§ 501. Definitions. The following words and phrases as used in this article shall have the following meanings unless a different meaning is plainly required by the context.

1. "Active service" shall mean service while being paid on the payroll of a participating employer.

2. "Cost-of-living index" shall mean the consumer price index (all items--United States city averages) published by the United States bureau of labor statistics.

3. "Credited service" shall mean all service which has been credited to a member pursuant to section five hundred thirteen or which was credited to such member in a public retirement system of the state before such member became subject to this article and which is allowable as previous service pursuant to section five hundred thirteen.

4. "Creditable service" is service which qualifies to be counted as credited service pursuant to section five hundred thirteen.

5. "Early retirement age" shall mean age fifty-five, for general members, and the age on which a member completes or would have completed twenty years of service, for police/fire members, New York city uniformed correction/sanitation revised plan members and investigator revised plan members.

6. "Elective member" shall mean a member who is not subject to the provisions of this article on a mandatory basis.

7. "Eligible beneficiary" for the purposes of section five hundred nine of this article shall mean the following persons or classes of persons in the order set forth: (a) a surviving spouse who has not renounced survivorship rights in a separation agreement, until remarriage, (b) surviving children until age twenty-five, (c) dependent parents, determined under regulations promulgated by the comptroller, (d) any other person who qualified as a dependent on the final federal income tax return of the member or the return filed in the year

immediately preceding the year of death, until such person reaches twenty-one years of age, (e) with respect to members of the New York city employees' retirement system (other than a New York city uniformed correction/sanitation revised plan member or an investigator revised plan member) and the board of education retirement system of the city of New York, a person whom the member shall have nominated in the form of a written designation, duly acknowledged and filed with the head of the retirement system for the purpose of section five hundred eight of this article. In the event that a class of eligible beneficiaries consists of more than one person, benefits shall be divided equally among the persons in such class. For the purposes of section five hundred eight of this article the term "eligible beneficiary" shall mean such person as the member shall have nominated to receive the benefits provided in this article. To be effective, such a nomination must be in the form of a written designation, duly acknowledged and filed with the head of the retirement system for this specific purpose. In the event such designated beneficiary does not survive the member, or if such member shall not have so designated a beneficiary, such benefits shall be payable to the deceased member's estate or as provided in section one thousand three hundred ten of the surrogate's court procedure act, (f) notwithstanding any other provisions of law, "eligible beneficiary" of a New York city uniformed sanitation revised plan member for the purposes of section five hundred nine of this article shall mean the following persons or classes of persons in the order set forth: (i) a surviving spouse who has not renounced survivorship rights in a separation agreement, (ii) surviving children until age twenty-five, (iii) dependent parents, determined under regulations promulgated by the comptroller and (iv) any other person who qualified as a dependent on the final federal income tax return of the member or the return filed in the year immediately preceding the year of death, until such person reaches twenty-one years of age, and (g) notwithstanding any other provisions of law, "eligible beneficiary" of a New York city police pension fund member for the purposes of section five hundred nine of this article shall mean the following persons or classes of persons in the order set forth: (i) a surviving spouse who has not renounced survivorship rights in a separation agreement, (ii) surviving children until age twenty-five, (iii) dependent parents, determined under

regulations promulgated by the comptroller, and (iv) any other person who qualified as a dependent on the final federal income tax return of the member or the return filed in the year immediately preceding the year of death, until such person reaches twenty-one years of age.

8. "Excess contributions" shall mean any contributions (and interest thereon) made by a member prior to becoming subject to this article which, if not withdrawn, would have been used to purchase an additional annuity at retirement had the member continued in the plan of which he was a member before becoming subject to this article.

9. "Federal social security program" shall mean the federal old age and survivor's assistance program under the federal social security act.

10. "Federal social security primary insurance amount" shall mean the primary insurance amount as defined in section 215 (a) (1) (A) of the federal social security act.

11. "Federal social security benefit computation period" shall mean a member's benefit computation years as determined pursuant to section 215 (b) of the federal social security act.

12. "General member" shall mean a member subject to the provisions of this article who is not a police/fire member, a New York city uniformed correction/sanitation revised plan member or an investigator revised plan member.

13. "Head of the retirement system" shall mean the comptroller, with respect to the state employees' retirement system and the state and local police and fire retirement system, and the retirement board of the other public retirement systems of the state.

14. "In service" shall mean any period during which a member is on the payroll of a public employer, in the service upon which membership is based, and any period during which the member was not on the payroll if he or she; (a) was on the payroll and paid within the previous twelve months, (b) had not been gainfully employed since ceasing to be on such

payroll, (c) had credit for at least one year of continuous service since last entering or reentering the service of the public employer and (d) was not eligible for or receiving a service retirement or disability benefit.

