



22-Year Plan Fact Sheet

July 2016

A new law (Chapter 18 of the Laws of 2012) was enacted amending the retirement benefits of members of the uniformed force of the New York City Department of Correction (Uniformed Correction Force), members of the uniformed force of the New York City Department of Sanitation (Uniformed Sanitation Force), and investigator members employed in a District Attorney office (DA Investigators). Generally, anyone who becomes employed in one of these titles on or after April 1, 2012 and becomes a member in the New York City Employees' Retirement System will be a member of a new 22-Year Plan. In addition, anyone with a current NYCERS membership who becomes employed in one of these titles on or after April 1, 2012 will be a member of a new 22-Year Plan. This fact sheet provides answers to frequently asked questions about the obligations and benefits of this new 22-Year Plan. In the event of a conflict between the information provided in this fact sheet and any provision of Chapter 18 and/or applicable law, the provisions of Chapter 18 and/or applicable law shall govern.

I am employed in a covered title under the 22-Year Plan and am joining NYCERS on or after April 1, 2012. Can I elect any other plan?

No. Members of the Uniformed Correction Force, Uniformed Sanitation Force, and DA Investigators who become employed in those titles on or after April 1, 2012 will **not** have the option to join any other plan, unless they change titles and become eligible for the Tier 6 Basic Plan or a Tier 6 Special Plan.

If I was a member of a public retirement system in New York City or New York State before April 1, 2012 and that membership has been terminated, can I be reinstated to an earlier tier?

Yes, provided that you meet the eligibility requirements of the tier reinstatement law (Section 645 of the New York State Retirement and Social Security Law) which, among other things, requires that you repay any contributions refunded to you when your membership was terminated (if any) plus 5% compounded interest from the date of the refund to the date of payment.

How much do I have to contribute as a 22-Year Plan member and how long do I have to contribute?

22-Year Plan members are required to make contributions equal to 3% of gross wages until they attain 25 years of service or until they retire, except for DA Investigators who must contribute 3% of gross wages until they retire.

When can I retire and how is my retirement allowance calculated?

22-Year Plan Members who have 22 or more years of Credited Service are eligible to receive a Service Retirement Benefit without regard to age.

The Service Retirement Benefit payable upon accruing 22 years of Credited Service is 50% of Final Average Salary (FAS) minus 50% of the member's Primary Social Security Benefit commencing at age 62, which is determined by a formula based upon wages earned from a public employer from which Social Security deductions were taken.



What is Credited Service?

In general, Credited Service is service rendered while a NYCERS member, previous public service or military service that was purchased, and service transferred from another public retirement system in New York City or New York State to NYCERS.

How is my FAS calculated?

FAS is defined as the average of wages earned by a member during any five consecutive years which provide the highest average wage. However, wages earned during any year used in an FAS calculation cannot exceed the average of the previous four years by more than ten percent. Additionally, when the period used to compute FAS immediately precedes the date of retirement, any leaves of absence without pay shall not be included in the FAS calculation and an equal period of time shall be substituted in lieu of such leaves of absence.

What happens if I work more than 22 years?

The Service Retirement Benefit formula does not provide any additional benefit increments for service rendered beyond 22 years.

Can I retire for service before attaining 22 years of Credited Service?

Yes. 22-Year Plan members may retire with an Early Service Retirement Benefit after attaining at least 20 years of Credited Service. The Early Service Retirement Benefit is calculated as follows:

- 2.1% *times* FAS *times* years of Credited Service at the completion of 20 years of Credited Service; **plus**
- .33% *times* FAS *times* each month of service in excess of 20 years, but not more than 50% of FAS; **minus**
- 50% of the member's Primary Social Security Benefit commencing at age 62, which is determined by a formula based upon wages earned from a public employer from which Social Security deductions were taken.

What if I leave City service before I'm eligible to receive an Early Service Retirement Benefit?

22-Year Plan members who have at least five years of Credited Service may qualify for a Vested Retirement Benefit payable on the date they would have attained 20 years of Credited Service, calculated as follows:

- 2.1% *times* FAS *times* years of Credited Service; **minus**
- 50% of the member's Primary Social Security Benefit commencing at age 62, which is determined by a formula based upon wages earned from a public employer from which Social Security deductions were taken.

A 22-Year Plan member may elect to receive his/her Vested Retirement Benefit before the date he/she would have attained 20 years of Credited Service, but not earlier than age 55. In such case, the benefit will be reduced by 6.6% for each year, if any, that the member's early retirement age is in excess of age 60, and by 3.3% for each additional year by which the Vested Retirement Benefit commences prior to early retirement age (the date he/she would have attained 20 years of Credited Service).

Will I be eligible for any increases to my retirement benefit after I retire?

