

STATE OF NEW YORK

4554--A

2025-2026 Regular Sessions

IN SENATE

February 6, 2025

Introduced by Sens. SCARCELLA-SPANTON, ADDABBO, HARCKHAM, JACKSON, MAYER, PERSAUD, SKOUFIS -- read twice and ordered printed, and when printed to be committed to the Committee on Cities 1 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the administrative code of the city of New York, in relation to the verification of participation in the rescue, recovery, and clean-up operations at the site of the World Trade Center terror attacks on September 11, 2001

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 2 of section 13-252.1 of the administrative
2 code of the city of New York, as amended by chapter 489 of the laws of
3 2013, is amended to read as follows:
4 2. (a) Notwithstanding the provisions of this chapter or of any gener-
5 al, special or local law, charter, administrative code or rule or regu-
6 lation to the contrary, if a member who [participated] filed a timely
7 notice of participation in World Trade Center rescue, recovery or clean-
8 up operations as defined in section two of the retirement and social
9 security law[, and] subsequently retired [on a service retirement, an
10 ordinary disability retirement, an accidental disability retirement, a
11 performance of duty disability retirement, or was separated from service
12 with a vested right to deferred payability of a retirement allowance]
13 and subsequent to such retirement or separation is determined by the
14 [NYCPPF] police pension fund board of trustees to have a qualifying
15 World Trade Center condition, as defined in section two of the retire-
16 ment and social security law, upon such determination by the [NYCPPF]
17 police pension fund board of trustees, it shall be presumed that such
18 disability was incurred in the performance and discharge of duty as the
19 natural and proximate result of an accident not caused by such member's
20 own willful negligence, and that the member would have been physically

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [] is old law to be omitted.

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1 or mentally incapacitated for the performance and discharge of duty of
 2 the position from which [he or she] the member retired or vested had the
 3 condition been known and fully developed at the time of the member's
 4 retirement or separation from service with vested rights, unless the
 5 contrary is proven by competent evidence.

6 (b) The [NYCPPF] police pension fund board of trustees shall consider
 7 a reclassification of the member's retirement or vesting as an acci-
 8 dental disability retirement effective as of the date of such reclassi-
 9 fication.

10 (c) Such member's retirement option shall not be changed as a result
 11 of such reclassification.

12 (d) [The member's former employer at the time of the member's retire-
 13 ment shall have an opportunity to be heard on the member's application
 14 for reclassification by the NYCPPF board of trustees according to proce-
 15 dures developed by the NYCPPF board of trustees] Notwithstanding the
 16 provisions of any general, special or local law, or administrative code
 17 to the contrary, but except for the purposes of determining eligibility
 18 for World Trade Center benefits, it shall be considered presumptive
 19 evidence that upon the timely filing of a fully sworn notice of partici-
 20 ipation, such member shall have a qualifying World Trade Center condi-
 21 tion, as defined by subdivision thirty-six of section two of the retire-
 22 ment and social security law, unless the contrary be proved by competent
 23 evidence and adopted by a quorum of the board of trustees.

24 (e) The [NYCPPF] police pension fund board of trustees is hereby
 25 authorized to promulgate rules and regulations to implement the
 26 provisions of this paragraph.

27 § 2. This act shall take effect immediately.

FISCAL NOTE.--Pursuant to Legislative Law, Section 50:

SUMMARY: This proposed legislation would eliminate the existing World Trade Center (WTC) verification requirement for Tier 1 and Tier 2 POLICE members and provide eligibility for WTC benefits to all members who timely file a Notice of Participation.

ILLUSTRATION - COST DUE TO INCIDENCE OF UNVERIFIABLE
 WTC APPROVAL INCREASE (DECREASE) IN
 EMPLOYER CONTRIBUTIONS
 by Fiscal Year for the first 25 years (\$ in Thousands)

Year	One Incident		One Incident Per Year	
	Disability	Death	Disability	Death
2026	71	272	71	272
2027	71	272	141	543
2028	71	272	212	815
2029	71	272	283	1,087
2030	71	272	354	1,359
2031	71	272	424	1,630
2032	71	272	495	1,902
2033	71	272	566	2,174
2034	71	272	636	2,445
2035	71	272	707	2,717
2036	71	272	778	2,989
2037	71	272	849	3,260
2038	71	272	919	3,532
2039	71	272	990	3,804
2040	0	0	990	3,804

2041	0	0	990	3,804
2042	0	0	990	3,804
2043	0	0	990	3,804
2044	0	0	990	3,804
2045	0	0	990	3,804
2046	0	0	990	3,804
2047	0	0	990	3,804
2048	0	0	990	3,804
2049	0	0	990	3,804
2050	0	0	990	3,804

Employer contribution impact beyond Fiscal Year 2050 is not shown.
 Costs could vary greatly depending on
 the number of future members who benefit
 and on their length of service, age, and salary history.

