

STATE OF NEW YORK

8133--B

2025-2026 Regular Sessions

IN SENATE

May 15, 2025

Introduced by Sens. JACKSON, RAMOS, SANDERS, WEBB -- 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 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law and the education law, in relation to the retirement contributions of career public employees

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

1 Section 1. Subdivision a of section 517 of the retirement and social
2 security law, as amended by chapter 18 of the laws of 2012, the second
3 undesignated paragraph as amended by section 1 of part KK of chapter 55
4 of the laws of 2024, is amended to read as follows:
5 a. Members shall contribute three percent of annual wages to the
6 retirement system in which they have membership, provided that such
7 contributions shall not be required for more than thirty years, for
8 general members, or twenty-five years, for police/fire members, except
9 that beginning April first, two thousand [~~thirteen~~] **twenty-six** for
10 members who first become members of the New York state and local employ-
11 ees' retirement system on or after April first, two thousand twelve, the
12 rate at which each such member shall contribute in any current plan year
13 (April first to March thirty-first) shall be determined by reference to
14 the wages of such member in the second plan year (April first to March
15 thirty-first) preceding such current plan year as follows:
16 [~~1. members with wages of forty five thousand dollars per annum or~~
17 ~~less shall contribute three per centum of annual wages;~~

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

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~~2. members with wages greater than forty five thousand per annum, but not more than fifty five thousand per annum shall contribute three and one half per centum of annual wages;~~

~~3. members with wages greater than fifty five thousand per annum, but not more than seventy five thousand per annum shall contribute four and one half per centum of annual wages;~~

~~4. members with wages greater than seventy five thousand per annum but not more than one hundred thousand per annum shall contribute five and three quarters per centum of annual wages; and~~

~~5. members with wages greater than one hundred thousand per annum shall contribute six per centum of annual wages]~~ 1. members with base wages of seventy-five thousand dollars per annum or less shall contribute three per centum of annual wages;

2. members with base wages greater than seventy-five thousand per annum, but not more than one hundred thousand per annum shall contribute four per centum of annual wages; and

3. members with base wages greater than one hundred thousand per annum shall contribute five per centum of annual wages.

Notwithstanding the foregoing, in the first year in which a member has established membership in the New York state and local employees' retirement system, such member shall contribute a percentage of annual wages in accordance with the preceding schedule based upon a projection of annual wages provided by the employer.

Notwithstanding the foregoing, during each of the first three plan years (April first to March thirty-first) in which such member has established membership in the New York state and local employees' retirement system, such member shall contribute a percentage of annual wages in accordance with the preceding schedule based upon a projection of annual wages provided by the employer. Notwithstanding the foregoing, when determining the rate at which each such member who became a member of the New York state and local employees' retirement system on or after April first, two thousand twelve shall contribute for any plan year (April first to March thirty-first) between April first, two thousand twenty-two and April first, two thousand ~~twenty-six~~ twenty-eight, such rate shall be determined by reference to employees annual base wages of such member in the second plan year (April first to March thirty-first) preceding such current plan year. Base wages shall include regular pay, shift differential pay, location pay, and any increased hiring rate pay, but shall not include any overtime payments.

The head of each retirement system shall promulgate such regulations as may be necessary and appropriate with respect to the deduction of such contribution from members' wages and for the maintenance of any special fund or funds with respect to amounts so contributed.

§ 2. Paragraphs 1 and 2 of subdivision a of section 613 of the retirement and social security law, as amended by chapter 510 of the laws of 2015, the second undesignated paragraphs of paragraphs 1 and 2 as amended by section 2 of part KK of chapter 55 of the laws of 2024, are amended to read as follows:

1. Except as provided by paragraph two of this subdivision, members shall contribute three percent of annual wages to the retirement system in which they have membership, except that beginning April first, two thousand ~~thirteen~~ twenty-six for members who first become members of a public retirement system of the state on or after April first, two thousand twelve, the rate at which each such member shall contribute in any current plan year (April first to March thirty-first, except for members of the New York city employees' retirement system, New York city teach-

1 ers' retirement system and New York city board of education retirement
2 system, plan year shall mean January first through December thirty-first
3 commencing with the January first next succeeding the effective date of
4 the chapter of the laws of two thousand fifteen that amended this para-
5 graph) shall be determined by reference to the wages of such member in
6 the second plan year (April first to March thirty-first, except for
7 members of the New York city employees' retirement system, New York city
8 teachers' retirement system and New York city board of education retire-
9 ment system, plan year shall mean January first through December thir-
10 ty-first commencing with the January first next succeeding the effective
11 date of the chapter of the laws of two thousand fifteen that amended
12 this paragraph) preceding such current plan year as follows:

13 ~~[(i) members with wages of forty five thousand dollars per annum or~~
14 ~~less shall contribute three per centum of annual wages;~~

