STATE OF NEW YORK

11516

IN ASSEMBLY

May 28, 2026

Introduced by COMMITTEE ON RULES -- (at request of M. of A. Pheffer Amato) -- read once and referred to the Committee on Governmental Employees

AN ACT to amend the retirement and social security law, in relation to the definition of additional member contributions and basic member contributions for certain New York city employees' retirement system members who are subject to the twenty-five year retirement program for fire protection inspector members under Article 15 of the retirement and social security law, to allow such additional member contributions to be used to offset a deficit of basic member contributions, or to allow an excess of basic member contributions to offset a deficit of additional member contributions

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

Section 1. Subparagraph (i) of paragraph 10 of subdivision e of section 604-j of the retirement and social security law, as added by section 1 of part EE of chapter 55 of the laws of 2024, is amended to read as follows:

(i) Such additional member contributions (and any interest thereon) shall be paid into the contingent reserve fund of the retirement system of which the participant is a member and shall not for any purpose be deemed to be member contributions or accumulated contributions of a member under section six hundred thirteen of this article or otherwise while they are a participant in the twenty-five year retirement program or otherwise**, except that a surplus of such additional member contributions that are paid into the retirement system's contingent reserve fund may be used for the sole purpose of offsetting a deficit**.

§ 2. Subdivision h of section 613 of the retirement and social security law, as amended by chapter 448 of the laws of 2018, is amended to read as follows:

h. Notwithstanding any other provision of law to the contrary, a participant may use any excess basic member contributions to offset a deficit of additional member contributions as required pursuant to sections six hundred four-a, six hundred four-b, six hundred four-c, as

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

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added by chapter 96 of the laws of 1995, six hundred four-c, as added by chapter 472 of the laws of 1995, six hundred four-d, six hundred four-e, as added by chapter 576 of the laws of 2000, six hundred four-e, as added by chapter 577 of the laws of 2000, six hundred four-f, as added by chapter 559 of the laws of 2001, six hundred four-f, as added by chapter 582 of the laws of 2001, six hundred four-g, [~~and~~] six hundred four-h**, and six hundred four-j** of this article. The use of basic member contributions to offset a deficit of additional member contributions does not affect the contributions' tax designation pursuant to section 414(h) of the Internal Revenue Code.

§ 3. This act shall take effect immediately.

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

SUMMARY: This proposed legislation would amend the contribution provisions applicable to the NYCERS Tier 4 or Tier 6 Fire Protection Inspector 25-Year Plans to allow using any excess basic or additional member contributions to offset any deficits in such other contribution accounts.

EXPECTED INCREASE (DECREASE) IN EMPLOYER CONTRIBUTIONS: The enactment of this proposed legislation is not expected to result in any change in the amount or timing of employer contributions.

IMPACT ON MEMBER BENEFITS: The proposed legislation would not affect the benefits payable to participants in the Fire Protection Inspector 25-Year Plans. Rather, the proposed legislation would help reduce the administrative burdens associated with requiring the return of excess basic or additional member contributions and requiring a separate payment for any contribution deficits in such accounts (or the calculation of an actuarial reduction based on such deficits).

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

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 2026-87 dated May 14, 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.