STATE OF NEW YORK

8207--A

2025-2026 Regular Sessions

IN ASSEMBLY

May 5, 2025

Introduced by M. of A. PHEFFER AMATO -- read once and referred to the Committee on Governmental Employees -- recommitted to the Committee on Governmental Employees in accordance with Assembly Rule 3, sec. 2 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the retirement and social security law, the education law and the administrative code of the city of New York, in relation to providing cost-of-living adjustments

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

Section 1. Subdivision a of section 78-a of the retirement and social security law, as added by chapter 125 of the laws of 2000, is amended to read as follows:

a. [~~A~~] **Effective on the first day of September, two thousand twenty-six, a** cost-of-living adjustment shall be payable on the basis provided for in this section to: (i) all pensioners who have attained age [~~sixty-two~~] **fifty-five** and have been retired for five years; (ii) [~~all pensioners who have attained age fifty-five and have been retired for ten years; (iii)~~] all disability pensioners regardless of age who have been retired for five years; and [~~(iv)~~] **(iii)** all recipients of an accidental death benefit regardless of age who have been receiving such benefit for five years.

§ 2. Subdivision a of section 378-a of the retirement and social security law, as added by chapter 125 of the laws of 2000, is amended to read as follows:

a. [~~A~~] **Effective on the first day of September, two thousand twenty-six, a** cost-of-living adjustment shall be payable on the basis provided for in this section to: (i) all pensioners who have attained age [~~sixty-two~~] **fifty-five** and have been retired for five years; **and** (ii) [~~all pensioners who have attained age fifty-five and have been retired~~

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

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~~for ten years; and (iii)~~] all disability pensioners regardless of age who have been retired for five years.

§ 3. Subdivision a of section 532-a of the education law, as added by chapter 125 of the laws of 2000, is amended to read as follows:

a. [~~A~~] **Effective on the first day of September, two thousand twenty-six, a** cost-of-living adjustment shall be payable on the basis provided for in this section to: (i) all pensioners who have attained age [~~sixty-two~~] **fifty-five** and have been retired for five years; (ii) [~~all pensioners who have attained age fifty-five and have been retired for ten years; (iii)~~] all disability pensioners regardless of age who have been retired for five years; and [~~(iv)~~] **(iii)** all recipients of an accidental death benefit regardless of age who have been receiving such benefit for five years.

§ 4. Subdivision a of section 13-696 of the administrative code of the city of New York, as amended by chapter 288 of the laws of 2001, is amended to read as follows:

a. [~~A~~] **Effective on the first day of September, two thousand twenty-six, a** cost-of-living adjustment shall be payable to retired members of the New York city employees' retirement system, the New York city teachers' retirement system, the New York city police pension fund, the New York city fire department pension fund, the New York city board of education retirement system or the relief and pension fund of the department of street cleaning provided for in subchapter one of this chapter on the basis provided for in this section to: (i) all retired members who have attained age [~~sixty-two~~] **fifty-five** and have been retired for five years; (ii) [~~all retired members who have attained age fifty-five and have been retired for ten years; (iii)~~] all members who retired for disability regardless of age who have been retired for five years; and [~~(iv)~~] **(iii)** all recipients of an accidental death benefit regardless of age who have been receiving such benefit for five years.

§ 5. This act shall take effect immediately.

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

This bill would increase the cost-of-living adjustment (COLA) for New York public retirement systems. Starting with the September 2026 payment, COLA would be payable to pensioners who have attained age fifty-five and retired for at least 5 years.

Insofar as this bill affects the New York State and Local Employees' Retirement System (NYSLERS), this bill would increase the present value of benefits by approximately $346 million.

In NYSLERS, this benefit improvement will be funded by (1) billing a one-time charge to cover retrospective benefit increases and (2) increasing the billing rates charged annually to cover prospective benefit increases, as follows:

(1) To fund retrospective costs, the state of New York will be required to pay $263 million as of March 1, 2027.

(2) To fund prospective costs, the annual contribution required of all participating employers in NYSLERS would increase 0.04% of billable salary, or approximately $5.1 million to the state of New York and approximately $7.6 million to local participating employers. This permanent annual cost will vary in future billing cycles with changes in the billing rate and salary of the affected members.

Insofar as this bill affects the New York State and Local Police and Fire Retirement System (NYSLPFRS), the present value of benefits would increase approximately $116 million.

This proposal primarily benefits current and former members of Tiers 1 - 5. The cost of this benefit improvement will primarily be borne by current and future members of Tier 6.

NYSLPFRS	Increase in present value of benefits	Increase in required contributions
Pensioners	$54 mn	$0 mn
Actives Tiers 1-5 (Closed)	$36 mn	$39 mn
Actives Tier 6 (Open)	$26 mn	$77 mn
Total	$116 mn	$116 mn

In NYSLPFRS, this benefit improvement will be funded by increasing the billing rates charged annually. The annual contribution required of all participating employers in NYSLPFRS would increase by 0.2% of billable salary, or approximately $1.8 million to the state of New York and approximately $7.6 million to local participating employers. This permanent annual cost will vary in future billing cycles with changes in the billing rate and salary of the affected members.