15 ~~(ii) members with wages greater than forty five thousand per annum,~~
16 ~~but not more than fifty five thousand per annum shall contribute three~~
17 ~~and one half per centum of annual wages;~~

18 ~~(iii) members with wages greater than fifty five thousand per annum,~~
19 ~~but not more than seventy five thousand per annum shall contribute four~~
20 ~~and one half per centum of annual wages;~~

21 ~~(iv) members with wages greater than seventy five thousand per annum~~
22 ~~but not more than one hundred thousand per annum shall contribute five~~
23 ~~and three quarters per centum of annual wages; and~~

24 ~~(v) members with wages greater than one hundred thousand per annum~~
25 ~~shall contribute six per centum of annual wages] (i) members with base~~
26 ~~wages of seventy-five thousand dollars per annum or less shall contrib-~~
27 ~~ute three per centum of annual wages.~~

28 (ii) members with base wages greater than seventy-five thousand per
29 annum, but not more than one hundred thousand per annum shall contribute
30 four per centum of annual wages; and

31 (iii) members with base wages greater than one hundred thousand per
32 annum shall contribute five per centum of annual wages.

33 Notwithstanding the foregoing, during each of the first three plan
34 years (April first to March thirty-first, except for members of New York
35 city employees' retirement system, New York city teachers' retirement
36 system and New York city board of education retirement system, plan year
37 shall mean January first through December thirty-first commencing with
38 the January first next succeeding the effective date of chapter five
39 hundred ten of the laws of two thousand fifteen) in which such member
40 has established membership in a public retirement system of the state,
41 such member shall contribute a percentage of annual wages in accordance
42 with the preceding schedule based upon a projection of annual wages
43 provided by the employer. Notwithstanding the foregoing, when determin-
44 ing the rate at which each such member who became a member of the New
45 York state and local employees' retirement system, New York city employ-
46 ees' retirement system, New York city teachers' retirement system and
47 New York city board of education retirement system, on or after April
48 first, two thousand twelve shall contribute for any plan year (April
49 first to March thirty-first, except for members of the New York city
50 employees' retirement system, New York city teachers' retirement system
51 and New York city board of education retirement system, plan year shall
52 mean January first through December thirty-first commencing with January
53 first next succeeding the effective date of chapter five hundred ten of
54 the laws of two thousand fifteen) between April first, two thousand
55 twenty-two and April first, two thousand ~~[twenty-six]~~ twenty-eight, such
56 rate shall be determined by reference to employees annual base wages of

1 such member in the second plan year (April first to March thirty-first)
2 preceding such current plan year. Base wages shall include regular pay,
3 shift differential pay, location pay, and any increased hiring rate pay,
4 but shall not include any overtime payments or compensation earned for
5 extracurricular programs or any other pensionable earnings paid in addi-
6 tion to the annual base wages.

7 The head of each retirement system shall promulgate such regulations
8 as may be necessary and appropriate with respect to the deduction of
9 such contribution from members' wages and for the maintenance of any
10 special fund or funds with respect to amounts so contributed.

11 2. A member of the New York city employees' retirement system who is
12 eligible to be a participant in the twenty-five-year and age fifty-five
13 retirement program, as defined by paragraph five of subdivision a of
14 section six hundred four-b of this article shall contribute two percent
15 of annual wages to such system effective on the starting date of the
16 elimination of additional member contributions, as defined in an
17 election made pursuant to paragraph ten of subdivision e of section six
18 hundred four-b of this article, except that beginning April first, two
19 thousand [~~thirteen~~] twenty-six for members who first become members of
20 the New York city employees' retirement system on or after April first,
21 two thousand twelve, the rate at which each such member shall contribute
22 in any current plan year (April first to March thirty-first, provided,
23 however, that plan year shall mean January first through December thir-
24 ty-first commencing with the January first next succeeding the effective
25 date of the chapter of the laws of two thousand fifteen that amended
26 this paragraph) shall be determined by reference to the wages of such
27 member in the second plan year (April first to March thirty-first,
28 provided, however, that plan year shall mean January first through
29 December thirty-first commencing with the January first next succeeding
30 the effective date of the chapter of the laws of two thousand fifteen
31 that amended this paragraph) preceding such current plan year as
32 follows:

33 [~~(i) members with wages of forty five thousand dollars per annum or~~
34 ~~less shall contribute three per centum of annual wages;~~

35 ~~(ii) members with wages greater than forty five thousand per annum,~~
36 ~~but not more than fifty five thousand per annum shall contribute three~~
37 ~~and one half per centum of annual wages;~~

38 ~~(iii) members with wages greater than fifty five thousand per annum,~~
39 ~~but not more than seventy five thousand per annum shall contribute four~~
40 ~~and one half per centum of annual wages;~~

41 ~~(iv) members with wages greater than seventy five thousand per annum~~
42 ~~but not more than one hundred thousand per annum shall contribute five~~
43 ~~and three quarters per centum of annual wages; and~~

44 ~~(v) members with wages greater than one hundred thousand per annum~~
45 ~~shall contribute six per centum of annual wages]~~ (i) members with base

46 wages of seventy-five thousand dollars per annum or less shall contrib-
47 ute three per centum of annual wages.

