# STATE OF NEW YORK

5058--A

2025-2026 Regular Sessions

# IN SENATE

February 18, 2025

Introduced by Sens. JACKSON, SCARCELLA-SPANTON -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York, in relation to affording certain uniformed members of the New York city fire department pension fund with an increased pension benefit for each year of additional service beyond their required minimum service; and to amend the retirement and social security law, in relation to affording certain police/fire members of the New York city fire department pension fund to continue in service past normal retirement age with an additional pension benefit for each year of additional service beyond their required minimum service

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

Section 1. Subparagraph (a) of paragraph 2 of subdivision a of section 13-359 of the administrative code of the city of New York is amended to read as follows:

(a) a pension of [~~one-sixtieth~~] **one-fortieth** of [~~his or her~~] **such member's** average annual earnings from [~~his or her~~] **their** date of eligibility for retirement to the actual date of retirement; and

§ 2. The retirement and social security law is amended by adding a new section 503-a to read as follows:

**§ 503-a. Extra pension service credits. Notwithstanding any provision of law to the contrary, a police/fire member who is a member of the New York city fire department pension fund may continue in service past the date that such member attains normal retirement age. In such event, and upon the member's retirement for any cause whatsoever, there shall be added to such member's annual pension to which they shall upon retire-**

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

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**ment be entitled, an additional amount computed at the rate of one-fortieth of such member's final salary for each year of such additional service.**

§ 3. This act shall take effect immediately.

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

SUMMARY: This proposed legislation would increase the additional annual pension for Tier 2 FIRE members from 1/60th to 1/40th after reaching 20 years of credited service and would provide Tier 3 FIRE members an additional 1/40th of "final salary" benefit for each year of service beyond 20 years of service.

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

| Year | FIRE |
|---|---|
| 2027 | 159.3 |
| 2028 | 163.7 |
| 2029 | 168.3 |
| 2030 | 172.9 |
| 2031 | 177.6 |
| 2032 | 182.5 |
| 2033 | 187.4 |
| 2034 | 192.5 |
| 2035 | 197.8 |
| 2036 | 203.1 |
| 2037 | 208.3 |
| 2038 | 213.5 |
| 2039 | 218.8 |
| 2040 | 129.2 |
| 2041 | 134.4 |
| 2042 | 139.6 |
| 2043 | 144.7 |
| 2044 | 149.8 |
| 2045 | 154.8 |
| 2046 | 159.7 |
| 2047 | 164.6 |
| 2048 | 169.5 |
| 2049 | 174.3 |
| 2050 | 179.3 |
| 2051 | 184.2 |

Projected contributions include future new hires that may be impacted. For Fiscal Year 2052 and beyond, the expected increase in normal cost as a level percent of pay for impacted new entrants is approximately 5.29%.

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

PRESENT VALUE OF BENEFITS: The Present Value of Benefits is the discounted expected value of benefits paid to current members if all assumptions are met, including future service accrual and pay increases. Future new hires are not included in this present value.

INITIAL INCREASE (DECREASE) IN ACTUARIAL PRESENT VALUES
as of June 30, 2025 ($ in Millions)

| Present Value (PV) | FIRE |
|---|---|
| (1) PV of Employer Contributions: | 1,687.1 |
| (2) PV of Employee Contributions: | 1.5 |
| Total PV of Benefits (1) + (2): | 1,688.6 |

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

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY

| | FIRE |
|---|---|
| Increase (Decrease) in UAL: | 766.7 M |
| Number of Payments: | 13 |
| Amortization Payment: | 94.9 M |

CENSUS DATA: The estimates presented herein are based on preliminary census data collected as of June 30, 2025. The census data for the impacted population is summarized below.

| | FIRE |
|---|---|
| Active Members | |
| - Number Count: | 11,178 |
| - Average Age: | 40.3 |
| - Average Service: | 13.1 |
| - Average Salary: | 141,300 |

IMPACT ON MEMBER BENEFITS: For Tier 2 members, this proposed legislation would increase the annual pension for certain members who retire for service or accidental disability from 1/60th to 1/40th of average annual earnings from the date of eligibility for retirement to the actual date of retirement for each additional year of credited service, or fraction thereof, exceeding 20 years.

For Tier 3 members, this proposed legislation would increase the annual pension for members who retire for service, ordinary disability, or accidental disability by 1/40th of Final Salary for each additional year of credited service, or fraction thereof, exceeding 20 years. For the purposes of this Fiscal Note, Final Salary has been interpreted as the member's pensionable earnings in their final 12 months of service.

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

* The probability of Tier 3 members working beyond 20 years of service was increased to recognize the impact the proposed legislation would have on retirement behavior.
* 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 Retirement and Social Security Law 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 2026-70 dated April 24, 2026 was prepared by the Chief Actuary for the New York City Retirement Systems and Pension Funds and is intended for use only during the 2026 Legislative Session.