The potential increases in employer contributions will be allocated to New York City.

PRESENT VALUE OF BENEFITS: The Present Value of Benefits is the discounted expected value of benefits paid to current members if all assumptions are met, including future service accrual and pay increases. Future new hires are not included in this present value.

INITIAL INCREASE (DECREASE) IN ACTUARIAL PRESENT VALUES
 as of June 30, 2024 (\$ in Thousands)

Present Value (PV)	Per Disability	Per Death
(1) PV of Employer Contributions:	598	2,297
(2) PV of Employee Contributions:	<u>0</u>	<u>0</u>
Total PV of Benefits (1) + (2):	598	2,297

UNFUNDED ACCRUED LIABILITY (UAL): Actuarial Accrued Liabilities are the portion of the Present Value of Benefits allocated to past service. Changes in UAL per incident would be recognized as ongoing gain/loss.

AMORTIZATION OF UNFUNDED ACCRUED LIABILITY

Recognized as Ongoing Gain/Loss	Per Disability	Per Death
Increase (Decrease) in UAL:	598 K	2,297 K
Number of Payments:	14	14
Amortization Payment:	71 K	272 K

CENSUS DATA: The number of members who will benefit in the future from the verification removal provided in this proposed legislation is unknown. Of the 31,945 Notices of Participation submitted to POLICE, only 1,940 have been verified so far. There are currently approximately 50 known cases where WTC disability benefits were approved medically, but did not meet WTC verification requirements.

The estimates presented herein are based on preliminary census data collected as of June 30, 2024. The census data for the population used to develop the average costs is summarized below.

	POLICE
Active Members	
- Number Count:	1,760

- Average Age:	52.6
- Average Service:	27.5
- Average Salary:	185,600
Receiving Members (within 25 years of retirement)	
- Number Count:	23,277
- Average Age:	55.1

IMPACT ON MEMBER BENEFITS: Currently, Tier 1 and Tier 2 New York City Police Pension Fund (POLICE) members who file a WTC Notice of Participation must also provide information about their participation in WTC rescue, recovery or clean-up operations, which is reviewed and verified, before becoming eligible for WTC benefits.

Under the proposed legislation, the verification process would no longer be required. Instead, all members who filed a timely WTC Notice of Participation, irrespective of duties performed during the applicable period, would be granted a presumption that they have met the requirements of WTC participation.

For purposes of this Fiscal Note, an incident represents a member whose WTC participation would be unverifiable and therefore benefits from this proposed legislation upon disability or death.

The current deadline to file a WTC Notice of Participation is September 11, 2026. Additional costs for future members who may file a Notice of Participation if this proposed legislation were to be passed are not included in this Fiscal Note.

The right of a vested member to file for WTC disability benefits may be inadvertently deleted from the law and would, under the proposed legislation, require retirement as eligibility for WTC benefits. This may warrant consideration under the New York State Constitution.

ASSUMPTIONS AND METHODS: The estimates presented herein have been calculated based on the Revised 2021 Actuarial Assumptions and Methods of the impacted retirement systems.

The cost of this proposed legislation could vary greatly depending on the number of future members who benefit and on their length of service, age, and salary history. The estimated financial impact for active members who become disabled has been calculated assuming 50% would have retired under an ordinary disability benefit, and 50% would have continued working if the proposed legislation were not passed.

RISK AND UNCERTAINTY: The costs presented in this Fiscal Note depend highly on the actuarial assumptions, methods, and models used, demographics of the impacted population, and other factors such as investment, contribution, and other risks. If actual experience deviates from actuarial assumptions, the actual costs could differ from those presented herein. Quantifying these risks is beyond the scope of this Fiscal Note.

This Fiscal Note is intended to measure pension-related impacts and does not include other potential costs (e.g., administrative and Other Postemployment Benefits). This Fiscal Note does not reflect any chapter laws that may have been enacted during the current legislative session.

STATEMENT OF ACTUARIAL OPINION: Marek Tyszkiewicz and Gregory Zelikovsky are members of the Society of Actuaries and the American Academy of Actuaries. We are members of NYCERS, but do not believe it impairs our objectivity, and we meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein. To the best of our knowledge, the results contained herein have been prepared in accordance with generally accepted actuarial principles and

procedures and with the Actuarial Standards of Practice issued by the Actuarial Standards Board.

FISCAL NOTE IDENTIFICATION: This Fiscal Note 2025-40 dated April 7, 2025 was prepared by the Chief Actuary for the New York City Retirement Systems and Pension Funds and is intended for use only during the 2025 Legislative Session.