48 (ii) members with base wages greater than seventy-five thousand per
49 annum, but not more than one hundred thousand per annum shall contribute
50 four per centum of annual wages; and

51 (iii) members with base wages greater than one hundred thousand per
52 annum shall contribute five per centum of annual wages.

53 Notwithstanding the foregoing, during each of the first three plan
54 years (April first to March thirty-first, provided, however, that plan
55 year shall mean January first through December thirty-first commencing
56 with the January first next succeeding the effective date of chapter

1 five hundred ten of the laws of two thousand fifteen) in which such
2 member has established membership in the New York city employees'
3 retirement system, such member shall contribute a percentage of annual
4 wages in accordance with the preceding schedule based upon a projection
5 of annual wages provided by the employer. Notwithstanding the foregoing,
6 when determining the rate at which each such member who became a member
7 of, New York city employees' retirement system, on or after April first,
8 two thousand twelve shall contribute for any plan year (April first to
9 March thirty-first, provided, however, that plan year shall mean January
10 first through December thirty-first commencing with the January first
11 next succeeding the effective date of chapter five hundred ten of the
12 laws of two thousand fifteen) between April first, two thousand twenty-
13 two and April first, two thousand [~~twenty-six~~ twenty-eight, such rate
14 shall be determined by reference to employees annual base wages of such
15 member in the second plan year (April first to March thirty-first)
16 preceding such current plan year. Base wages shall include regular pay,
17 shift differential pay, location pay, and any increased hiring rate pay,
18 but shall not include any overtime payments.

19 § 3. Subdivisions f and g of section 613 of the retirement and social
20 security law, as amended by chapter 18 of the laws of 2012, and the
21 second undesignated paragraphs of subdivisions f and g as amended by
22 section 2 of part KK of chapter 55 of the laws of 2024, are amended to
23 read as follows:

24 f. Anything in subdivision a of this section to the contrary notwith-
25 standing a member employed as a uniformed court officer or peace officer
26 in the unified court system who first joins the New York state and local
27 employees' retirement system on or after January first, two thousand ten
28 shall contribute four percent of annual wages to the New York state and
29 local employees' retirement system, except that beginning April first,
30 two thousand [~~thirteen~~ twenty-six for members who first become members
31 of the New York state and local employees' retirement system on or after
32 April first, two thousand twelve, the rate at which each such member
33 shall contribute in any current plan year (April first to March thirty-
34 first) shall be determined by reference to the wages of such member in
35 the second plan year (April first to March thirty-first) preceding such
36 current plan year as follows:

37 [~~1. members with wages of forty five thousand dollars per annum or
38 less shall contribute three per centum of annual wages;~~

39 ~~2. members with wages greater than forty five thousand per annum, but
40 not more than fifty five thousand per annum shall contribute three and
41 one half per centum of annual wages;~~

42 ~~3. members with wages greater than fifty five thousand per annum, but
43 not more than seventy five thousand per annum shall contribute four and
44 one half per centum of annual wages;~~

45 ~~4. members with wages greater than seventy five thousand per annum but
46 not more than one hundred thousand per annum shall contribute five and
47 three quarters per centum of annual wages; and~~

48 ~~5. members with wages greater than one hundred thousand per annum
49 shall contribute six per centum of annual wages]~~ 1. members with wages
50 of seventy-five thousand dollars per annum or less shall contribute
51 three per centum of annual wages;

52 2. members with wages greater than seventy-five thousand per annum,
53 but not more than one hundred thousand per annum shall contribute four
54 per centum of annual wages; and

55 3. members with wages greater than one hundred thousand per annum
56 shall contribute five per centum of annual wages.

1 Notwithstanding the foregoing, during each of the first three plan
2 years (April first to March thirty-first) in which such member has
3 established membership in the New York state and local employees'
4 retirement system, such member shall contribute a percentage of annual
5 wages in accordance with the preceding schedule based upon a projection
6 of annual wages provided by the employer. Notwithstanding the foregoing,
7 when determining the rate at which each such member who became a member
8 of the New York state and local employees' retirement system on or after
9 April first, two thousand twelve shall contribute for any plan year
10 (April first to March thirty-first) between April first, two thousand
11 twenty-two and April first, two thousand [~~twenty-six~~] twenty-eight, such
12 rate shall be determined by reference to employees annual base wages of
13 such member in the second plan year (April first to March thirty-first)
14 preceding such current plan year. Base wages shall include regular pay,
15 shift differential pay, location pay, and any increased hiring rate pay,
16 but shall not include any overtime payments.

17 The head of the New York state and local employees' retirement system
18 shall promulgate such regulations as may be necessary and appropriate
19 with respect to the deduction of such contribution from members' wages
20 and for the maintenance of any special fund or funds with respect to
21 amounts so contributed.

