STATE OF NEW YORK

10438

IN ASSEMBLY

March 6, 2026

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

AN ACT to amend the administrative code of the city of New York, in relation to longevity bonuses for members of the uniformed service with the New York city fire department

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

Section 1. The administrative code of the city of New York is amended by adding a new section 15-110.1 to read as follows:

§ 15-110.1 Longevity bonuses. a. Notwithstanding any provision of law to the contrary, when a member shall have accrued twenty-five years of uniformed service with the New York city fire department, and retires in any rank, they shall have five per centum of the highest grade of pay under the applicable collective bargaining agreement of such rank in which they retire, added to the applicable salary, used for the purposes of computing pension benefits under the plan in which they are enrolled with the New York city fire department pension fund; or

b. Notwithstanding any provision of law to the contrary, when a member shall have accrued thirty years of uniformed service with the New York city fire department, and retires in any rank, they shall have ten per centum of the highest grade of pay under the applicable collective bargaining agreement of such rank in which they retire, added to the applicable salary, used for the purposes of computing pension benefits under the plan in which they are enrolled with the New York city fire pension fund; or

c. Notwithstanding any provision of law to the contrary, when a member shall have accrued thirty-five years of uniformed service with the New York city fire department, and retires in any rank, they shall have fifteen per centum of the highest grade of pay under the applicable collective bargaining agreement of such rank in which they retire, added to the applicable salary, used for the purposes of computing pension benefits under the plan in which they are enrolled with the New York city fire pension fund.

§ 2. This act shall take effect immediately.

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

LBD13848-02-6

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

SUMMARY: This proposed legislation, as it relates to the New York City Fire Pension Fund (FIRE), would increase the salary used for determining pension benefits for members who retire with at least 25 years of uniformed FIRE service.

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

Year	FIRE
2027	0.0
2028	2.7
2029	5.6
2030	8.5
2031	11.5
2032	14.6
2033	17.8
2034	21.0
2035	24.3
2036	27.7
2037	31.2
2038	34.7
2039	38.2
2040	41.7
2041	45.4
2042	46.4
2043	47.3
2044	48.3
2045	49.2
2046	50.1
2047	51.0
2048	51.9
2049	52.9
2050	53.9
2051	54.8

Employer Contribution impact beyond Fiscal Year 2051 is not shown. Projected contributions are based on historical experience for Tier 2 members. Future retirement patterns may differ due to a shift in population from Tier 2 to Tier 3.

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

PRESENT VALUE OF BENEFITS: The Present Value of Benefits (PVFB) is the discounted expected value of benefits paid to current members if all assumptions are met, including future service accrual and pay increases.

The enactment of this proposed legislation is expected to increase the PVFB by approximately $23.2 million in the first year and every year thereafter, adjusted for inflation, group demographics, and the actual experience of benefiting retirees. Each year's PVFB increase will be recognized in the year benefits are first payable.

UNFUNDED ACCRUED LIABILITY (UAL): Actuarial Accrued Liabilities are the portion of the Present Value of Benefits allocated to past service. Changes in UAL were recognized as future gain/loss.

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY

Recognized as Ongoing Gain/Loss	FIRE
Increase (Decrease) in UAL:	23.2 M
Number of Payments:	14

Amortization Payment: 2.7 M

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

	FIRE
Active Members	
- Number Count:	11,178
- Average Age:	40.3
- Average Service:	13.1
- Average Salary:	141,257

The 2024 salaries used in this analysis were provided by the Uniformed Firefighters Association and are summarized below. The salaries were increased with assumed inflation.

* Firefighters would use a highest grade of pay of $140,392.
* Lieutenants would use a highest grade of pay of $157,751.
* Captains would use a highest grade of pay of $179,842.
* Chiefs would use a highest grade of pay of $255,863.
* Marshals would use a highest grade of pay of $223,866.
* Medical Officers would use a highest grade of pay of $235,229.

Data from the prior eleven years of actuarial valuations was used to estimate the number of retirees who could potentially benefit from this proposed legislation each year and is summarized below.

Average Number Retired per Year	Firefighters	Lieutenants	Captains	Chiefs	Marshals*
At least 25 but less than 30 years of service	55	23	13	4	5
At least 30 but less than 35 years of service	27	14	11	13	2
At least 35 years of service	11	8	8	17	2

* Includes Medical officers.

IMPACT ON MEMBER BENEFITS: The proposed legislation would increase the applicable salary used for computing pension benefits for members who retire with at least 25 years of uniformed FIRE service.

The increase in applicable salary would be equal to:

* 5% for members with at least 25 years of service, 10% for members with at least 30 years of service, or 15% for members with at least 35 years of service, multiplied by
* The highest grade of pay under the applicable collective bargaining agreement of the rank in which the member retires.

For example, a Tier 2 firefighter who retires with 32 years of uniformed FIRE service would receive an increase in their annual pension of approximately $8,452 (based on adding 10% of the highest pay grade for firefighters with assumed overtime and salary inflation of $158,622 to the applicable salary used for the benefit calculation). Additional benefits would then be subject to applicable Cost-of-Living or Escalation increases.

Based on an estimate of the number of FIRE members who are expected to be impacted by this proposed legislation, the annual increase in FIRE

pension benefits paid will be approximately $2.0 million in the first year and increase in every year thereafter.

With respect to an individual member, the impact on benefits due to this proposed legislation could vary greatly depending on the member's age, years of service, retirement cause, and Tier.

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.

* Future contribution impacts have been developed assuming a homogeneous population and a consistent retirement pattern.

* Costs for Tier 3 members have been developed by applying the increased salary directly to Final Average Salary (i.e., without limiting salaries in the average based on prior years).

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 2026-10 dated February 6, 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.