

Correction Officer 20-Year Retirement Plan



NYC EMPLOYEES'
RETIREMENT SYSTEM

Tier 3

May 2024

This brochure describes the benefits of the Correction Officer 20-Year Retirement Plan (CO-20 Plan). The CO-20 Plan is available **only** to NYCERS members employed by the NYC Department of Correction in a Correction Officer Title (COT) below the rank of Captain for the first time prior to October 19, 2004.

PARTICIPATION

Any Tier 3 member who was employed in a COT below the rank of Captain on December 19, 1990, had the option to participate in the CO-20 Plan by filing an election form with NYCERS by June 17, 1991. **This option has expired.**

Anyone who was a Tier 3 member prior to December 19, 1990 in a title other than a COT who subsequently became employed in a COT had an option to join the CO-20 Plan. To participate in this plan, the member must have filed an Election of 20-Year Retirement Program (CO-20), Form #165, within 180 days of becoming employed in a COT. **This election is irrevocable.**

Participation in the CO-20 Plan was MANDATORY for any person who became employed in a COT for the first time between December 19, 1990 and October 19, 2004.

Participants who cease to hold a COT will no longer be able to participate in the CO-20 Plan.

Participants who terminate service from a COT and return to a COT at a later date will again be required to participate in the CO-20 Plan.

CONTRIBUTIONS

Effective October 1, 2000, Tier 3 participants are required to contribute 3% of their pensionable gross wages until they attain 10 years of Credited Service or reach the tenth anniversary of their membership date – whichever is earlier. These contributions are referred to as Basic Member Contributions (BMCs) and they are held in the Member Contribution Accumulation Fund (MCAF).

As a member of the CO-20 Plan, participants are also required to contribute Additional Member Contributions (AMCs). The following chart specifies a member's AMC rate based on when they became employed in a COT and a NYCERS member.

First Employed in a COT and a NYCERS Member	Additional Member Contribution Rate
Prior to July 1, 1988	5.11%
After June 30, 1988	3.61%

AMCs must be paid on all pensionable gross wages earned for all service rendered in a COT on or after December 19, 1990 and are required for the first 20 years of service rendered in a COT.

AMCs are maintained in the Retirement Reserve Fund (RRF), which is an account maintained separately from the MCAF account. Both funds earn interest at a rate of 5%, compounded annually.

All contributions are Federal tax deferred, meaning that a member does not pay Federal taxes on the contributions, only New York State and local taxes. Contributions made while on Union leave are **not** Federal tax deferred.

Please note: If participants were previously enrolled in another special plan, AMCs may still be required under the previous plan(s).

DEFICITS

Failure to pay any of the required contributions will result in a deficit in either the Member Contribution Accumulation Fund (BMCs) or the Retirement Reserve Fund (AMCs). If the deficit is identified prior to retirement, NYCERS will certify payroll deductions (where applicable) and notify the member so they can resolve the deficit.

If a deficit exists in the RRF account at retirement, the deficit must be resolved before the participant may collect a Service Retirement Benefit.

If a deficit exists in the RRF account and a participant with enough service to vest in the CO-20 Plan is discontinuing City service, the deficit must be paid in order to receive the Vested Retirement Benefit specified in the CO-20 Plan.

LOANS

CO-20 Plan participants may borrow up to 75% of the BMCs held in the MCAF account. Participants may not borrow any portion of the AMCs held in the RRF account. Any loans taken are subject to the same terms and conditions applicable to Tier 3 members. Please consult the [Loans Brochure #911](#) for additional information.

CREDITED SERVICE VS. ALLOWABLE SERVICE

Credited Service

Credited Service includes most public service rendered in New York City or New York State. Credited Service includes: Membership Service, Transferred Service, all Purchased Service, Military Service, Union Leave Service, Part-time Service and Purchased Service for periods of Child Care Leave.

ONCE AN ELECTION TO PARTICIPATE IN THE CO-20 PLAN IS FILED WITH NYCERS IT MAY NOT BE REVOKED.



Allowable Correction Service

Allowable Correction Service is defined as service while employed in a COT and service rendered in another uniformed force (NYC Housing Police, NYC Transit Police, NYC Department of Sanitation, NYC Police Department or NYC Fire Department) immediately prior to your appointment to a COT, provided that such other uniformed service was credited by NYCERS or transferred from the NYC Police Pension Fund or NYC Fire Department Pension Fund.

Allowable Correction Service also includes certain Military Service, Union Leave Service and Purchased Service for periods of Child Care Leave and previous service in a COT.

Allowable Correction Service **does not** include other public service rendered in New York State or New York City, e.g., service rendered in a clerical position in another agency.

Participants who were mandated in the CO-20 Plan because they became employed in a COT and a NYCERS member after December 19, 1990, may retire under the CO-20 Plan with 20 years of **Allowable Correction Service**, regardless of age. **Only Allowable Correction Service can be used to qualify for Service retirement from the CO-20 plan for these participants.**

Non-mandated participants may retire under the CO-20 Plan with 20 years of **Credited Service** regardless of age.