22 g. Members who first join the New York state teachers' retirement
23 system on or after January first, two thousand ten shall contribute
24 three and one-half percent of annual wages to the New York state teach-
25 ers' retirement system, except that beginning April first, two thousand
26 [~~thirteen~~] twenty-six for members who first become members of the New
27 York state teachers' retirement system on or after April first, two
28 thousand twelve, the rate at which each such member shall contribute in
29 any current plan year (July first to June thirtieth) shall be determined
30 by reference to the wages of such member in the second plan year (July
31 first to June thirtieth) preceding such current plan year as follows:

32 [~~1. members with wages of forty-five thousand dollars per annum or
33 less shall contribute three per centum of annual wages;~~

34 ~~2. members with wages greater than forty-five thousand per annum, but
35 not more than fifty-five thousand per annum shall contribute three and
36 one-half per centum of annual wages;~~

37 ~~3. members with wages greater than fifty-five thousand per annum, but
38 not more than seventy-five thousand per annum shall contribute four and
39 one-half per centum of annual wages;~~

40 ~~4. members with wages greater than seventy-five thousand per annum but
41 not more than one hundred thousand per annum shall contribute five and
42 three-quarters per centum of annual wages; and~~

43 ~~5. members with wages greater than one hundred thousand per annum
44 shall contribute six per centum of annual wages]~~ 1. members with wages
45 of seventy-five thousand dollars per annum or less shall contribute
46 three per centum of annual wages;

47 2. members with wages greater than seventy-five thousand per annum,
48 but not more than one hundred thousand per annum shall contribute four
49 per centum of annual wages; and

50 3. members with wages greater than one hundred thousand per annum
51 shall contribute five per centum of annual wages.

52 Notwithstanding the foregoing, during each of the first three plan
53 years (July first to June thirtieth) in which such member has estab-
54 lished membership in the New York state teachers' retirement system,
55 such member shall contribute a percentage of annual wages in accordance
56 with the preceding schedule based upon a projection of annual wages

1 provided by the employer. Notwithstanding the foregoing, when determin-
2 ing the contribution rate at which a member of the New York state teach-
3 ers' retirement system with a date of membership on or after April
4 first, two thousand twelve shall contribute for plan years (July first
5 to June thirtieth) between July first, two thousand twenty-two and July
6 first, two thousand [~~twenty-six~~] twenty-eight, such rate shall be deter-
7 mined by reference to the member's annual base wages in the second plan
8 year (July first to June thirtieth) preceding such current plan year.
9 Annual base wages shall not include compensation earned for extracurric-
10 ular programs or any other pensionable earnings paid in addition to the
11 annual base wages.

12 The head of the New York state teachers' retirement system shall
13 promulgate such regulations as may be necessary and appropriate with
14 respect to the deduction of such contribution from members' wages and
15 for the maintenance of any special fund or funds with respect to amounts
16 so contributed.

17 § 4. Section 1204 of the retirement and social security law, as
18 amended by chapter 18 of the laws of 2012, the second undesignated para-
19 graph as amended by section 3 of part KK of chapter 55 of the laws of
20 2024, is amended to read as follows:

21 § 1204. Member contributions. Members who are subject to the
22 provisions of this article shall contribute three percent of annual
23 wages to the retirement system in which they have membership, except
24 that beginning April first, two thousand [~~thirteen~~] twenty-six for
25 members who first become members of the New York state and local police
26 and fire retirement system on or after April first, two thousand twelve,
27 the rate at which each such member shall contribute in any current plan
28 year (April first to March thirty-first) shall be determined by refer-
29 ence to the wages of such member in the second plan year (April first to
30 March thirty-first) preceding such current plan year as follows:

31 [~~a. members with wages of forty five thousand dollars per annum or
32 less shall contribute three per centum of annual wages;~~

33 ~~b. members with wages greater than forty five thousand per annum, but
34 not more than fifty five thousand per annum shall contribute three and
35 one half per centum of annual wages;~~

36 ~~c. members with wages greater than fifty five thousand per annum, but
37 not more than seventy five thousand per annum shall contribute four and
38 one half per centum of annual wages;~~

39 ~~d. members with wages greater than seventy five thousand per annum but
40 not more than one hundred thousand per annum shall contribute five and
41 three quarters per centum of annual wages; and~~

42 ~~e. members with wages greater than one hundred thousand per annum
43 shall contribute six per centum of annual wages]~~ a. members with wages
44 of seventy-five thousand dollars per annum or less shall contribute
45 three per centum of annual wages;

46 b. members with wages greater than seventy-five thousand per annum,
47 but not more than one hundred thousand per annum shall contribute four
48 per centum of annual wages; and

49 c. members with wages greater than one hundred thousand per annum
50 shall contribute five per centum of annual wages.

