

Correction Officer 25-Year Retirement Plan

Tier 3



NYC EMPLOYEES'
RETIREMENT SYSTEM

May 2024

This brochure describes the benefits of the Correction Officer 25-Year Retirement Plan (CO-25 Plan). The CO-25 Plan is available ONLY to members of the uniformed force of the NYC Department of Correction who became Tier 3 NYCERS members before December 19, 1990 (the start date of the Correction Officer 20-Year 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).

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 the Basic Member Contributions (BMCs). 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 there is a deficit at retirement, an actuarial reduction (a lifetime reduction to your pension based on your deficit amount) can be applied to resolve the deficit.

LOANS

CO-25 Plan participants have the ability to borrow up to 75% of the BMCs held in the MCAF 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

Below is a listing of the different types of Credited Service, followed by a brief explanation of each.

Membership Service – Paid full-time or part-time service on the payroll of a Participating Employer rendered after joining NYCERS, including certain military service. Transferred Service also counts as Membership Service for purposes of establishing eligibility and calculating benefits.

Transferred Service – Service credited while a member of another public employee retirement system in New York City or New York State which has not been terminated and which is transferred to NYCERS.

Purchased Service (Buy-Back) – Previous full-time or part-time public service rendered in the employ of a public entity anywhere in New York City or New York State that has been fully paid for and credited (also see the following section on Child Care Leave).

Membership Reinstatement – Service credited after the restoration of a previous membership in a public employee retirement system in New York City or New York State which had been terminated.

Military Service – Service rendered in active military duty which has been purchased pursuant to Federal or state law.

Union Leave Service – Service rendered while on an authorized leave of absence without pay to conduct labor relations activity on behalf of a public employee union.

Part-Time Service – Service (Membership, Purchased and/or Transferred) equal to less than 1,827 hours in a calendar year.

CHILD CARE LEAVE

Participants in the CO-25 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 the 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

CO-25 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.



VESTED RETIREMENT

If a participant ends their employment with at least five years of Credited Service, two of which are Membership Service, they are entitled to a Vested Retirement Benefit. The Vested Retirement Benefit is payable at age 62 and is calculated using the following formula:

For members with less than 20 years of Credited Service:

- ▶ 1 2/3% times Final Average Salary (FAS) times years of Credited Service

For members with 20 or more years of Credited Service:

- ▶ 2% times FAS times years of Credited Service

Vested CO-25 Plan members may elect to receive their Vested Retirement Benefit in the form of an Early Service Retirement Benefit, which is payable as early as age 55 and results in a permanent reduction in your retirement benefit.

The following table shows the percentage reduction for various ages:

Age Payment Begins	Percentage of Benefit Reduction
61	6.7%
60	13.3%
59	16.7%
58	20.0%
57	23.3%
56	26.7%
55	30.0%

PLEASE NOTE: The percentages shown in the table assume retirement at exact ages for illustration purposes. Retirement between ages will be calculated on a prorated basis per month.

SERVICE RETIREMENT

Participants in the CO-25 Plan are eligible to receive a Service Retirement Benefit upon attaining 25 years of Credited Service without regard to age.

The Service Retirement Benefit is 50% of FAS (the benefit cannot exceed this amount).

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.

RETIREMENT FROM UNDERLYING PLAN

Participants in the CO-20, CC-20, or CF-20 Plans who are not eligible for service retirement under these special plans may retire under CO-25, assuming service requirements have been met for the underlying plan.

DISABILITY RETIREMENT

Members of the uniformed force of the NYC Department of Correction 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 summarizes the qualifications and the benefits provided under each of these provisions. In addition, such members are covered under certain disability provisions described in the following section Other Disability Benefits.

OTHER DISABILITY BENEFITS

Heart Law (207o)

The Heart Law provides a presumption to members of the uniformed force of the NYC Department of Correction that a disease of the heart was incurred in the performance of duty. Members of the uniformed force of the NYC Department of Correction 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 of the uniformed force of the NYC Department of Correction 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](#).

CORRECTION FORCE DISABILITY PROVISIONS AT-A-GLANCE

	Ordinary	Accidental	Dual Purpose Disability Statute	Performance-of-Duty (also see HAT Law, p. 2)
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



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: an Ordinary Death Benefit and an 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.

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 pension 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 accident sustained in the performance of duties.

Heart Law-Accidental Death Benefit

Members of the uniformed force of the NYC Department of Correction 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 on the next column) 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 the uniformed force of the NYC Department of Correction 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.

