STATE OF NEW YORK

7114--B

2025-2026 Regular Sessions

IN SENATE

April 1, 2025

Introduced by Sens. SCARCELLA-SPANTON, ASHBY, COONEY, GRIFFO, JACKSON, RHOADS, SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Civil Service and Pensions -- recommitted to the Committee on Civil Service and Pensions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- 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 obtaining military service credit for members of the New York state and local police and fire retirement system, the New York city police pension fund, and the New York city fire pension fund

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

Section 1. Subdivision 9 of section 1000 of the retirement and social security law, as amended by chapter 41 of the laws of 2016, is amended to read as follows:

9. **(a)** Anything to the contrary in subdivision three of this section notwithstanding, to obtain such credit, a member who first joins a public retirement system of the state on or after April first, two thousand twelve shall pay such retirement system, for deposit in the fund used to accumulate employer contributions, a sum equal to the product of the number of years of military service being claimed and six percent of such member's compensation earned during the twelve months of credited service immediately preceding the date that the member made application for credit pursuant to this section.

(b) Beginning with applications received by members of the New York state and local police and fire retirement system, the New York city police pension fund, and the New York city fire pension fund on and after April first, two thousand twenty-seven, for members who first become members of the New York state and local police and fire retire-

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

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ment system, the New York city police pension fund, and the New York city fire pension fund on or after April first, two thousand twelve, the sum required in paragraph (a) of this subdivision shall be equal to the product of the number of years of military service being claimed and three percent of such member's compensation earned during the twelve months of credited service immediately preceding the date the member made application pursuant to this section.

§ 2. This act shall take effect immediately.

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

This bill would decrease the payment required of Tier 6 members of the New York State and Local Police and Fire Retirement System (NYSLPFRS) when purchasing military service credit pursuant to Section 1000 of the retirement and social security law. For applications received on or after April 1, 2027, Tier 6 members would pay 3% of their last 12-months compensation for each year of military service credited. Currently, members must pay 6% of their compensation.

Insofar as this affects NYSLPFRS, employer costs would increase by 3% of all applicable members' compensation for each year of additional service credit that is purchased, or approximately $1,000,000 annually. This cost will be shared by the state and all local participating employers in NYSLPFRS and spread over future billing cycles.

This permanent annual cost will increase as Tier 6 membership and average salary grows.

The estimated annual dollar cost is based on years of service credit purchased annually by Tier 6 members in NYSLPFRS and an average annual salary of approximately $100,000 as of March 31, 2025. The exact number of current members as well as future members who could be affected by this legislation cannot be readily determined.

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 May 13, 2026, and intended for use only during the 2026 Legislative Session, is Fiscal Note Number 2026-211. 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.