51 Notwithstanding the foregoing, during each of the first three plan
52 years (April first to March thirty-first) in which such member has
53 established membership in the New York state and local police and fire
54 retirement system, such member shall contribute a percentage of annual
55 wages in accordance with the preceding schedule based upon a projection
56 of annual wages provided by the employer. Notwithstanding the foregoing,

1 when determining the rate at which each such member who became a member
2 of the New York state and local police and fire retirement system on or
3 after April first, two thousand twelve shall contribute for any plan
4 year (April first to March thirty-first) between April first, two thou-
5 sand twenty-two and April first, two thousand ~~twenty-six~~ twenty-eight,
6 such rate shall be determined by reference to employees annual base
7 wages of such member in the second plan year (April first to March thir-
8 ty-first) preceding such current plan year. Base wages shall include
9 regular pay, shift differential pay, location pay, and any increased
10 hiring rate pay, but shall not include any overtime payments. Effective
11 April first, two thousand twelve, all members subject to the provisions
12 of this article shall not be required to make member contributions on
13 annual wages excluded from the calculation of final average salary
14 pursuant to section twelve hundred three of this article. Nothing in
15 this section, however, shall be construed or deemed to allow members to
16 receive a refund of any member contributions on such wages paid prior to
17 April first, two thousand twelve.

18 Members who are enrolled in a retirement plan that limits the amount
19 of creditable service a member can accrue shall not be required to make
20 contributions pursuant to this section after accruing the maximum amount
21 of service credit allowed by the retirement plan in which they are
22 enrolled. The state comptroller shall promulgate such regulations as may
23 be necessary and appropriate with respect to the deduction of such
24 contribution from members' wages and for the maintenance of any special
25 fund or funds with respect to amounts so contributed. In no way shall
26 the member contributions made pursuant to this section be used to
27 provide for pension increases or annuities of any kind.

28 § 5. Subdivision 2 of section 182 of the education law, as amended by
29 chapter 18 of the laws of 2012, is amended to read as follows:

30 2. Employee contributions. In the case of any electing employee,
31 contributions at the rate of three per centum of ~~his~~ such electing
32 employee's state salary shall be deducted by the state comptroller as
33 the employee contribution, provided however, that such employee contrib-
34 ution shall be made by the state in accordance with subdivision one of
35 this section during such period as (a) either section seventy-a of the
36 retirement and social security law or section five hundred twenty-eight
37 of this title provides that the contribution of each member of the New
38 York state employees' retirement system or the New York state teachers'
39 retirement system in the employ of the state shall be reduced by at
40 least eight per centum of ~~his~~ such member's compensation, or (b)
41 employee contributions to either such system are no longer required by
42 reason of such system becoming noncontributory for state employees.

43 Notwithstanding any other law to the contrary, beginning April first,
44 two thousand ~~thirteen~~ twenty-six any electing employee appointed on or
45 after April first, two thousand twelve, the rate at which each such
46 employee shall contribute in any current plan year (January first to
47 December thirty-first) shall be determined by reference to the wages of
48 such member in the second plan year (January first to December thirty-
49 first) preceding such current plan year as follows:

50 ~~[(a) members with wages of forty-five thousand dollars per annum or~~
51 ~~less shall contribute three per centum of annual wages;~~

52 ~~(b) members with wages greater than forty-five thousand per annum, but~~
53 ~~not more than fifty-five thousand per annum shall contribute three and~~
54 ~~one-half per centum of annual wages;~~

~~(c) members with wages greater than fifty-five thousand per annum, but not more than seventy-five thousand per annum shall contribute four and one-half per centum of annual wages;~~

~~(d) members with wages greater than seventy-five thousand per annum but not more than one hundred thousand per annum shall contribute five and three-quarters per centum of annual wages; and~~

~~(e) members with wages greater than one hundred thousand per annum shall contribute six per centum of annual wages]~~ (a) members with wages of seventy-five thousand dollars per annum or less shall contribute three per centum of annual wages;

(b) members with wages greater than seventy-five thousand per annum, but not more than one hundred thousand per annum shall contribute four per centum of annual wages; and

(c) members with wages greater than one hundred thousand per annum shall contribute five per centum of annual wages.

Notwithstanding the foregoing, during each of the first three plan years (January first to December thirty-first) in which such member has established membership in the Education Department Optional Retirement Program, such employee shall contribute a percent of annual wages in accordance with the preceding schedule based upon a projection of annual wages provided by the employer, provided, further, however, that notwithstanding any other law to the contrary, on and after April first, two thousand twenty-six, for any electing employee who is subject to this paragraph, the state shall contribute an additional one percent of the employee contribution pursuant to the provisions of this section on behalf of the employee.

