§ 601. 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:

a. "Active service" shall mean service while being paid on the payroll of a participating employer provided, however, a leave of absence with pay may be deemed active service pursuant to rules and regulations adopted by a public retirement system of the state.

b. "Credited service" shall mean all service which has been credited to a member pursuant to section six hundred nine of this article.

c. "Creditable service" is service which qualifies to be counted as credited service pursuant to section six hundred nine of this article.

d. "Eligible beneficiary" for the purposes of section six hundred seven of this article shall mean the following persons or classes of persons in the order set forth:

1. A surviving spouse who has not renounced survivorship rights in a separation agreement, until remarriage;

2. Surviving children until age twenty-five;

3. Dependent parents, determined under regulations promulgated by the head of the retirement system;

4. 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. 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; and

5. With respect to members of the New York city employees' retirement system or the board of education employees' retirement system of the city of New York only, a person or persons 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 six hundred six of this article.

6. Notwithstanding any other provisions of law, "eligible beneficiary" of a New York city uniformed sanitation member shall mean the following persons or classes of persons in the order set forth: (i) a surviving spouse who has not renounced survivorship 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.

e. "Member" shall mean a member subject to the provisions of this article.

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

g. "Mandatory retirement age" shall mean age seventy.

h. "Normal retirement age" shall mean age sixty-two.

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

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

k. "Public retirement system of the state" shall mean the New York state employees' retirement system, New York state teachers' retirement system, New York city employees' retirement system (except with respect to members qualified for participation in the uniformed transit police force plan or housing police force plan), New York city teachers'

retirement system and the New York city board of education retirement system.

l. (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 New York state and local employees' retirement system or the New York state teachers' 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) The "overtime ceiling" shall mean fifteen thousand dollars per annum on January first, two thousand ten, and shall be increased by three per cent each year thereafter, provided, however, that:

(i) for members who first become members of a public retirement system of the state 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 a public retirement system of the state 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 of the New York state and local employees' retirement system or the New York state teachers' retirement system who first become members of such system on or after January first, two thousand ten and for the New York city revised plan members, "overtime 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 members who first join a public retirement system of the state on or after April first, two thousand twelve, the following items shall not be included in the definition of wages: 1. wages in excess of the annual salary paid to the governor pursuant to section three of article four of the state constitution, 2. lump sum payments for deferred compensation, sick leave, accumulated vacation or other credits for time not worked, 3. any form of termination pay, 4. any additional

compensation paid in anticipation of retirement, and 5. 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 additional employer.

m. "New York city revised plan member" shall mean a member of the New York city employees' retirement system, the New York city teachers' retirement system or the board of education retirement system of the city of New York who becomes subject to the provisions of this article on or after April first, two thousand twelve.