



Citizens Budget Commission

Two Penn Plaza

T 212.279.2605

Fifth Floor

F 212.868.4745

New York, NY 10121

[www.cbcny.org](http://www.cbcny.org)

540 Broadway, Fifth Floor

Albany, NY 12207

Dear Governor Cuomo,

I am writing on behalf of the Citizens Budget Commission to recommend you veto 10 bills passed by the legislature that are expensive enhancements to government employee and retiree benefits. These vetoes are necessary in order to preserve the fiscal restraint that you have sought over the last five and a half years.

The proposed benefit expansions enrich early retirement plans, improve disability benefits, and provide other enhancements. Several of these bills were passed without a fiscal note.

### Enrich Early Retirement Plans

- A9702/S7023 would eliminate required employee contributions in the New York State Retirement System and the Local Police and Fire Retirement System for current early retirement plans, shifting costs equal to 6.6 percent of salaries from employees to state and local taxpayers.
- A6612b/S4001b would allow counties to offer correction officers and deputy sheriffs a pension equal to 50 percent of salary after 20 years of service regardless of their age. While current pension plans vary among counties, most now offer a 25-year plan with a pension equal to 50 percent of salary or a plan requiring 20 years of service and an age of at least 62 for a pension equal to 40 percent of salary. The enriched benefits in this bill would cost counties as much as 7 percent of salaries depending on the plan currently offered.
- A9440/S6936 would allow State Court peace officers to retire after 30 years of service if they are at least 55 years old without a diminution of pension benefits and would cost the State \$100,000 in the first year. Currently, peace officers have to reach age 62 or be subject to a decrease in benefits depending on the tier in which they are enrolled.

### Improve Disability Benefits

- A5133c/S1000d would increase payments for total disability benefits to \$600 from \$400 per week for volunteer firefighters and ambulance drivers.
- A7146a/S5012a would extend the deadline to file for accidental disability retirement benefits from two to five years for firefighters across the State. The cost for the individual known to be impacted by this legislation would be \$244,000; however, additional costs are likely.

- A7784/S5762 would provide cash and medical benefits for State parole officers injured in the line of duty. Instead of 60 percent of gross wages, their disability benefit would be equal to full salary, and medical benefits would be directly paid by the state rather than through workers compensation coverage.
- A10030/S7216a would expand the presumption that a medical condition was caused by public sector employment to include heart disease experienced by Department of Environmental Conservation police and forest rangers. The actuarial fiscal note did not provide a specific cost estimate for this proposal, but these types of presumptions have proven to be costly in the past.
- A10614/S8071 would expand the presumption that a medical condition was caused by public sector employment to include any heart disease, lung disease, and certain forms of cancer experienced by uniformed officers in the New York State Division of Military and Naval Affairs, costing the State \$25,000 annually.

**Other Enhancements:**

- A10003/S7386 would eliminate restrictions on transferring between New York City public retirement systems, costing \$25,000 annually.
- A10369a/S7174b would allow certain members of the New York State Retirement System and the Local Police and Fire Retirement System to opt out of Tier 3 and into Tier 5. This would allow system members who opted into the 20-year retirement plan to receive a pension equal to 50 percent of salary after 20 years of service, instead of needing 22 years of service as required in Tier 3. Depending on an individual's circumstances, additional benefits may also accrue.

Adopting any of these bills would erode the savings that New York State and its localities are experiencing from the implementation of Tier 6. We urge you to veto these bills, affirming your commitment to fiscal prudence.

Sincerely,

Carol Kellermann  
President