§ 6. Paragraph (d) of subdivision 2 of section 392 of the education law, as added by chapter 18 of the laws of 2012, is amended to read as follows:

(d) Notwithstanding any other law to the contrary, beginning April first, two thousand thirteen any electing employee appointed on or after April first, two thousand ~~twelve~~ twenty-six, the rate at which each such employee shall contribute in any current plan year (January first to December thirty-first) shall be determined by reference to the wages of such member in the second plan year (January first to December thirty-first) preceding such current plan year as follows:

~~[(i) members with wages of forty-five thousand dollars per annum or less shall contribute three per centum of annual wages;~~

~~(ii) members with wages greater than forty-five thousand per annum, but not more than fifty-five thousand per annum shall contribute three and one-half per centum of annual wages;~~

~~(iii) members with wages greater than fifty-five thousand per annum, but not more than seventy-five thousand per annum shall contribute four and one-half per centum of annual wages;~~

~~(iv) members with wages greater than seventy-five thousand per annum but not more than one hundred thousand per annum shall contribute five and three-quarters per centum of annual wages; and~~

~~(v) members with wages greater than one hundred thousand per annum shall contribute six per centum of annual wages]~~ (i) members with wages of seventy-five thousand dollars per annum or less shall contribute three per centum of annual wages;

(ii) members with wages greater than seventy-five thousand per annum, but not more than one hundred thousand per annum shall contribute four per centum of annual wages; and

(iii) members with wages greater than one hundred thousand per annum shall contribute five per centum of annual wages.

1 Notwithstanding the foregoing, during each of the first three plan
2 years (January first to December thirty-first) in which such member has
3 established membership in the State University Optional Retirement
4 Program, such employee shall contribute a percent of annual wages in
5 accordance with the preceding schedule based upon a projection of annual
6 wages provided by the employer, provided, further, however, that
7 notwithstanding any other law to the contrary, on and after April first,
8 two thousand twenty-six, for any electing employee who is subject to
9 this paragraph, the state shall contribute an additional one percent of
10 the employee contribution pursuant to the provisions of this section on
11 behalf of the employee.

12 § 7. Paragraph (d) of subdivision 2 of section 6252 of the education
13 law, as added by chapter 18 of the laws of 2012, is amended to read as
14 follows:

15 (d) Notwithstanding any other law to the contrary, beginning April
16 first, two thousand [~~thirteen~~ twenty-six any electing employee
17 appointed on or after April first, two thousand twelve, the rate at
18 which each such employee shall contribute in any current plan year
19 (January first to December thirty-first) shall be determined by refer-
20 ence to the wages of such member in the second plan year (January first
21 to December thirty-first) preceding such current plan year as follows:

22 [~~(1) members with wages of forty five thousand dollars per annum or~~
23 ~~less shall contribute three per centum of annual wages;~~

24 ~~(2) members with wages greater than forty five thousand per annum, but~~
25 ~~not more than fifty five thousand per annum shall contribute three and~~
26 ~~one half per centum of annual wages;~~

27 ~~(3) members with wages greater than fifty five thousand per annum, but~~
28 ~~not more than seventy five thousand per annum shall contribute four and~~
29 ~~one half per centum of annual wages;~~

30 ~~(4) members with wages greater than seventy five thousand per annum~~
31 ~~but not more than one hundred thousand per annum shall contribute five~~
32 ~~and three quarters per centum of annual wages; and~~

33 ~~(5) members with wages greater than one hundred thousand per annum~~
34 ~~shall contribute six per centum of annual wages] (1) members with wages~~
35 of seventy-five thousand dollars per annum or less shall contribute
36 three per centum of annual wages;

37 (2) members with wages greater than seventy-five thousand per annum,
38 but not more than one hundred thousand per annum shall contribute four
39 per centum of annual wages; and

40 (3) members with wages greater than one hundred thousand per annum
41 shall contribute five per centum of annual wages.

42 Notwithstanding the foregoing, during each of the first three plan
43 years (January first to December thirty-first) in which such member has
44 established membership in the Board of Higher Education Optional Retire-
45 ment Program, such employee shall contribute a percent of annual wages
46 in accordance with the preceding schedule based upon a projection of
47 annual wages provided by the employer, provided, further, however, that
48 notwithstanding any other law to the contrary, on and after April first,
49 two thousand twenty-six, for any electing employee who is subject to
50 this paragraph, the state shall contribute an additional one percent of
51 the employee contribution pursuant to the provisions of this section on
52 behalf of the employee.

53 § 8. Notwithstanding any other provision of law to the contrary, none
54 of the provisions of this act shall be subject to section 25 of the
55 retirement and social security law.

1 § 9. This act shall take effect immediately and shall be deemed to
2 have been in full force and effect on and after April 1, 2026.

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

This bill would change member-contribution rates, and the wage ranges to which member-contribution rates are applied, for Tier 6 members effective April 1, 2026.

| Salary Range (\$ in thousands) | Current Rate | Proposed Rate |
|-----------------------------------|--------------|---------------|
| Less than 45 | 3.00% | 3.00% |
| 45 to 55 | 3.50% | 3.00% |
| 55 to 75 | 4.50% | 3.00% |
| 75 to 100 | 5.75% | 4.00% |
| 100 or greater | 6.00% | 5.00% |

Additionally, this bill would permanently exclude overtime pay from the annual wages used to determine member contributions for Tier 6 members.