CHILD CARE LEAVE

Participants in the CO-20 Plan may purchase up to one year of service credit for each instance of authorized child care leave* if they:

- Are in active service; AND
- Apply within 90 days of termination of the child care leave by filing an [Application to Purchase Service for Child Care Leave Form #246](#); AND
- Pay an amount equal to what their required contributions would have been during the child care leave, **plus** accrued interest.

* You can only receive up to one year of service for each period of authorized child care leave.

REFUNDS

Plan participants who have rendered less than 10 years of Credited Service and who leave City service may apply for a refund of BMCs, plus accrued interest, effectively terminating their membership. Members with between 5 and 10 years of Credited Service must also waive their right to a Vested Retirement Benefit. Refunds of BMCs are not possible for members with 10 or more years of Credited Service.

Participants who have rendered less than 15 years of service in a Correction Officer Title may withdraw their AMCs, plus

accrued interest if:

- They no longer hold a COT; OR
- They change titles to a non-COT title and remain in City service. In this case, after receiving the refund of AMCs, the participant will no longer be entitled to a benefit under the CO-20 Plan, but will be entitled to a benefit from their underlying plan (assuming service requirements have been met).

Refunds of AMCs are not possible for participants who have rendered 15 or more years of service in a COT, or for participants who die prior to October 19, 2004. A participant who is no longer employed as a Correction Officer and withdraws their AMCs (and earned interest), who later becomes a participant again, will be charged with a deficiency (including 5% per-annum statutory interest) calculated as if the AMCs had never been paid. Payment of a deficiency can be made in a lump-sum or through payroll deductions.

VESTED RETIREMENT

If a participant ends their employment with at least 5 (but less than 20) years of Service,** two years of which are Membership Service, they will be entitled to a Vested Retirement Benefit. The Vested Retirement Benefit is calculated using the following formula:

$$2.5\% \text{ times Final Average Salary (FAS) times Years of Service}^{**}$$

This benefit becomes payable on the date the participant would have completed 20 years of Service.**

SERVICE RETIREMENT

Participants in the CO-20 Plan are eligible to receive a Service Retirement Benefit upon attaining 20 years of Service,** regardless of age. The Service Retirement Benefit is calculated using the following formula:

$$50\% \text{ of FAS for the first 20 years of Service,}^{**} \text{ plus } 1 \frac{2}{3}\% \text{ times FAS times the number of years of Service,}^{**} \text{ in excess of 20, up to a maximum of 30 years.}$$

Note: Members who have purchased Military Service may not exceed the 30-year maximum benefit cap with such service.

FAS is defined as the greater of:

The average of wages earned during any three consecutive calendar years, **OR**

The average of wages earned during the 36 months immediately preceding your retirement date.

Note: Wages earned in any year used in the FAS computation cannot exceed more than 10% of the average of the previous two years.

The escalation of benefits provisions applicable to Tier 3 general members do not apply to CO-20 Plan participants.

** Refer to the section "Credited Service vs. Allowable Service" on pages 1 and 2 for definitions of service.

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RETIREMENT FROM UNDERLYING PLAN

Participants, in the CO-20 Plan, including vested members who have left City service, who do NOT meet the 20-year Allowable Service requirement to retire under the CO-20 Plan may retire under the CO-25 Plan (see the [Correction Officer 25-Year Retirement Plan Brochure #920](#)) or the Tier 3 62/5 Plan, as applicable, assuming service requirements have been met for the underlying plan.

DISABILITY RETIREMENT

Members in a Correction Officer Title who become physically or mentally incapacitated and can no longer perform the duties of their job title may apply for Disability Retirement Benefits. There are four separate disability provisions in the NYS Retirement and Social Security Law (RSSL) under which they may qualify. The chart below summarizes the qualifications and the benefits provided under each of these provisions. In addition, members in a Correction Officer Title are covered under certain special disability provisions described in the section Other Disability Benefits on page 4.

CORRECTION FORCE DISABILITY PROVISIONS AT-A-GLANCE

	Ordinary	Accidental	Dual Purpose Disability Statute	Performance-of-Duty (also see HAT Law, p. 4)
RSSL Section	506	507	507-a	507-c
What is the service requirement?	5 or more years of Credited Service	None	10 or more years of Credited Service. If less than 10 years, may qualify if injury is due to on-the-job accident.	None
How does the member qualify for disability?	Member qualifies if the Social Security Administration finds them to be disabled and awards Primary Social Security Disability Benefits.	Member qualifies if (i) the Social Security Administration finds the member disabled for the claimed body part, and (ii) the member is found by NYCERS to have been disabled as a result of an accidental injury that was sustained in the performance of their duties while a member of NYCERS, and such accident must not have been a result of the member's own willful negligence.	NYCERS' Medical Board determines that the member is physically or mentally unable to perform the duties of their job title. If the member has less than 10 years of service, the Medical Board must also determine if the injury was the natural and proximate result of an accident not caused by their own willful negligence.	NYCERS' Medical Board determines that the member is disabled as the natural and proximate result of injuries sustained in the performance of duties by an act of an inmate or any person confined under the jurisdiction of the Department of Correction or Department of Health.
How is the disability benefit calculated?	The greater of: 1/3 times Final Average Salary (FAS) OR 2% times FAS times Credited Service up to 30 years, reduced by 100% of any Workers' Compensation benefit and 50% of the Primary Social Security Disability Benefit	60% times FAS reduced by 100% of any Workers' Compensation benefit and 50% of the Primary Social Security Disability Benefit	The greater of: 1/3 times FAS OR 1 2/3% times FAS times Credited Service, OR The Service Retirement Benefit, if eligible for Service Retirement	75% times FAS, reduced by 100% of any Workers' Compensation benefit



