of the primary social security retire-  
43 ment benefit commencing at age sixty-two, as provided in section five  
44 hundred eleven of this article, except that for New York city uniformed  
45 sanitation revised plan members of the New York city employees' retire-  
46 ment system, the deferred vested benefit shall not be reduced by the  
47 primary social security retirement benefit commencing at age sixty-two  
48 as provided in section five hundred eleven of this article. A  
49 police/fire member, a New York city police/fire revised plan member, a  
50 New York city uniformed correction/sanitation revised plan member or  
51 investigator revised plan member may elect to receive [~~his~~] such  
52 member's vested benefit commencing at early retirement age or age  
53 fifty-five. If the vested benefit commences before early retirement age,  
54 the benefit shall be reduced by one-fifteenth for each year, if any,  
55 that the member's early retirement age is in excess of age sixty, and by  
56 one-thirtieth for each additional year by which the vested benefit

1 commences prior to early retirement age. If such vested benefit is  
 2 deferred until after such member's normal retirement age, the benefit  
 3 shall be computed and subject to annual escalation in the same manner as  
 4 provided for an early retirement benefit pursuant to subdivision c of  
 5 section five hundred five of this article.

6 § 4. Notwithstanding any provision of law, rule or regulation to the  
 7 contrary, any effect on a participating employer's contribution rate due  
 8 to the provisions of this act shall not apply to the calculation of such  
 9 participating employer's contribution rate for the purposes of subdivi-  
 10 sion c of section 500 of the retirement and social security law.

11 § 5. This act shall take effect on the sixtieth day after it shall  
 12 have become a law.

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

SUMMARY: This proposed legislation would eliminate the offset equal to  
 50% of the primary social security benefit in the service, early  
 service, and vested retirement benefits for certain Tier 3 Sanitation  
 members of NYCERS.

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

Year	NYCERS
2026	23.4
2027	22.1
2028	23.6
2029	25.2
2030	26.7
2031	28.1
2032	29.4
2033	30.9
2034	32.4
2035	33.9
2036	35.3
2037	36.7
2038	38.1
2039	39.5
2040	40.9
2041	42.4
2042	44.0
2043	37.1
2044	38.6
2045	40.3
2046	41.9
2047	43.6
2048	45.3
2049	47.0
2050	48.8

Projected contributions include future new hires that may be impacted.  
 For Fiscal Year 2051 and beyond, the increase in normal cost for new  
 entrants will remain level as a percent of pay for the impacted popu-  
 lation (approximately 2.77%).

The entire increase in employer contributions will be allocated to New  
 York City.

INITIAL INCREASE (DECREASE) IN ACTUARIAL PRESENT VALUES  
 as of June 30, 2024 (\$ in Millions)

Present Value (PV)	NYCERS
(1) PV of Employer Contributions:	254.2
(2) PV of Employee Contributions:	<u>0.0</u>
Total PV of Benefits (1) + (2):	254.2

UNFUNDED ACCRUED LIABILITY (UAL): Actuarial Accrued Liabilities are the portion of the Present Value of Benefits allocated to past service. Changes in UAL for active members were amortized over the expected remaining working lifetime of those impacted using level dollar payments. UAL attributable to inactive members was recognized in the first year.

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY	
	NYCERS
Increase (Decrease) in UAL:	82.0 M
Number of Payments:	17
Amortization Payment:	8.4 M
Additional One-time Payment:	2.6 M

CENSUS DATA: The estimates presented herein are based on preliminary census data collected as of June 30, 2024. The census data for the impacted population is summarized below.

	NYCERS
Active Members	
- Number Count:	5,074
- Average Age:	39.9
- Average Service:	6.5
- Average Salary:	94,500
Term. Vested Members	
- Number Count:	99
- Average Age:	43.6

IMPACT ON MEMBER BENEFITS: Currently, Tier 3 normal service retirement, early service retirement, and vested retirement benefits for Sanitation members in 22-Year Plans are subject to an offset equal to 50% of the primary social security benefit as defined in Retirement and Social Security Law (RSSL) Section 511 beginning at age 62.

Under the proposed legislation, the offset for such benefits would be eliminated resulting in an increase in benefits.

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.

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). This Fiscal Note does not reflect any chapter laws that may have been enacted during the current legislative session.

This Fiscal Note does not include cost analyses relating to provisions contained in RSSL Section 500(c).

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 2025-10 dated February 10, 2025 was prepared by the Chief Actuary for the New York City Retirement Systems and Pension Funds and is intended for use only during the 2025 Legislative Session.