Insofar as this bill affects the New York State and Local Employees' Retirement System (NYSLERS), the present value of costs would increase by approximately \$2.33 billion.

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

Benefit improvements would be funded by increasing the billing rates charged annually. The annual contribution required by all participating employers in NYSLERS would increase by 0.8% of billable salary, or approximately \$107 million to the state of New York and \$160 million to the local participating employers. The annual billing rates for Tier 6 members would further increase by 0.1% of salary (for a 0.9% total annual rate increase), with other plans increasing a lesser amount.

Required contributions will increase significantly as Tier 6 grows. Employer costs would vary according to plan coverage and salary reported in Tier 6.

Insofar as this bill affects the New York State and Local Police and Fire Retirement System (NYSLPFRS), the present value of costs would increase by approximately \$311 million.

Benefit improvements would be funded by increasing the billing rates charged annually. The annual contribution required by all participating employers in NYSLPFRS would increase by 0.7% of billable salary, or approximately \$6 million to the state of New York and \$25 million to the local participating employers. The annual billing rates for Tier 6 members would further increase by 0.3% of salary (for a 1.0% total annual rate increase), with other plans increasing a lesser amount.

Required contributions will increase significantly as Tier 6 grows. Employer costs would vary according to plan coverage and salary reported in Tier 6.

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

These estimated costs are based on 323,488 Tier 6 members with annual salary of approximately \$17 billion in NYSLERS, and 19,945 Tier 6 members with annual salary of approximately \$2.1 billion in NYSLPFRS, as of March 31, 2025.

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 4, 2026, and intended for use only during the 2026 Legislative Session, is Fiscal Note Number 2026-87. 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.

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

Bill Description:

This fiscal note is prepared for legislative bill draft #01321-04-6. This bill would amend various sections of the Retirement and Social Security Law and the Education Law to reduce the required employee contribution rate for Tier 6 members. The salary ranges and employee contribution rates for Tier 6 members would be changed to the following as of April 1, 2026:

| Salary | Employee Contribution Rate |
|---------------------------------|----------------------------|
| \$75,000 and less | 3.00% |
| More than \$75,000 to \$100,000 | 4.00% |
| More than \$100,000 | 5.00% |

Cost:

The annual cost to the participating employers of the New York State Teachers' Retirement System is estimated to be \$108.3 million or 0.52% of payroll if this bill is enacted.

The System's "new entrant rate," a hypothetical employer contribution rate that would be charged if we started a new retirement system without any assets, is equal to 5.52% of pay under the current Tier 6 benefit structure. This can be thought of as the long-term expected employer cost of Tier 6, based on current actuarial assumptions. For the proposed change to the Tier 6 benefit structure under this bill, this new entrant rate is estimated to increase to 6.32% of pay, an increase of 0.80% of pay.

Data:

Member data as of June 30, 2025, prepared for the most recent actuarial valuation was used in determining this cost. The most recent data distributions and statistics can be found in the System's Annual Report for the fiscal year ended June 30, 2025. System assets are as reported in the System's financial statements which can be found in the System's Annual Report. This data will also be provided in the System's Actuarial Valuation Report as of June 30, 2025.

Methods and Assumptions:

A summary of actuarial assumptions and methods will be provided in the System's Actuarial Valuation Report as of June 30, 2025. Further details can be found in the most recent Recommended Actuarial Assumptions 2025 Report.

Actuarial Certification:

We, the undersigned actuaries for the New York State Teachers' Retirement System, certify the following:

1. The actuarial assumptions, methods, and data used are reasonable for the purposes of this fiscal note, internally consistent and are in accordance with standards of practice prescribed by the Actuarial Standards Board and generally accepted actuarial principles and procedures.

2. We relied on member data supplied by the participating employers of the New York State Teachers' Retirement System and assets as supplied in the annual Financial Statements by NYSTRS' Finance Department.

3. Results were prepared based on our current understanding of the proposal as of the date of this fiscal note. If the language or our understanding of the proposal changes, the results could change and require the issuance of a new fiscal note. The next annual update of the actuarial valuation could also produce different results. Results should not be relied upon for any other purpose.

4. This fiscal note was prepared in accordance with New York State Retirement and Social Security Law, New York State Education Law, applicable Internal Revenue Code, and accepted actuarial standards of practice as of the date of this fiscal note. This fiscal note does not constitute a legal opinion on the viability of this legislative proposal.

5. We are members of the American Academy of Actuaries and the Society of Actuaries, and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. We are currently compliant with the Continuing Professional Development Requirement of the Society of Actuaries.

Fiscal Note Identification:

This Fiscal Note, 2026-22, revised March 2, 2026, was prepared by the Office of the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 2026 Legislative Session.

