



# Correction Captain 20-Year Retirement Plan

TIER 3

MAY 2019

This brochure describes the benefits of the 20-Year Retirement Plan for Correction Officers of the rank of Captain or above (CC-20 Plan). The CC-20 Plan is available ONLY to NYCERS members of the rank of Captain or above who became employed by the NYC Department of Correction in a Correction Officer Title (COT) for the first time prior to October 19, 2004.

## PARTICIPATION

Any Tier 3 member of NYCERS who was employed in a COT of the rank of Captain or above on August 4, 1993 had the option to participate in the CC-20 Plan by filing an election form with NYCERS by November 3, 1993. THIS OPTION HAS EXPIRED.

Anyone who was a Tier 3 member of NYCERS prior to August 4, 1993 and who subsequently becomes employed in a COT of the rank of Captain or above has an option to participate in the CC-20 Plan. An election form to participate in this plan (Form #166) must be filed within 90 days of becoming employed in a COT in the rank of Captain or above.

Participation in the CC-20 Plan is MANDATORY for any person who became a NYC Correction Officer of the rank of Captain or above AND a Tier 3 member of NYCERS after August 4, 1993 but before October 19, 2004.

Participants who cease to hold a COT of the rank of Captain or above will no longer be able to participate in the CC-20 Plan.

Participants who terminate service from a COT of the rank of Captain or above and return to the same title at a later date will again be required to participate in the CC-20 Plan.

## CONTRIBUTIONS

As a Tier 3 member, you are required to contribute 3% of your gross wages until the earlier of attaining 10 years of Credited Service or reaching your tenth anniversary of membership. 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 CC-20 Plan, you are also required to contribute Additional Member Contributions (AMCs) as follows:

- ▶ 5.11% of gross wages for all service rendered in a COT on or after December 19, 1990 until the present day

**Except** for CC-20 members who were members of the Correction Officer 20-Year Retirement Plan (CO-20 Plan):

- on October 19, 2004; and
- paid an AMC rate of 3.61%; and
- were promoted to the rank of Captain or above on or after October 19, 2004, who are required to pay:
  - ▶ 3.61% of gross wages for all service rendered in a COT on or after December 19, 1990 to their date of appointment as a Correction Officer of the rank of Captain or above, and 5.11% thereafter.

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

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.

## DEFICITS

Failure to pay any of the BMCs or AMCs will result in a deficit. If a deficit is identified prior to retirement, steps will be taken to resolve the deficit.

In the event of an unresolved deficit at retirement in the MCAF account (BMCs) or the RRF account (AMCs), an actuarial reduction will be applied to the pension benefit.

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

\*REFER TO SECTION LABELED "RETIREMENT ELIGIBILITY" TO SEE IF YOU ARE SUBJECT TO CREDITED SERVICE OR ALLOWABLE SERVICE

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## LOANS

CC-20 Plan participants have the ability to borrow up to 75% of the BMCs held in the MCAF account but may not borrow any portion of the AMC's held in the RRF account. Any loans taken are subject to the same terms and conditions applicable to Tier 4 members. Please consult the Tier 4 62/5 Summary Plan Description (SPD) booklet or Brochure #911 for additional information.

## RETIREMENT ELIGIBILITY

Participants in the CC-20 Plan who were Tier 3 members in either any City position or in a COT below the rank of Captain on December 19, 1990 may retire under the CC-20 Plan with 20 years of *Credited Service*.

Participants in the CC-20 Plan who were hired in a COT below the rank of Captain after December 19, 1990, may retire under the CC-20 Plan with 20 years of *Allowable Correction Service*.

### Credited Service

Credited Service counts most public service rendered in New York City or New York State towards calculating your retirement benefit. 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.

### Allowable Correction Service

Allowable Correction Service is defined as service while employed in a Correction Officer Title (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.

Allowable Correction Service also includes certain Military Service, Union Leave Service and Purchased Service for periods of Child Care Leave and up to 6 months of 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. This is significant because only Allowable Service can be used to qualify for service retirement.

## CHILD CARE LEAVE

Participants in the CC-20 Plan may purchase up to one year of service credit for each instance of authorized child care leave.

In order to purchase credit for a child care leave of absence you

must be in active service and:

- Apply within 90 days of termination of the child care leave by filing Form #246; AND
- Pay an amount equal to what your required contributions would have been during the child care leave, plus accrued interest.

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

## VESTED RETIREMENT BENEFIT

If you end your employment with at least five (but less than 20) years of Service\*, two of which are Membership Service, you will be entitled to a Vested Retirement Benefit. The Vested Retirement Benefit is calculated using the following formula:

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

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

## DISABILITY RETIREMENT

Members in a COT 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 on page 3 of this brochure summarizes the qualifications and the benefits provided under each of these provisions. In addition, members in a COT are covered under certain special disability provisions described under the following section labeled Special Disability Benefits.

