



OPERATIONS ORDER

SUBJECT: **PURCHASED SERVICE CREDIT UNDER RSSL § 645
(CHAPTER 646 OF THE LAWS OF 1999)**

DATE ISSUED:

12-11-02

NUMBER:

2-25, c.s.

1. As a result of a settlement of litigation between the Police Unions and the city of New York, the Board of Trustees of the Police Pension Fund (PPF) has passed a resolution with regard to prior service purchased under RSSL §645 (Chapter 646 of the Laws of 1999) according to the procedures stated below.

2. Chapter 646 allowed members of the PPF who were previously members of another retirement system, but whose membership ceased by reasons other than death or retirement, to "reinstate" that membership by repaying the amount of the contributions refunded (if any) with interest and receive service credit in the PPF for such prior retirement system membership.

3. As a result of this settlement, the following types of service **shall be credited as "good time" toward the required twenty (20) years of service for a Service Retirement:**

- a. Uniformed service of a police department, fire department, corrections department or sanitation department of the City of New York or the State of New York or any agency or political subdivision thereof; or
- b. Service as a peace officer as defined in §2.10 of the Criminal Procedure Law; or
- c. Service performed as a member of the New York State Policeman's and Firemen's Retirement System; or
- d. Service in the title of sheriff, deputy sheriff, marshal, district attorney investigator or other position specified in Appendix A and attached.

4. If the prior retirement service is not in one of the above categories and therefore, not "allowable" police service, a member may still wish to "repurchase" such service because of the additional monetary benefit it may provide, but the time acquired will not count upfront.

5. The settlement agreement does not affect the payment requirements of this statute. Upon notification from the member's original retirement system, the member repays the amount of contribution refunded, if any, at the time such previous membership ceased, together with interest at the annual rate of 5% from the date of such repayment. Members should also be aware that service purchased under this statute will affect their rate of contribution. The rate of contribution will be adjusted to the rate according to your age at the start of the service acquired/purchased.

6. PPF will notify members of the amounts due for the purchase of this time. Members must make payment to the PPF within thirty (30) days of computation. However, Deferred Compensation Funds (457 Plan) may now be used to pay for this purchase.

7. Members applying for credit under this Agreement/Amendment will complete and submit the form, Police Pension Fund, Article 2, Application for Purchase of Prior Service Credit Pursuant to Chapter 646 of the Laws of 199, (See Appendix B). The attached may be photocopied.

8. Any questions pertaining to the contents of this order should be directed to the NYC Police Pension Fund at (212) 693-5100.

9. **The Pension Fund will expedite applications from those members who will immediately utilize this service credit to retire.**

10. Commanding officers will ensure that the contents of this order are brought to the attention of members of their commands.

BY DIRECTION OF THE POLICE COMMISSIONER

DISTRIBUTION

All Commands

APPENDIX A

TITLE CODE

TITLE NAME

66 04800	Assnt Chief Investigations
02 52000	Assnt Chief of Audits & - Investigations
86 02850	Assnt Deputy Dir Parole Operations
92 01298	Assnt Deputy Supt State Police
87 53100	Campus Public Safety Officer 1
78 67000	Campus Safety Specialist
92 00901	Captain Bur of Criminal Investigation - State Police
87 14800	Captain Park Patrol
92 00900	Captain State Police
66 64070	Chief Insur Frauds Investigator
66 04900	Chief Investigations
78 15700	Chief Labor Standards Investigator
02 52600	Chief Of Audits & Investigations
87 55150	Chief Safety & Security Officer 1
87 55250	Chief Safety & Security Officer 2
66 24900	Chief Special Investigator
92 00600	Chief Technical Sergeant State Police
87 00300	Correction Lieutenant
87 00100	Correction Officer
87 00101	Correction Officer Spanish Language
87 00110	Correction Officer Trainee
87 00105	Correction Officer Trainee Spanish Language
87 00200	Correction Sergeant
87 23700	Deputy Supt For Correctional Facility 3
92 01800	Deputy Supt Of State Police
16 11740	Dir Div Law Enforcement
24 15700	Dir Investigations
16 33110	Environmental Conservation Investigator 1
16 33220	Environmental Conservation Investigator 2
16 33330	Environmental Conservation Investigator 3
16 33440	Environmental Conservation Investigator 4
16 16000	Environmental Conservation Officer
16 16010	Environmental Conservation Officer Spanish Lang
16 16001	Environmental Conservation Officer Trainee 1
16 16011	Environmental Conservation Officer Trainee 1 Sp L
16 16002	Environmental Conservation Officer Trainee 2
16 16012	Environmental Conservation Officer Trainee 2 Sp L
86 01100	Facility Parole Officer 1
86 01110	Facility Parole Officer 1 Spanish Language
86 01200	Facility Parole Officer 2