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

SUMMARY: This proposed legislation, as it relates to the New York City Retirement Systems and Pension Funds (NYCRS) would reduce the required Basic Member Contribution (BMC) rates for Tier 6 members of NYCERS, TRS, and BERS.

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

| Year | NYCERS | TRS | BERS | TOTAL |
|------|--------|-------|------|-------|
| 2027 | 100.0 | 72.8 | 11.2 | 184.0 |
| 2028 | 108.5 | 77.3 | 11.8 | 197.6 |
| 2029 | 117.2 | 82.1 | 12.6 | 211.9 |
| 2030 | 126.0 | 87.3 | 13.4 | 226.7 |
| 2031 | 134.9 | 92.8 | 14.2 | 241.9 |
| 2032 | 144.0 | 98.8 | 15.1 | 257.9 |
| 2033 | 153.2 | 105.1 | 16.0 | 274.3 |
| 2034 | 162.5 | 112.0 | 16.9 | 291.4 |
| 2035 | 172.0 | 119.2 | 17.9 | 309.1 |
| 2036 | 181.6 | 126.8 | 18.9 | 327.3 |
| 2037 | 191.4 | 134.9 | 19.9 | 346.2 |

| | | | | |
|------|-------|-------|------|-------|
| 2038 | 201.2 | 143.5 | 20.9 | 365.6 |
| 2039 | 211.3 | 152.6 | 22.0 | 385.9 |
| 2040 | 221.5 | 162.1 | 23.1 | 406.7 |
| 2041 | 231.8 | 172.0 | 20.9 | 424.7 |
| 2042 | 205.6 | 182.1 | 22.1 | 409.8 |
| 2043 | 216.3 | 192.2 | 23.3 | 431.8 |
| 2044 | 227.2 | 202.4 | 24.5 | 454.1 |
| 2045 | 238.1 | 185.1 | 25.7 | 448.9 |
| 2046 | 249.2 | 195.1 | 27.0 | 471.3 |
| 2047 | 260.3 | 205.0 | 28.3 | 493.6 |
| 2048 | 271.5 | 214.8 | 29.6 | 515.9 |
| 2049 | 282.7 | 224.5 | 31.0 | 538.2 |
| 2050 | 293.9 | 234.2 | 32.4 | 560.5 |
| 2051 | 305.1 | 244.0 | 33.8 | 582.9 |

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 0.90% for NYCERS, 0.89% for TRS, and 0.90% for BERS.

The initial increase in employer contributions of \$184.0 million is estimated to be \$126.7 million for New York City and \$57.3 million for the other obligors of NYCERS.

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) | NYCERS | TRS | BERS |
|-----------------------------------|------------------|------------------|----------------|
| (1) PV of Employer Contributions: | 1,093.0 | 999.2 | 122.9 |
| (2) PV of Employee Contributions: | <u>(1,181.8)</u> | <u>(1,076.4)</u> | <u>(133.7)</u> |
| Total PV of Benefits (1) + (2): | (88.7) | (77.3) | (10.7) |

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

| | NYCERS | TRS | BERS |
|-----------------------------|---------|---------|--------|
| Increase (Decrease) in UAL: | 323.6 M | 266.3 M | 28.2 M |
| Number of Payments: | 15 | 18 | 14 |
| Amortization Payment: | 36.7 M | 27.4 M | 3.3 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.

| | NYCERS | TRS | BERS |
|-----------------|--------|--------|--------|
| Active Members | | | |
| - Number Count: | 99,619 | 71,364 | 37,490 |
| - Average Age: | 43.0 | 39.0 | 41.5 |

| | | | |
|--------------------|--------|--------|--------|
| - Average Service: | 5.2 | 5.7 | 2.2 |
| - Average Salary: | 87,100 | 86,500 | 37,900 |

IMPACT ON MEMBER CONTRIBUTIONS: Currently, Tier 6 members of NYCERS, TRS, and BERS are generally required to make Basic Member Contributions (BMC) ranging from 3% to 6% of annual wages, determined by the member's annual wages for the second prior calendar year.

Under the proposed legislation, effective April 1, 2026:

* The required BMC rates for each salary band above \$45,000 would be reduced as shown in the table below.

| Salary Band | Current Rate | Proposed Rate |
|--------------------------|--------------|---------------|
| \$45,000 or less | 3.00% | 3.00% |
| \$45,001 up to \$55,000 | 3.50% | 3.00% |
| \$55,001 up to \$75,000 | 4.50% | 3.00% |
| \$75,001 up to \$100,000 | 5.75% | 4.00% |
| Greater than \$100,000 | 6.00% | 5.00% |

* The annual wages used for the determination of the member's salary band would exclude overtime and compensation earned for extracurricular activities for all years. Currently, this exclusion is set to expire on January 1, 2027.

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.

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 2026-36 dated March 10, 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.