## SPECIAL DISABILITY BENEFITS

### Heart Law

The Heart Law provides a presumption that a disease of the heart was incurred in the performance of duty. Members in a COT 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

The HAT Law provides that a member in a COT who contracts HIV (where he or she 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 presump-

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# CORRECTION FORCE DISABILITY PROVISIONS AT-A-GLANCE

	Ordinary	Accidental	Special Disability	Performance-of-Duty
<b>RSSL Section</b>	506	507	507-a	507-c
<b>What is the service requirement?</b>	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
<b>How does the member qualify for disability?</b>	Member qualifies if found to be disabled by the Social Security Administration and has been awarded Primary Social Security Disability Benefits.	Member qualifies if found to be disabled by the Social Security Administration as the natural and proximate result of an accident sustained in active service and the accident was not the result of the member's own willful negligence.	Member is physically or mentally unable to perform the duties of his or her job title as determined by NYCERS' Medical Board. 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 his/her own willful negligence.	Member is found to be disabled by NYCERS' Medical Board 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.
<b>How is the disability benefit calculated?</b>	One-third of Final Average Salary (FAS) <b>OR</b> 2% <i>times</i> FAS <i>times</i> Credited Service up to 30 years, reduced by 100% of any Workers' Compensation benefit and 50% of the Primary Social Security Disability Benefit.	60% <i>times</i> FAS reduced by 100% of any Workers' Compensation benefit and 50% of the Primary Social Security Disability Benefit.	One-third of FAS <b>OR</b> 1.67% <i>times</i> FAS <i>times</i> Credited Service, <b>OR</b> if eligible to retire for service, the service retirement benefit if greater than the aforementioned calculations.	75% <i>times</i> FAS reduced by 100% of any Workers' Compensation benefit.

tion may be rebutted by competent medical evidence.

## World Trade Center Disability Law

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, 2022. Please consult the WTC Disability Law Fact Sheet for additional information.

## SERVICE RETIREMENT

Participants in the CC-20 Plan are eligible to receive a Service Retirement Benefit upon attaining 20 or more years of Service\*. The Service Retirement Benefit is calculated using the following formula:

50% of FAS for the first 20 years of Service\*, **plus**

1.67% *times* FAS *times* for each year of Service\*  
in excess of 20 up to a maximum of 30 years of Service\*

FAS is defined as the greater of:

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

\*REFER TO SECTION LABELED "RETIREMENT ELIGIBILITY" TO SEE IF YOU ARE SUBJECT TO CREDITED SERVICE OR ALLOWABLE SERVICE

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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 CC-20 participants.

## 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 five and ten 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 cease to hold a COT for any reason whatsoever and who have rendered less than 15 years of Service\* in a COT have the option of withdrawing their AMCs, plus accrued interest. AMCs may also be withdrawn if a participant with less than 15 years of Allowable Service in a COT changes titles to a non-COT and remains in City service. In this case, after receiving the refund of AMCs, such participant will no longer be entitled to a benefit under the CC-20 Plan, but will be entitled to a benefit from his or her underlying plan (assuming service requirements have been met). Refunds of AMCs are not possible for participants with 15 or more years of Service\* rendered in a COT, except in cases of death of such participants.

## DEATH BENEFITS

In the event of your death prior to retirement, your beneficiary(ies) 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 your salary, *plus*
- A refund of your BMCs, plus interest, *and*
- A refund of your AMCs, plus interest.

The Ordinary Death Benefit is payable only if you were in City service for at least 90 days and you were in active service at the time of your death.

The Accidental Death Benefit is an annual benefit of 50% of your wages during your 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 you were in active service at the time of your death and your death was the result of an accidental injury sustained in the performance of duties.

### Heart Law - Accidental Death Benefit

Members in a COT 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. Your Eligible Beneficiary(ies) would be entitled to the Accidental Death Benefit and Special Accidental Death Benefit which are paid in accordance with the relevant statutes(s) 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, 2022. Please visit our website and consult the WTC Disability Law Fact Sheet for additional information.

## SPECIAL ACCIDENTAL DEATH BENEFIT

The Special Accidental Death Benefit will be paid to the widow or widower, or to the child under the age of 18 or under the age of 23 if a student, of a member in a COT who has died of injuries sustained in the line of duty as the natural and proximate result of an accident, not caused by his or her own willful negligence.

The Special Accidental Death Benefit is a supplemental monthly payment in addition to the Accidental Death Benefit of 50% of Wages. The effect of the Special Accidental Death 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. 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.

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