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 January 5, 2026, and intended for use only during the 2026 Legislative Session, is Fiscal Note Number 2026-21. 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 #11216-03-5. This bill would amend subdivision a of Section 532-a of the Education Law to lower the required eligibility age for the cost-of-living adjustment (COLA) to all pensioners retired for service to age fifty-five with five years of retirement. The current COLA eligibility requirement for pensioners retired for service is age sixty-two with five years of retirement or age fifty-five with ten years of retirement. This benefit improvement would be effective September 1, 2026.

Cost:

The annual cost to the participating employers of the New York State Teachers' Retirement System is estimated to be $19.1 million or 0.09% of payroll if this bill is enacted.

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 presented 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, 2026-16, dated January 29, 2026, was prepared by the Office of the Actuary of the New York State TeachersÆ 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 accelerate eligibility for Cost-of-Living Adjustment (COLA) adjustments prior to age 62 for service and vested retirees of NYCRS.

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

Year	NYCERS	TRS	BERS	POLICE	FIRE	TOTAL
2027	49.0	42.2	0.7	52.5	4.5	148.9
2028	2.8	2.8	0.1	2.7	0.4	8.8
2029	2.8	2.7	0.1	2.7	0.4	8.7
2030	2.7	2.7	0.1	2.6	0.4	8.5
2031	2.7	2.6	0.1	2.6	0.4	8.4
2032	2.7	2.6	0.1	2.5	0.4	8.3
2033	2.7	2.5	0.1	2.5	0.4	8.2
2034	2.7	2.5	0.1	2.5	0.4	8.2
2035	2.7	2.4	0.1	2.4	0.4	8.0
2036	2.7	2.3	0.1	2.4	0.4	7.9
2037	2.7	2.3	0.1	2.4	0.4	7.9
2038	2.7	2.2	0.1	2.4	0.4	7.8
2039	1.0	2.1	0.1	0.5	0.4	4.1
2040	1.0	2.0	0.0	0.5	0.2	3.7
2041	1.0	0.8	0.0	0.5	0.2	2.5
2042	1.0	0.7	0.0	0.5	0.2	2.4
2043	1.0	0.6	0.0	0.5	0.2	2.3
2044	1.0	0.6	0.0	0.5	0.2	2.3
2045	1.0	0.5	0.0	0.5	0.2	2.2
2046	1.0	0.5	0.0	0.5	0.2	2.2
2047	1.0	0.4	0.0	0.5	0.2	2.1
2048	1.0	0.4	0.1	0.5	0.2	2.2
2049	1.0	0.4	0.1	0.5	0.2	2.2
2050	1.0	0.3	0.1	0.5	0.2	2.1
2051	0.9	0.3	0.1	0.5	0.2	2.0

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 0.0015% for NYCERS, 0.0006% for TRS, 0.0009% for BERS, 0.0035% for POLICE, and 0.0031% for FIRE.

The initial increase in employer contributions of $148.9 million is estimated to be $133.5 million for New York City and $15.4 million for the other obligors of NYCRS.

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	POLICE	FIRE
(1) PV of Employer Contributions:	64.1	58.2	1.2	65.4	7.0
(2) PV of Employee Contributions:	0.0	0.0	0.0	0.0	0.0
Total PV of Benefits (1) + (2):	64.1	58.2	1.2	65.4	7.0

UNFUNDED ACCRUED LIABILITY (UAL): Actuarial Accrued Liabilities are the portion of the Present Value of Benefits allocated to past service. Changes in UAL for active members were amortized over the expected remaining working lifetime of those impacted using level dollar payments. UAL attributable to inactive members was recognized in the first year.

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY

	NYCERS	TRS	BERS	POLICE	FIRE
Increase (Decrease) in UAL:	54.8 M	45.4 M	0.8 M	59.2 M	5.5 M
Number of Payments:	12	14	13	12	13
Amortization Payment:	1.7 M	1.2 M	0.0 M	1.9 M	0.2 M
Additional One-time Payment:	46.2 M	39.4 M	0.7 M	49.7 M	4.1 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	POLICE	FIRE
Active Members					
- Number Count:	182,611	129,814	46,890	33,950	11,178
- Average Age:	47.8	44.6	44.8	37.1	40.3
- Average Service:	11.6	12.4	5.4	10.6	13.1
- Average Salary:	95,900	104,500	44,000	134,100	141,300
Term. Vested Members					
- Number Count:	2,333	13,145	115	654	32
- Average Age:	41.8	46.9	46.4	42.1	43.8
Receiving Members					
- Number Count:	6,775	3,688	91	8,365	651
- Average Age:	56.8	58.4	58.7	54.4	54.8

IMPACT ON MEMBER BENEFITS: Currently, COLA is payable to service and vested retirees who have:

o attained age 62 and have been retired for five years, or

o attained age 55 and have been retired for 10 years.

Under this proposed legislation, effective September 1, 2026, the COLA would be payable to retirees who have attained age 55 and have been retired for five years.

The COLA for disability and death benefits is not affected by the proposed legislation.

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:

o 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 2026-78 dated May 5, 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.