# STATE OF NEW YORK

8178--A

2025-2026 Regular Sessions

# IN ASSEMBLY

May 5, 2025

Introduced by M. of A. FALL -- read once and referred to the Committee on Governmental Employees -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, in relation to increasing the mandatory retirement age for New York police department members

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

Section 1. Subdivision 15 of section 501 of the retirement and social security law, as added by chapter 890 of the laws of 1976, is amended to read as follows:

15. "Mandatory retirement age" shall mean age seventy, for general members, and age sixty-two, for police/fire members**, and age sixty-five, for police members who are subject to the provisions of this article on or after July first, two thousand twenty-five**.

§ 2. Subdivision d of section 503 of the retirement and social security law, as amended by section 2 of part SS of chapter 55 of the laws of 2025, is amended to read as follows:

d. The normal service retirement benefit specified in section five hundred five of this article shall be paid to police/fire members, New York city uniformed correction/sanitation revised plan members and investigator revised plan members without regard to age upon retirement after twenty-two years of service, except that the normal service retirement benefit specified in section five hundred five of this article shall be paid to police/fire members of the New York city police pension fund, after twenty years of service. Early service retirement shall be permitted upon retirement after twenty years of credited service or attainment of age sixty-two **or attainment of age sixty-five for police members who are subject to the provisions of this article on or after July first, two thousand twenty-five**, provided, however, that New York city police/fire revised plan members, New York city

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

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uniformed correction/sanitation revised plan members and investigator revised plan members shall not be eligible to retire for service prior to the attainment of twenty years of credited service.

§ 3. This act shall take effect immediately.

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

SUMMARY: This proposed legislation would raise the mandatory retirement age from 62 to 65 for certain Tier 3 members of the New York City Police Pension Fund (POLICE).

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

| Year | POLICE |
|---|---|
| 2026 | (4.7) |
| 2027 | (5.1) |
| 2028 | (5.5) |
| 2029 | (5.9) |
| 2030 | (6.3) |
| 2031 | (6.7) |
| 2032 | (7.0) |
| 2033 | (7.4) |
| 2034 | (7.7) |
| 2035 | (7.9) |
| 2036 | (8.2) |
| 2037 | (8.5) |
| 2038 | (8.7) |
| 2039 | (8.9) |
| 2040 | (9.1) |
| 2041 | (9.4) |
| 2042 | (7.7) |
| 2043 | (8.0) |
| 2044 | (8.3) |
| 2045 | (8.7) |
| 2046 | (9.1) |
| 2047 | (9.4) |
| 2048 | (9.7) |
| 2049 | (10.0) |
| 2050 | (10.4) |

Projected contributions include future new hires that may be impacted. For Fiscal Year 2051 and beyond, the expected decrease in normal cost as a level percent of pay for impacted new entrants is approximately 0.11%. This decrease in projected costs is due to potentially larger benefits paid later having a lower actuarial impact than marginally smaller benefits paid earlier.

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

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

INITIAL INCREASE (DECREASE) IN ACTUARIAL PRESENT VALUES
as of June 30, 2024 ($ in Millions)

| Present Value (PV) | POLICE |
|---|---|
| (1) PV of Employer Contributions: | (30.3) |
| (2) PV of Employee Contributions: | **0.6** |

Total PV of Benefits (1) + (2): (29.7)

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

| | POLICE |
|---|---|
| Increase (Decrease) in UAL: | (17.7) M |
| Number of Payments: | 16 |
| Amortization Payment: | (1.9) M |

CENSUS DATA: The estimates presented herein are based on preliminary census data collected as of June 30, 2024. The census data for the impacted population is summarized below.

| | POLICE |
|---|---|
| Active Members | |
| - Number Count: | 21,764 |
| - Average Age: | 33.2 |
| - Average Service: | 6.5 |
| - Average Salary: | 116,200 |

IMPACT ON MANDATORY RETIREMENT: Currently, active Tier 3 POLICE members who reach the age of 62 are generally required to retire, regardless of whether the member is eligible for Normal Service Retirement. Upon mandatory retirement, members can generally choose to collect a vested retirement benefit or, if eligible, an Early Service Retirement benefit. Members who retire without attaining 20 years of service are not eligible for Variable Supplements Fund (VSF) benefits.

Under the proposed legislation, members of POLICE who are subject to Article 14 on and after July 1, 2025, would be allowed to continue working past age 62 and would instead be generally required to retire upon attaining age 65.

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.

* For purposes of this Fiscal Note, existing assumption tables for service retirement, ordinary disability, accidental disability, ordinary death, and accidental death rates have been extended to account for decrements at ages 63 through 65.

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 2025-59 dated May 9, 2025 was prepared by the Chief Actuary for the New York City Retirement Systems and Pension Funds and is intended for use only during the 2025 Legislative Session.