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TITLE CODETITLE NAME

86 01115	Facility Parole Officer Trainee 1
86 01210	Facility Parole Officer Trainee 2
87 20600	First Deputy Supt Correctional Facility
92 01400	First Deputy Supt State Police
92 00500	First Sergeant State Police
92 01500	Inspector State Police Group of Classes
03 70200	Insur Field Investigator
66 64000	Insur Frauds Investigator
92 03000	Lieutenant Bur Of Criminal Investigation St Pol
87 14750	Lieutenant Park Patrol
92 00800	Lieutenant State Police
74 42400	Marine Fireman
87 14000	Park Patrol Officer
87 14040	Park Patrol Officer Spanish Language
87 14010	Park Patrol Officer Trainee
87 14011	Park Patrol Officer Trainee Spanish Language
15 01200	Park Ranger
66 84500	Racing & Wagering Investigator
90 21000	Racing Inspector
66 84300	Racing Investigator
66 83500	Racing License Investigator
87 05200	Security Officer
87 05201	Security Officer Spanish Language
87 05100	Security Services Aide
87 31100	Security Services Assnt 1
87 31200	Security Services Assnt 2
87 31300	Security Services Assnt 3
87 14500	Sergeant Park Patrol
92 00300	Sergeant State Police
92 00310	Sergeant Station Commander
92 00000	Trooper State Police
68 20100	Workers Comp Fraud Investigator 1
68 20200	Workers Comp Fraud Investigator 2
92 00350	Zone Sergeant State Police

APPENDIX B

(THIS FORM MAY BE DUPLICATED)

NEW YORK CITY POLICE DEPARTMENT
NEW YORK CITY POLICE PENSION FUND, ARTICLE II
233 BROADWAY, 19TH FLOOR, NEW YORK, NY, 10279

APPLICATION FOR PURCHASE OF PRIOR SERVICE CREDIT PURSUANT TO CHAPTER 646 OF THE LAWS OF 1999

Print or Type Only

Control Number: RR

Form with fields for Name, Address, Date of Birth, Telephone Number, Command, Retirement System, Job Title, and Dates of Prior Service.

I request credit for this service as provided for in Chapter 646 of the Laws of 1999. I understand that I will be provided with the cost for this service and I will receive credit only in proportion to the amount of that cost I pay to the Retirement System. I also acknowledge that the application and my monies paid are irrevocable.

Signature Date

Check the appropriate box I am applying for:

- Checkboxes for: Prior service with the Article II Police Pension Fund, Prior service with the Retirement System, Change of tier for service previously transferred, Request the above stated time previously transferred to PPF be amended as "upfront" time.

TO BE COMPLETED BY POLICE PENSION FUND PERSONNEL

A review of your application indicates the following:

- Checkboxes for: You are eligible to purchase prior service credit for which you owe \$, You are eligible to purchase prior service credit for which you owe \$, You are not entitled to this credit because.

I am enclosing \$ (Signature of member agreeing to lump sum payment)

by Money Order, Bank Check, or Certified Check with a copy of this statement payable to: ARTICLE II POLICE PENSION FUND

(Member must print name and return address below)

Blank lines for member name and return address.

CHAPTER TEXT:

LAWS OF NEW YORK, 1999

CHAPTER 646

(See FISCAL NOTES at end of Chapter.)

AN ACT to amend the retirement and social security law, in relation to membership in a public retirement system

Became a law December 17, 1999, with the approval of the Governor.

Passed by a majority vote, three-fifths being present.

