STATE OF NEW YORK

8987

2025-2026 Regular Sessions

IN ASSEMBLY

August 13, 2025

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

AN ACT to amend the retirement and social security law, in relation to providing for early retirement without a pension reduction for certain disabled veterans

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
DISABLED VETERAN EARLY RETIREMENT

Section 1005. Disabled veteran early retirement.

§ 1005. Disabled veteran early retirement. 1. Notwithstanding any law to the contrary, a member of a public retirement system of the state, as defined in subdivision twenty-three of section five hundred one of this chapter, who is a disabled veteran may retire without reduction of their retirement benefit upon their attainment of at least fifty-five years of age and completion of at least thirteen years of credited service in such retirement system. As used in this section, the term "disabled veteran" means a veteran who is certified by the United States veterans' administration or a military department as entitled to receive disability payments upon the certification of such veterans' administration or a military department for a service-connected disability incurred or aggravated by the veteran in the line of duty in the active military service of the United States, as defined in section one of the military law, and whose disability is in existence at the time of retirement. To be eligible under this section, a member must make application before the effective date of retirement. Such disability shall be deemed in existence at such time of retirement if the certificate shall state affirmatively that such veteran has been identified by such veterans'

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

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administration as having one or more service-connected disabilities on a date prior to the date of retirement, the effective date of when such veteran became permanently disabled due to their service-connected disabilities, and that such service-connected disability is rated at sixty percentum or more.

2. All costs for the early retirement of a member who is a disabled veteran pursuant to this section shall be paid by the state and all employers which participate in the retirement system from which such member retires.

§ 2. This act shall take effect on the one hundred twentieth day after it shall have become a law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.

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

This bill would add a new Article 20-A to the Retirement and Social Security Law to allow an active member of the New York State Teachers' Retirement System who is a disabled veteran to retire upon the attainment of at least age 55 and completion of thirteen or more years of service credit without reduction to their benefit for early retirement provided such member was certified by the United States Veterans' Administration or a military department as being permanently disabled in connection with military service. Such certificate should state that the veteran has been identified by the United States Veterans' Administration as having one or more service-connected disabilities on a date prior to their date of retirement from the New York State Teachers' Retirement System, the effective date of when such veteran became permanently disabled due to their military service-connected disabilities, and that such military service-connected disability is rated at sixty percent or more.

It is not possible to accurately determine the total cost to the New York State Teachers' Retirement System because the number of eligible active members, their ages and the amount of service credited cannot be readily estimated. However, the cost per eligible member measured as the increase in the present value of benefit will range from 15% to over 3.5 times final average salary, depending on the member's age, years of service, and tier at retirement.

Member data is from the System's most recent actuarial valuation files as of June 30, 2024, 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, 2024. 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 will be provided in the System's Actuarial Valuation Report as of June 30, 2024.

The source of this estimate is Fiscal Note 2025-7 dated March 7, 2025 prepared by the Office of the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2025 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.

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

This bill would allow members of the New York State and Local Retirement System (NYSLRS) to retire without early age reduction provided that the member is at least age 55 with 13 years of service credit and was

certified by the United States Veterans' Administration or a military department as permanently disabled in connection with military service.

Insofar as this bill affects the New York State and Local Employees' Retirement System (NYSLERS), if enacted during the 2025 Legislative Session, the cost will depend upon the applicant's age, service, salary, plan, and any benefit type otherwise payable.

NYSLERS membership:	Tiers 2-4	Tier 5	Tier 6
Average Cost Increase:	1 times salary	1.5 times salary	2 times salary

Insofar as this bill affects the New York State and Local Police and Fire Retirement System (NYSLPFRS), if enacted during the 2025 Legislative Session, the cost will depend upon the applicant's age, service, salary, plan, and any benefit type otherwise payable.

NYSLPFRS membership:	Tiers 2-5	Tier 6
Average Cost Increase:	1 times salary	2 times salary

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

The exact number of current members as well as future members who could be affected by this legislation cannot be readily determined. All costs will be shared by the State of New York and all participating employers in the NYSLRS and spread over future billing cycles.

Summary of relevant resources:

Membership data as of March 31, 2024 was used in measuring the impact of the proposed change, the same data used in the April 1, 2024 actuarial valuation. Distributions and other statistics can be found in the 2024 Report of the Actuary and the 2024 Annual Comprehensive Financial Report. The actuarial assumptions and methods used are described in the 2024 Annual Report to the Comptroller on Actuarial Assumptions, and the Codes, Rules and Regulations of the State of New York: Audit and Control. The Market Assets and GASB Disclosures are found in the March 31, 2024 New York State and Local Retirement System Financial Statements and Supplementary Information.

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

This estimate, dated March 19, 2025, and intended for use only during the 2025 Legislative Session, is Fiscal Note No. 2025-54. As Chief Actuary of the New York State and Local Retirement System, 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.