OTHER DISABILITY BENEFITS

Heart Law (207o)

The Heart Law provides a presumption that a disease of the heart was incurred in the performance of duty. Members in a Correction Officer Title who are approved for disability under the Heart Law are entitled to a disability benefit equal to 75% of FAS minus 100% of the annual payment from the Workers' Compensation Board associated with the disease of the heart. This presumption may be rebutted by competent medical evidence.

Hepatitis, AIDS and Tuberculosis (HAT) Law (507c)

The HAT Law provides that a member in a Correction Officer Title who contracts HIV (where they may have been exposed to bodily fluids of an inmate or a person confined to an institution under the jurisdiction of the NYC Department of Correction or Department of Health) tuberculosis or hepatitis, will be presumed to have contracted such disease in the performance and discharge of duty. Members approved for disability under this law are entitled to a disability benefit equal to 75% of FAS minus 100% of the annual payment from the Workers' Compensation Board associated with the disease. The presumption may be rebutted by competent medical evidence.

World Trade Center Disability Law (507c)

The World Trade Center (WTC) Disability Law provides that NYCERS members, vested members or retirees (retired after 9/11/01) who Participated in WTC Rescue, Recovery, or Clean-up Operations during a Qualifying Period may be entitled to a presumption that any current or future disability caused by a Qualifying Condition or Impairment of Health arose from participation in such operations, unless the contrary is proven. A Notice of Participation must be filed no later than September 11, 2026. For more information, visit NYCERS' website at nycers.org and review the [WTC Disability Law Fact Sheet #703](#).

DEATH BENEFITS

In the event of a member's death prior to retirement, their beneficiary/beneficiaries may be entitled to a death benefit. There are two primary types of death benefits: Ordinary Death Benefit and Accidental Death Benefit.

The Ordinary Death Benefit is:

- Three times the member's salary, *plus*
- A refund of their BMCs, plus interest, *and*
- A refund of the member's AMCs, plus interest, if they have less than 15 years of service in a COT or if they die on or after October 19, 2004.

The Ordinary Death Benefit is payable only if the member was in City service for at least 90 days and was in active service at the time of their death.

The Accidental Death Benefit is an annual benefit of 50% of the member's wages during their last year of City service.

The Accidental Death Benefit is payable to an Eligible Beneficiary (defined in law in a priority order, not designated by you) if the member was in active service at the time of their death and their death was the result of an accidental injury sustained in the performance of duties

Heart Law-Accidental Death Benefit

Members in a Correction Officer Title who die from a disease of the heart may be entitled to a presumption that the disease was incurred in the performance of duty, unless the contrary is proven by competent medical evidence. Their Eligible Beneficiary/Beneficiaries would be entitled to the Accidental Death Benefit and Special Accidental Death Benefit (described below) which are paid in accordance with the relevant statutes that govern such benefits.

World Trade Center Law-Accidental Death Benefit

The World Trade Center (WTC) Law provides that deceased NYCERS members, vested members or retirees (retired after 9/11/01) who Participated in WTC Rescue, Recovery, or Clean-up Operations during a Qualifying Period may be entitled to a presumption that their death was caused by a Qualifying Condition or Impairment of Health which arose from participation in such operations, unless the contrary is proven. A Notice of Participation must be filed no later than September 11, 2026. For more information, visit NYCERS' website at nycers.org and review the [WTC Disability Law Fact Sheet #703](#).

SPECIAL ACCIDENTAL DEATH BENEFIT

A Special Accidental Death Benefit is a supplemental monthly payment in addition to the Accidental Death Benefit of 50% of Wages. The effect of this benefit is to continue paying the equivalent of the decedent's salary including earned overtime, night differential, longevity payments and any other type of pensionable earnings, where applicable.

If the member was in a Correction Officer Title and died of injuries sustained in the line of duty as the natural and proximate result of an accident, not caused by their own willful negligence, or while in military service, the benefit is paid to:

- The widow/widower: OR
- The children of the deceased (under 18 years of age or under the age of 23 if a student) **if** the widow/widower is deceased.

The Special Accidental Death Benefit is generally increased annually by a percentage determined on the basis of the Consumer Price Index (CPI). The maximum potential benefit will be reduced by the basic amount of any Social Security survivors' benefit and Workers' Compensation award.