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

Section 1. Subdivision 1 of section 645 of the retirement and social security law, as added by chapter 640 of the laws of 1998, is amended to read as follows:

1. As used in this article the term "public retirement system" shall mean the New York state ~~[teachers' retirement system and the New York city teachers' retirement system]~~ and local employees' retirement system, the New York state teachers' retirement system, the New York state and local police and fire retirement system, the New York city employees' retirement system, the New York city teachers' retirement system, the New York city board of education retirement system, the New York city police pension fund, or the New York city fire department pension fund.

§ 2. Subdivision 3 of section 645 of the retirement and social security law is renumbered subdivision 4 and a new subdivision 3 is added to read as follows:

3. Anything in this section to the contrary notwithstanding, any member or retiree of a public retirement system who, prior to reinstatement to an original date of membership prior to the twenty-seventh day of July, nineteen hundred seventy-six, had obtained credit for previous service from such system pursuant to article fourteen or fifteen of this chapter shall be entitled to have any amounts paid by such member to such system for the purposes of obtaining such credit refunded to such member with interest at the rate of five percent per annum from the date of the last payment to such system.

§ 3. This act shall take effect immediately.

FISCAL NOTE.--This bill would allow certain current or future members of New York public retirement systems who previously were members of a New York public retirement system to be deemed to have become members of their current systems as of the original date of such previous ceased membership. However, certain contributions made to the retirement system by members who rejoined on or after July 27, 1976 shall not be refunded to the member. Tier 3 and 4 members of the New York State and Local Employees' Retirement System or the New York State Teachers' Retirement System who become Tier 1 or 2 members and who have already purchased their previous service would receive a refund of these contributions.

If this bill is enacted, insofar as this bill affects the New York State and Local Employees' Retirement System (NYS&LERS), for members of

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

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the NYS&LERS who will be granted retroactive dates of membership which generate a change in tier due to a previous membership in the NYS&LERS, the total past service cost for approximately 27,000 known affected members would exceed \$190 million. This cost will be shared by the State of New York and all participating employers in the NYS&LERS. The eventual annual increase in contributions could be approximately \$20 million. In addition to the above cost, affected members' current employers may begin paying higher annual employer contributions due to the change in their members' tier. Due to significant investment gains, we do not expect the enactment of this single measure to affect employer contributions during the near term.

FISCAL NOTE.--This bill would allow current and future members of the NYCERS and the BERS to retain their original membership dates regardless of breaks in service. However, no employee contributions made by members covered under Tier 3 or Tier 4 would be refunded, except for contributions made to purchase pre-membership service.

If this bill were to be enacted in the 1999 Legislative Session, the cost to the City would be approximately \$8.5 million per annum, and would remain constant as a percent of payroll. The cost may be apportioned as follows:

NYCERS	\$7.5 million
BERS	<u>1.0</u>
Total	\$8.5 million

This estimate, dated April 29, 1999, was prepared by Jonathan Schwartz, consulting actuary.

FISCAL NOTE.--This bill would renumber subdivision 3 of section 645 of the Retirement and Social Security Law as subdivision 4 and add a new subdivision 3 to allow any member or retiree of a public retirement system who, prior to reinstatement to an original date of membership before July 27, 1976, had obtained credit for previous service pursuant to Articles 14 or 15, to have any amounts paid for the purposes of obtaining such credit refunded with interest calculated at the rate of 5% per annum beginning with the date that final payment was made to such system.

The cost to the employers of members of the New York State Teachers' Retirement System is estimated to be \$13.9 million or .14% of payroll if this bill is enacted. This is not a recurring annual cost, but rather a one time only refund of prior service payments with interest.

The source of this estimate is Fiscal Note 99-95 dated April 30, 1999 prepared by the Actuary of the New York State Teachers' Retirement System and is intended for use only during the 1999 Legislative Session.

The Legislature of the STATE OF NEW YORK ss:

Pursuant to the authority vested in us by section 70-b of the Public Officers Law, we hereby jointly certify that this slip copy of this session law was printed under our direction and, in accordance with such section, is entitled to be read into evidence.

JOSEPH L. BRUNO
Temporary President of the Senate

SHELDON SILVER
Speaker of the Assembly