15. "Mandatory retirement age" shall mean age seventy, for general members, and age sixty-two, for police/fire members, and age sixty-five, for uniform members of the New York city police pension fund.

16. "Member" shall mean any person included in the membership of a public retirement system of this state as provided in section five hundred of this article.

17. "Normal retirement age" shall be age sixty-two, for general members, the age at which a member completes or would have completed twenty-two years of service, for police/fire members, New York city uniformed correction/sanitation revised plan members and investigator revised plan members; except that for police/fire members of the New York city police pension fund, normal retirement age shall be the age at which a member completes or would have completed twenty years of service, and the age at which a member completes twenty years of service for police/fire members who are members of the New York city fire department pension fund; and except that for New York city uniformed correction/sanitation revised plan members, normal retirement age shall be the age at which a member completes or would have completed twenty years of service.

18. "Participating employer" shall mean a public employer who is participating in a public retirement system of the state.

19. "Primary social security retirement benefit" shall mean the benefit payable to a covered employee, at age sixty-two or later, under the federal social security program, exclusive of any family benefits, calculated as provided in subdivision c of section five hundred eleven.

20. "Primary social security disability benefit" shall mean the benefit payable to a disabled covered employee under the federal social

security program, exclusive of any family benefits, calculated as provided in subdivision c of section five hundred eleven.

21. "Police/fire member" shall mean a member subject to the provisions of this article who, if employed in the same capacity on June thirtieth, nineteen hundred seventy-six, would have been eligible for membership in the New York state and local police and fire retirement system, the New York city police pension fund or the New York city fire department pension fund, or for participation in the uniformed transit police force plan or housing police force plan in the New York city employees' retirement system.

22. "Public employer" shall mean an employer who is eligible to participate in a public retirement system of the state.

23. "Public retirement system of the state" shall mean the New York state employees' retirement system, New York state and local police and fire retirement system, New York state teacher's retirement system, New York city employees' retirement system, New York city teacher's retirement system, New York city police pension fund, New York city fire department pension fund and the New York city board of education retirement system.

24. (a) "Wages" shall mean regular compensation earned by and paid to a member by a public employer, except that for members who first join the state and local employees' retirement system on or after January first, two thousand ten, overtime compensation paid in any year in excess of the overtime ceiling, as defined by this subdivision, shall not be included in the definition of wages.

(b) "Overtime compensation" shall mean, for purposes of this section, compensation paid under any law or policy under which employees are paid at a rate greater than their standard rate for additional hours worked beyond those required, including compensation paid under section one hundred thirty-four of the civil service law and section ninety of the general municipal law.

* (c)(i) The "overtime ceiling" shall mean fifteen thousand dollars per annum on January first, two thousand ten, and shall be increased by

three percent each year thereafter, provided, however, that for members who first become members of the New York state and local employees' retirement system on or after April first, two thousand twelve, "overtime ceiling" shall mean fifteen thousand dollars per annum on April first, two thousand twelve, and shall be increased each year thereafter by a percentage to be determined annually by reference to the consumer price index (all urban consumers, CPI-U, U.S. city average, all items, 1982-84=100), published by the United States bureau of labor statistics, for each applicable calendar year. Said percentage shall equal the annual inflation as determined from the increase in the consumer price index in the one year period ending on the December thirty-first preceding the overtime ceiling adjustment effective on the ensuing April first.

(ii) Commencing January first, two thousand eighteen, and each year thereafter, the overtime ceiling percentage shall be increased by an amount equal to the annual inflation as determined from the increase in the consumer price index in the one year period ending on the September thirtieth prior to the overtime ceiling adjustment effective on the ensuing January first.

* NB Effective until January 1, 2027

* (c) The "overtime ceiling" shall mean fifteen thousand dollars per annum on January first, two thousand ten, and shall be increased by three percent each year thereafter, provided, however, that:

(i) For members who first become members of the New York state and local employees' retirement system on or after April first, two thousand twelve, "overtime ceiling" shall mean fifteen thousand dollars per annum on April first, two thousand twelve, and shall be increased each year thereafter by a percentage to be determined annually by reference to the consumer price index (all urban consumers, CPI-U, U.S. city average, all items, 1982-84=100), published by the United States bureau of labor statistics, for each applicable calendar year. Said percentage shall equal the annual inflation as determined from the increase in the consumer price index in the one year period ending on the December thirty-first preceding the overtime ceiling adjustment effective on the ensuing April first.

