STATE OF NEW YORK

8441

2025-2026 Regular Sessions

IN ASSEMBLY

May 16, 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 eligibility of uniformed personnel of the New York city department of correction for ordinary disability benefits

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

Section 1. Section 507-a of the retirement and social security law is amended by adding a new subdivision f to read as follows:

f. Notwithstanding any other provision of law, there shall be no restrictions on the earnings from employment not in public service permitted to a member of the uniformed personnel of the New York city department of correction who:

1. has retired pursuant to the provisions of this section; and

2. was subject to the provisions of (i) subdivision d of section five hundred four of this article, (ii) subdivision c of section five hundred four-a of this article, or (iii) subdivision c of section five hundred four-b of this article prior to such member's retirement, subsequent to the date as of which such member would have been eligible for service retirement.

§ 2. This act shall take effect immediately.

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

SUMMARY: This proposed legislation would remove post-retirement earnings restrictions from private sector employment for certain retired uniformed personnel of the New York City Department of Correction who are receiving disability benefits from the New York City Employees' Retirement System (NYCERS) after reaching what would have been their service retirement eligibility date.

CENSUS DATA: The number of retirees who will return to private sector service in the future is unknown and the amount of the pension allowance currently suspended is dependent on salary earned and pension allowance.

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

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The preliminary census data collected as of June 30, 2024 for the potentially impacted population- individuals who are member of Correction Officer 20-Year Plan, Correction Officer 25-Year Retirement Plan, or Correction Captain 20-Year Plan, and have reached their service retirement date- is summarized below.

	NYCERS
Receiving Members	
-Number Count:	538
-Average Age:	64.9
-Average Benefit:	23,100

BACKGROUND / IMPACT ON MEMBER BENEFITS: Currently, if a correction disability retiree's Personal Service Income (PSI) exceeds the limitation for the calendar year, then such retiree's disability pension is suspended for 12 months.

NYCERS restricts the total calendar year Personal Service Income (PSI) resulting from all public and private employment for certain retirees, including certain Tier 3 correction officers who receive disability retirement benefits under RSSL Section 507-a (Correction Disability Retiree). The NYCERS PSI limitation for 2023 was $35,200 and increases each year with the Consumer Price Index. As of the date this Fiscal Note was released, the 2024 limit had not been published.

Under the proposed legislation, Correction Disability Retirees who were Tier 3 correction members in the Early Service Retirement Benefit Plan for General Members, the Correction Officer 20-Year Plan, Correction Officer 25-Year Retirement Plan, or the Correction Captain 20-Year Plan, would no longer be subject to the PSI limitation for private employment following a 507-a disability retirement and receive the entire pension amount for that year. The annual per incident cost of this fiscal note will vary depending on that pension amount. For Fiscal Year 2025, that average amount is approximately $23,100.

ASSUMPTIONS AND METHODS: The estimates presented herein have been calculated based on the Revised 2021 Actuarial Assumptions and Methods of the impacted retirement systems.

It is assumed that correction disability retirees would continue to be limited by other post-retirement earnings restrictions such as New York City Charter (NYCC) Section 1117 and RSSL Section 212.

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.

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 2025-46 dated April 21, 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.