STATE OF NEW YORK

8082--A

2025-2026 Regular Sessions

IN ASSEMBLY

April 24, 2025

Introduced by M. of A. EACHUS, DeSTEFANO, JACOBSON, KELLES, SAYEGH, SHIMSKY, BURDICK, CLARK, LEVENBERG, BUTTENSCHON, CONRAD, WOERNER, PHEFFER AMATO, McMAHON, STIRPE, LUNSFORD, GONZALEZ-ROJAS, STERN, CUNNINGHAM, SIMPSON, RA, SANTABARBARA, SEAWRIGHT, BLUMENCRANZ, BENEDETTO, BRABENEC, WIEDER, GRIFFIN, KAY, McDONALD, LUPARDO, COLTON, REYES, MANKTELOW, BEEPHAN, BLANKENBUSH, CHANG, GANDOLFO, SEMPOLINSKI, STECK, DURSO, ZACCARO, SCHIAVONI, PALMESANO, CASHMAN, NOVAKHOV -- Multi-Sponsored by -- M. of A. ANGELINO, K. BROWN, GALLAHAN, GRAY, McDONOUGH, MIKULIN, MORINELLO, SIMON, SMITH -- read once and referred to the Committee on Governmental Employees -- recommitted to the Committee on Governmental Employees in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, in relation to establishing a retirement service credit for volunteer fire or emergency service

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

Section 1. The retirement and social security law is amended by adding a new article 20-A to read as follows:

ARTICLE 20-A
CREDIT FOR NEW YORK STATE VOLUNTEER FIRE OR EMERGENCY SERVICE

Section 1050. New York state volunteer fire or emergency service credit.

§ 1050. New York state volunteer fire or emergency service credit. 1. For purposes of this section, the following terms shall have the following meanings:

(a) "Public retirement system of the state" shall have the same meaning as such term is defined pursuant to subdivision twenty-three of section five hundred one of this chapter.

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

LBD08390-04-6

(b) "Member" shall mean a member of a public retirement system of the state.

2. Notwithstanding any law to the contrary, a member shall be eligible for credit for volunteer fire or emergency service as provided pursuant to this section.

3. A member, upon application to a public retirement system of the state, may obtain one year of service credit for every five years of volunteer fire or emergency service provided in the state. A member shall be limited under this section to obtain not more than three years of service credit for a total of fifteen years of volunteer fire or emergency service provided. Proof of volunteer fire or emergency service shall be certified by the volunteer agency for which such member volunteered time.

4. A member shall have at least five years of credited service, not including service granted hereunder, to be eligible to receive credit pursuant to this section.

5. To obtain credit pursuant to this section, a member shall pay the appropriate retirement system, for deposit in the fund used to accumulate employer contributions, a sum equal to the product of the number of years of volunteer fire or emergency service being credited and three percent of such member's compensation earned during the twelve months of credited service immediately preceding the date that such member made application for credit pursuant to this section. If permitted by rule or regulation of the applicable retirement system, a member may pay such member costs by payroll deduction for a period which shall not exceed the time period of volunteer fire or emergency service to be credited pursuant to this section. In the event such member leaves the employer payroll prior to completion of payment, such member shall forward all remaining required payments to the appropriate retirement system prior to the effective date of retirement. If the full amount of such member costs is not paid to the appropriate retirement system prior to the member's retirement, the amount of service credited shall be proportional to the total amount of the payments made prior to retirement.

6. In no event shall the credit granted pursuant to this section, when added to credit granted for volunteer fire or emergency service with any retirement system of this state pursuant to any other provision of law, exceed a total of three years.

7. To be eligible to receive credit for volunteer fire or emergency service under this section, a member shall make application for such credit before the effective date of retirement.

8. All costs for service credited to a member pursuant to this section, other than the member costs set forth in subdivision five of this section, shall be paid by the state and all employers which participate in the retirement system in which such member is granted credit.

9. Notwithstanding any provision of law to the contrary, none of the provisions of this section shall be subject to the appropriation requirement of section twenty-five of this chapter.

10. Notwithstanding any other provision of law, in the event of death prior to retirement, amounts paid by a member for the purchase of volunteer fire or emergency service credit pursuant to this section shall be refunded, with interest, to the extent the volunteer fire or emergency service purchased with such amounts does not produce a greater death benefit than would have been payable had such member not purchased such credit.

11. Service credit granted pursuant to this section shall be creditable in any special twenty or twenty-five year retirement plan.

§ 2. This act shall take effect immediately.

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

This bill would allow members of the New York State and Local Retirement System (NYSLRS) to purchase one year of service credit for every five years of volunteer fire or emergency service provided in the state. A member would be required to make a payment equal to three percent of their most recent compensation per year of service credited. A member may purchase no more than three years of service credit.

Internal Revenue Service (IRS) plan qualification risk: Granting service credit in a 20-year or 25-year plan for volunteer fire or emergency service rendered with any entity other than a public employer or political subdivision jeopardizes NYSLRS governmental plan status and its exemption from the Employees Retirement Income Security Act (ERISA). This would result in the loss of critical tax benefits and would substantially impair the System's value to over 1.25 million participants.

Prior to the enactment of this legislation, it is recommended that a favorable ruling be obtained from the IRS stating that these provisions would not harm the qualification status of the Retirement System. It is estimated that the costs to obtain such a ruling would be $50,000 for the services of the IRS, and $1,000 per hour for legal consultants.

The provisions of section 25 of the RSSL shall not apply.

Insofar as this bill affects NYSLRS, all costs would be shared by the state of New York and all participating employers. If enacted during the 2026 Legislative Session, it is estimated that the past service cost would be 24 percent of an affected member's compensation for each year of service credit purchased.

Further, we anticipate additional administrative costs to implement the provisions of this legislation.

The number of current and future members who could be affected by this legislation cannot be readily determined.

Summary of relevant resources:

Membership data as of March 31, 2025 was used to measure the impact of the bill, the same data used in the Actuarial Valuations dated April 1, 2025. Distributions and other statistics can be found in the 2025 Report of the Actuary and the 2025 Annual Comprehensive Financial Report. The actuarial assumptions and methods used are described in the 2025 Annual Report to the Comptroller on Actuarial Assumptions, and the Codes, Rules and Regulations of the State of New York: Audit and Control. The fair value of assets and GASB disclosures can be found in the 2025 Financial Statements and Supplementary Information.

Assumptions, demographics, and other considerations may have been modified to better reflect specific provisions of any proposed benefit change(s).

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

This estimate, dated March 3, 2026, and intended for use only during the 2026 Legislative Session, is Fiscal Note Number 2026-62. As Chief Actuary of the New York State and Local Retirement System (NYSLRS), I, Aaron Schottin Young, hereby certify that this analysis complies with applicable Actuarial Standards of Practice as well as the Code of Professional Conduct and Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion of the American Academy of Actuaries, of which I am a member. I am a member of NYSLRS but do not believe it impairs my objectivity.