STATE OF NEW YORK

8134

2025-2026 Regular Sessions

IN SENATE

May 15, 2025

Introduced by Sens. JACKSON, SANDERS -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions

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:

Section 1. Subdivision a of section 517 of the retirement and social security law, as amended by chapter 18 of the laws of 2012, the second undesignated paragraph as amended by section 1 of part KK of chapter 55 of the laws of 2024, is amended to read as follows:

a. Members shall contribute three percent of annual wages to the retirement system in which they have membership, provided that such contributions shall not be required for more than thirty years, for general members, or twenty-five years, for police/fire members, except that beginning April first, two thousand thirteen for members who first become members of the New York state and local employees' retirement system 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) shall be determined by reference to the wages of such member in the second plan year (April first to March thirty-first) preceding such current plan year as follows:

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

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;

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

LBD11201-02-5

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.

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, 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.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

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. Subdivision a of section 613 of the retirement and social security law, as amended by chapter 10 of the laws of 2000, paragraphs 1 and 2 as amended by chapter 510 of the laws of 2015, the second undesignated paragraph of paragraph 1 and the second undesignated paragraph of paragraph 2 as amended by section 2 of part KK of chapter 55 of the laws of 2024, is amended to read as follows:

a. 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 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 teachers' retirement system and New York city board of education retirement system, plan year shall mean January first through December thirty-first commencing with the January first next succeeding the effective date of the chapter of the laws of two thousand fifteen that amended this paragraph) shall be determined by reference to the wages of such member in the second plan year (April first to March thirty-first, except for members of the New York city employees' retirement system, New York city teachers' retirement system and New York city board of education retirement system, plan year shall mean January first through December thirty-first commencing with the January first next succeeding the effective date of the chapter of the laws of two thousand fifteen that amended this paragraph) 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.

Notwithstanding the foregoing, during each of the first three plan years (April first to March thirty-first, except for members of New York city employees' retirement system, New York city teachers' retirement system and New York city board of education retirement system, plan year shall mean January first through December thirty-first commencing with the January first next succeeding the effective date of chapter five hundred ten of the laws of two thousand fifteen) in which such member has established membership in a public retirement system of the state, 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, New York city employees' retirement system, New York city teachers' retirement system and New York city board of education retirement system, on or after April first, two thousand twelve shall contribute for any plan year (April first to March thirty-first, except for members of the New York city employees' retirement system, New York city teachers' retirement system and New York city board of education retirement system, plan year shall mean January first through December thirty-first commencing with January first next succeeding the effective date of chapter five hundred ten of the laws of two thousand fifteen) between April first, two thousand twenty-two and April first, two thousand twenty-six, 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 or compensation earned for extracurricular programs or any other pensionable earnings paid in addition to the annual base wages.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

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. A member of the New York city employees' retirement system who is eligible to be a participant in the twenty-five-year and age fifty-five retirement program, as defined by paragraph five of subdivision a of section six hundred four-b of this article shall contribute two percent of annual wages to such system effective on the starting date of the elimination of additional member contributions, as defined in an election made pursuant to paragraph ten of subdivision e of section six hundred four-b of this article, except that beginning April first, two

thousand thirteen for members who first become members of the New York city employees' retirement system 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, provided, however, that plan year shall mean January first through December thirty-first commencing with the January first next succeeding the effective date of the chapter of the laws of two thousand fifteen that amended this paragraph) shall be determined by reference to the wages of such member in the second plan year (April first to March thirty-first, provided, however, that plan year shall mean January first through December thirty-first commencing with the January first next succeeding the effective date of the chapter of the laws of two thousand fifteen that amended this paragraph) 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.