You may be eligible for Escalation on your Service Retirement Benefit, Early Service Retirement Benefit, or Vested Retirement Benefit. Escalation is a post-retirement increase (or decrease) to your retirement benefit based on the Consumer Price Index (CPI). If the payment of benefits commences on the Full Escalation Date, which is defined as the first day of the month following the date a 22-Year Plan member completes or would have completed 25 years of Credited Service, the Escalation is equal to the lesser of 3% or the increase in the CPI. In the event of a decrease in the CPI, the annual retirement benefit shall be decreased by the lesser of 3% or the amount of the decrease in the CPI.

Full Escalation Example:

Type of Retirement	Years of Service	Commencement of Benefit	Full Escalation?
Service	22	defer to 25th year	Yes
Early Service	20	defer to 25th year	Yes
Vested	15	defer to 25th year	Yes

If a 22-Year Plan member retires for service with 22 years of Credited Service or less, or separates from City service after attaining the minimum service requirement to vest, and elects to receive his/her benefit between the date he/she would have completed 22 years and one month of Credited Service and the Full Escalation Date, he/she will be eligible for Escalation. In such event, the benefit will be 2% of FAS minus 50% of the member’s Primary Social Security Benefit commencing at age 62. However, for each month that the benefit commences before the Full Escalation Date the Escalation is reduced by one thirty-sixth. No Escalation is provided when the commencement of benefits is more than three years prior to the Full Escalation Date.

Reduced Escalation/No Escalation Example:

Type of Retirement	Years of Service	Commencement of Benefit	Escalation?
Service	22	defer to 22 years, 8 mon.	Yes, reduced by 28/36
Early Service	20	defer to 23 years, 6 mon.	Yes, reduced by 18/36
Vested	15	defer to 24th year	Yes, reduced by 12/36

Type of Retirement	Years of Service	Commencement of Benefit	Escalation?
Service	22	Immediate	No
Early Service	20	Immediate	No
Vested	15	defer to 20th year	No

Are disability benefits and survivor benefits eligible for annual Escalation?

Yes, Escalation may be provided on Ordinary Disability Benefits, Accident Disability Benefits, and Accidental Death Benefits. The Full Escalation Date for these types of benefits is the first day of the month following the date a retiree or beneficiary becomes eligible for the disability or death benefit, respectively.

What happens if I am injured in the line of duty? Is there an accident disability benefit available?

Yes. If you are found to be disabled by the NYCERS Medical Board as the natural and proximate result of an accident not caused by your own willful negligence, you may qualify for an Accident Disability Benefit from NYCERS.

The benefit is calculated as follows:

- 50% of FAS; **minus**
- 50% of the member’s Primary Social Security Disability Benefit or Primary Social Security Benefit, whichever begins first;
- and**
- 100% of any Workers’ Compensation benefits payable.

22-Year Plan members are not eligible for an Accident/Performance of Duty Disability Benefit equal to three-quarters of FAS/ Final Compensation. Additionally, 22-Year Plan members are not eligible for any presumptive disability benefits equal to three-quarters of FAS/Final Compensation.

Am I covered under the same death benefits afforded to members who joined NYCERS before April 1, 2012?

22-Year Plan members who are employed in the Uniformed Correction Force and Uniformed Sanitation Force are covered under the same Ordinary Death Benefit (ODB) provisions as members in such titles who joined NYCERS before April 1, 2012. However, in the case of Accidental Death Benefits (ADB), persons they have designated as beneficiaries for the ODB are not eligible for the ADB unless they are defined by law as an Eligible Beneficiary (surviving spouse, child, etc.).

22-Year Plan members who are employed as DA Investigators are covered under ODB provisions which provide a death benefit equal to three times a member's salary if the member had more than 90 days of service at the time of his/her death. Post-Retirement Death Benefits are not available to the designated beneficiaries of such members. The change mentioned above regarding Eligible Beneficiaries for the ADB also applies to such DA Investigators.

Am I eligible for a pension loan as a 22-Year Plan member?

No, 22-Year Plan members cannot borrow against their contributions.

If I do not join NYCERS immediately after my employment, can I purchase (buy back) my pre-membership service and how much will it cost me?

You may purchase previous public service rendered anywhere in New York City or New York State. The cost is 3% of the wages earned during the period you are buying back, plus 5% interest compounded annually from the date of your previous service until the date of payment.

Am I eligible to buy back periods of child care leave without pay?

No. 22-Year Plan members are not eligible to purchase periods of child care leave without pay.

I served in the U.S. Military prior to my NYCERS membership. Can I purchase my military service?

Yes, if you meet the eligibility criteria specified in Article 20 of the New York State Retirement and Social Security Law (RSSL). The cost to purchase military service under Article 20 of the RSSL is 6% *times* the number of years of military service being purchased *times* the salary you earned during the 12 months prior to the date of your application. Interest is not factored into the cost.