(ii) Commencing January first, two thousand eighteen, and each year thereafter, the overtime ceiling percentage shall be increased by an

amount equal to the annual inflation as determined from the increase in the consumer price index in the one year period ending on the September thirtieth prior to the overtime ceiling adjustment effective on the ensuing January first.

(iii) Commencing January first, two thousand twenty-seven, for members who first become members of such system on or after January first, two thousand ten, the "over-time ceiling" shall mean thirty thousand dollars per annum and shall be increased by three percent each year thereafter.

* NB Effective January 1, 2027

(d) For the purpose of calculation a member's primary federal social security retirement or disability benefit, wages shall, in any calendar year, be limited to the portion of the member's wages which would be subject to tax under section three thousand one hundred twenty-one of the internal revenue code of nineteen hundred fifty-four, or any predecessor or successor provision relating thereto, if such member was employed by a private employer.

(e) For members who first become members of the New York state and local employees' retirement system on or after the effective date of chapter eighteen of the laws of two thousand twelve, the following items shall not be included in the definition of wages: (a) wages in excess of the annual salary paid to the governor pursuant to section three of article four of the state constitution, (b) lump sum payments for deferred compensation, sick leave, accumulated vacation or other credits for time not worked, (c) any form of termination pay, (d) any additional compensation paid in anticipation of retirement, and (e) in the case of employees who receive wages from three or more employers in a twelve month period, the wages paid by the third and each successive employer.

(f) For New York city enhanced plan members who receive the ordinary disability benefit provided for in subdivision c-1 of section five hundred six of this article or the accidental disability benefit provided for in paragraph three of subdivision c of section five hundred seven of this article, the following items shall not be included in the definition of wages: (a) lump sum payments for deferred compensation, sick leave, accumulated vacation or other credits for time not worked, (b) any form of termination pay, (c) any additional compensation paid in anticipation of retirement, and (d) in the case of employees who receive wages from three or more employers in a twelve month period, the wages

paid by the third and each successive employer.

25. "New York city uniformed correction/sanitation revised plan member" shall mean a member who becomes subject to the provisions of this article on or after April first, two thousand twelve, and who is a member of either the uniformed force of the New York city department of correction or the uniformed force of the New York city department of sanitation.

26. "New York city police/fire revised plan member" shall mean a police/fire member who becomes subject to the provisions of this article on or after April first, two thousand twelve, and who is a member of either the New York city police pension fund or the New York city fire department pension fund.

27. "Investigator revised plan member" shall mean an investigator member of the New York city employees' retirement system who is a police officer as defined in paragraph (g) of subdivision thirty-four of section 1.20 of the criminal procedure law, and who becomes subject to the provisions of this article on or after April first, two thousand twelve.

28. "New York city enhanced plan member" shall mean (a) a New York city police/fire revised plan member who becomes subject to the provisions of this article on or after June fifteenth, two thousand sixteen and who is a member of the New York city fire department pension fund, (b) a police/fire member who is a member of the New York city fire department pension fund and who makes an election, which shall be irrevocable and shall be duly executed and filed with the administrative head of such pension fund no later than one hundred twenty days after the effective date of this subdivision, to be subject to the provisions of this article related to New York city enhanced plan members, (c) a New York city police/fire revised plan member who became subject to the provisions of this article before June fifteenth, two thousand sixteen, who is a member of the New York city fire department pension fund, and who makes an election, which shall be irrevocable and shall be duly executed and filed with the administrative head of such pension fund no

later than one hundred twenty days after the effective date of this subdivision, to be subject to the provisions of this article related to New York city enhanced plan members, (d) a New York city police/fire revised plan member who becomes subject to the provisions of this article on or after April first, two thousand seventeen and who is a member of the New York city police pension fund, (e) a police/fire member who is a member of the New York city police pension fund and who makes an election, which shall be irrevocable and shall be duly executed and filed with the administrative head of such pension fund no later than one hundred twenty days after the effective date of the chapter of the laws of two thousand seventeen which amended this subdivision, to be subject to the provisions of this article related to New York city enhanced plan members, or (f) a New York city police/fire revised plan member who became subject to the provisions of this article before April first, two thousand seventeen, who is a member of the New York city police pension fund, and who makes an election, which shall be irrevocable and shall be duly executed and filed with the administrative head of such pension fund no later than one hundred twenty days after the effective date of the chapter of the laws of two thousand seventeen which amended this subdivision, to be subject to the provisions of this article related to New York city enhanced plan members.