Notwithstanding the foregoing, during each of the first three plan years (April first to March thirty-first, provided, however, that plan year shall mean January first through December thirty-first commencing with the January first next succeeding the effective date of chapter five hundred ten of the laws of two thousand fifteen) in which such member has established membership in the New York city 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, New York city employees' retirement system, on or after April first, two thousand twelve shall contribute for any plan year (April first to March thirty-first, provided, however, that plan year shall mean January first through December thirty-first commencing with the January first next succeeding the effective date of chapter five hundred ten of the laws of two thousand fifteen) between April first, two thousand twenty-two and April first, two thousand twenty-six, 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.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

§ 3. Subdivisions f and g of section 613 of the retirement and social security law, as amended by chapter 18 of the laws of 2012, the second undesignated paragraph of subdivision f and the second undesignated paragraph of subdivision g as amended by section 2 of part KK of chapter 55 of the laws of 2024, are amended to read as follows:

f. Anything in subdivision a of this section to the contrary notwithstanding a member employed as a uniformed court officer or peace officer in the unified court system who first joins the New York state and local employees' retirement system on or after January first, two thousand ten shall contribute four percent of annual wages to the New York state and local employees' retirement system, except that beginning April first, two thousand thirteen for members who first become members of the New York state and local employees' retirement system 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) shall be determined by reference to the wages of such member in the second plan year (April first to March thirty-first) preceding such current plan year as follows:

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

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.

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, 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.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

The head of the New York state and local employees' 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.

g. Members who first join the New York state teachers' retirement system on or after January first, two thousand ten shall contribute three and one-half percent of annual wages to the New York state teachers' retirement system, except that beginning April first, two thousand thirteen for members who first become members of the New York state teachers' retirement system on or after April first, two thousand

twelve, the rate at which each such member shall contribute in any current plan year (July first to June thirtieth) shall be determined by reference to the wages of such member in the second plan year (July first to June thirtieth) preceding such current plan year as follows:

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

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.

Notwithstanding the foregoing, during each of the first three plan years (July first to June thirtieth) in which such member has established membership in the New York state teachers' 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 contribution rate at which a member of the New York state teachers' retirement system with a date of membership on or after April first, two thousand twelve shall contribute for plan years (July first to June thirtieth) between July first, two thousand twenty-two and July first, two thousand twenty-six, such rate shall be determined by reference to the member's annual base wages in the second plan year (July first to June thirtieth) preceding such current plan year. Annual base wages shall not include compensation earned for extracurricular programs or any other pensionable earnings paid in addition to the annual base wages.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

The head of the New York state teachers' 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.

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

§ 1204. Member contributions. Members who are subject to the provisions of this article shall contribute three percent of annual wages to the retirement system in which they have membership, except that beginning April first, two thousand thirteen for members who first become members of the New York state and local police and fire retirement system 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) shall be determined by reference to the wages of such member in the second plan year (April first to March thirty-first) preceding such current plan year as follows:

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

b. 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;

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.

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 police and fire 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 police and fire 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, 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. Effective April first, two thousand twelve, all members subject to the provisions of this article shall not be required to make member contributions on annual wages excluded from the calculation of final average salary pursuant to section twelve hundred three of this article. Nothing in this section, however, shall be construed or deemed to allow members to receive a refund of any member contributions on such wages paid prior to April first, two thousand twelve.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

Members who are enrolled in a retirement plan that limits the amount of creditable service a member can accrue shall not be required to make contributions pursuant to this section after accruing the maximum amount of service credit allowed by the retirement plan in which they are enrolled. The state comptroller 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. In no way shall the member contributions made pursuant to this section be used to provide for pension increases or annuities of any kind.

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

2. Employee contributions. In the case of any electing employee, contributions at the rate of three per centum of [~~his~~] **the** state salary **of such employee** shall be deducted by the state comptroller as the employee contribution, provided however, that such employee contribution shall be made by the state in accordance with subdivision one of this

section during such period as (a) either section seventy-a of the retirement and social security law or section five hundred twenty-eight of this title provides that the contribution of each member of the New York state employees' retirement system or the New York state teachers' retirement system in the employ of the state shall be reduced by at least eight per centum of [~~his~~] **such employee's** compensation, or (b) employee contributions to either such system are no longer required by reason of such system becoming noncontributory for state employees.

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, 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:

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

(b) 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;

(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.

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.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

§ 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, 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.

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 State University 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.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

§ 7. Paragraph (d) of subdivision 2 of section 6252 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, 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:

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

(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.

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 Board of Higher Education 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.

Notwithstanding the foregoing, on and after the effective date of this paragraph, the rate of contribution for members with ten or more years of membership shall be three per centum of annual wages.

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

§ 9. No employee contributions made by a member of a public retirement system prior to the effective date of this act shall be refunded as a result of this act becoming a law.

§ 10. This act shall take effect one year after it shall have become a law.