This publication is a general summary of membership benefits, rights and responsibilities, and is not a substitute for any New York State or federal law. For specific information about your benefits, please contact us.

VO1518
Printed: 10/16
Content Last Revised: 10/16
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Printed on recycled paper

Your Retirement Plan

State Police Plan
For PFRS Tier 2, 5 and 6 Members
(Section 381-b)

Office of the New York State Comptroller
Thomas P. DiNapoli

New York State and Local Retirement System
A Message from Comptroller Thomas P. DiNapoli

As a member of the New York State and Local Retirement System (NYSLRS), you are covered by a plan that provides important benefits. This publication explains some of those benefits and the services available to you as a member of our system, including:

- Benefits you will receive at retirement if you meet the service and age requirements (service retirement benefits);
- Benefits you may receive if you leave public service before you meet the requirements for a service retirement benefit (vested retirement benefits);
- Benefits you may receive if you become permanently disabled (disability retirement benefits); and
- Benefits your beneficiary may receive if you die while working for a public employer, or, if eligible, after you leave public employment (death benefits).

I am joined by a staff of dedicated professionals in my commitment to helping you make informed decisions about your future. I encourage you to contact us with any questions or suggestions you might have.

Sincerely,

Thomas P. DiNapoli
State Comptroller
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About Your Membership

RETIREMENT SYSTEM MEMBERSHIP

Police officers and paid firefighters working for New York State and any municipal employer are required to join the New York State Police and Fire Retirement System (PFRS). This plan covers every member and officer of the New York State Division of State Police in the executive department.

When you became a member, you were required to complete and file a membership application with the Office of the State Comptroller.

TIER STATUS

When you join the Retirement System, you are assigned to a tier depending on your date of membership.

<table>
<thead>
<tr>
<th>You are in:</th>
<th>If you joined:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 1</td>
<td>Before July 31, 1973</td>
</tr>
<tr>
<td>Tier 2</td>
<td>July 31, 1973 through June 30, 2009</td>
</tr>
<tr>
<td>Tier 3</td>
<td>July 1, 2009 through January 8, 2010*</td>
</tr>
<tr>
<td>Tier 4</td>
<td>January 9, 2010 through March 31, 2012</td>
</tr>
<tr>
<td>Tier 5</td>
<td>April 1, 2012 or after</td>
</tr>
</tbody>
</table>

* Members covered by the State Police retirement plan who joined from July 1, 2009 through January 8, 2010 are covered by Article 14 benefits and should refer to the publication describing those benefits on our website.

There is no Tier 4 in the New York State and Local Police and Fire Retirement System.
As of March 31, 2015, there were no remaining active Tier 1 members in this plan. If you are a Tier 1 member and you have questions about your retirement benefits, please email us by using our secure contact form (www.osc.state.ny.us/retire/contact_us/index.php), or call us toll-free at 1-866-805-0990 (518-474-7736 in the Albany, New York area).

**CONTRIBUTING TOWARD YOUR RETIREMENT**

**Tier 2 Members**

If you are a Tier 2 member, you are not required to contribute toward your retirement benefits, but may elect to make voluntary annuity savings contributions to the Retirement System. These contributions, plus the interest they earn, will provide you with an annuity, in addition to your regular service retirement benefit, when you retire.

**Tier 5 Members**

If you are a Tier 5 member, you are required to contribute 3 percent of your reportable earnings toward your retirement benefits until you retire or have 32 years of service credit, whichever occurs first. These mandatory contributions are not annuity savings contributions and will not provide you with an additional annuity when you retire.
**Tier 6 Members**

Tier 6 members are required to contribute a specific percentage of your reportable earnings (see chart below) until you retire or have 32 years of service credit, whichever occurs first. During the first three years of membership, your contribution rate is based on your annual wage, as provided by your employer on your Membership Application. After this three-year period, your contribution rate is based on what you actually earned two years prior. For part-time employees, your contribution rate is based on your annualized wage. Contribution rates are set April 1 of each year. Regardless of whether you work on a full- or part-time basis, however, the amount of your contribution is determined by applying your contribution rate to your current reportable earnings. These mandatory contributions are not annuity contributions and will not provide you with an additional annuity when you retire.

<table>
<thead>
<tr>
<th>Annual Wage</th>
<th>Contribution Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>$45,000 or less</td>
<td>3.00%</td>
</tr>
<tr>
<td>$45,000.01 to $55,000</td>
<td>3.50%</td>
</tr>
<tr>
<td>$55,000.01 to $75,000</td>
<td>4.50%</td>
</tr>
<tr>
<td>$75,000.01 to $100,000</td>
<td>5.75%</td>
</tr>
<tr>
<td>More than $100,000</td>
<td>6.00%</td>
</tr>
</tbody>
</table>
BECOMING ELIGIBLE FOR A BENEFIT

Once you have met the minimum service credit requirement, you will be vested. This means you will have earned the right to receive a retirement benefit, even if you leave public employment.

- Tier 2 members must have five years of credited service.
- Tier 5 and 6 members must have ten years of credited service.

Tier 2 and 5 members who are off the public payroll may collect a vested retirement benefit at age 55. Tier 6 members who are off the public payroll may collect a vested benefit at age 63. The amount of your vested benefit is based on your service and your earnings when you were an active member.

Vesting is automatic — you do not have to fill out any paperwork or file an application to become vested. However, you will need to file an application to begin receiving your vested benefit.
WITHDRAWING YOUR CONTRIBUTIONS AND/OR YOUR MEMBERSHIP

If you are a Tier 5 or 6 member and you leave public employment with less than ten years of credited service, you may end your membership and withdraw your accumulated contributions (with interest compounded at 5 percent per year). To do this, you should file the Withdrawal Application (RS5014) no earlier than 15 days after you leave public employment.

Once you have ten or more years of service credit, you cannot withdraw from the Retirement System. Any contributions you are required to make must remain in your account. When you reach age 55 (or age 63 for Tier 6 members who are off the payroll), you will qualify for a retirement benefit. It is up to you to apply for your retirement benefit at that time.
**ENDING YOUR MEMBERSHIP**

Once you join, there are five ways your Police and Fire Retirement System membership can end:

- If you do not have at least five years of credited service (ten for Tier 5 and 6 members) and seven years have elapsed since you last worked for a participating public employer;
- If you are not vested, leave public employment and voluntarily withdraw your membership;
- If you transfer your membership to another New York State public retirement system;
- If you retire; or
- If you die.

“Public employment” means paid service as an officer or employee with an employer that participates in the New York State and Local Retirement System.
**Service Credit**

**FULL- AND PART-TIME SERVICE CREDIT**

**Full-Time Employment**

If you join the Retirement System on the day you begin employment with a participating employer and you work on a full-time, continuous basis, we calculate your retirement service credit by subtracting your beginning date of employment from the date you actually leave paid employment.

**Part-Time Employment**

For Tier 2, 5 and 6 members, part-time employment is credited as the lesser of:

- number of days worked ÷ 260 days
- annual earnings reported ÷ (State’s hourly minimum wage × 2,000)

Employers report your days worked and earnings to us.
Leaves of Absence

Tier 2, 5 and 6 members receive half credit for sick leave at half pay. Since service is usually not credited for any period of time you do not receive earnings, credit is not given for:

- Leaves of absence without pay;
- Authorized, unpaid medical leaves of absence; or
- Unpaid leave under the federal Family and Medical Leave Act.

Workers’ Compensation

You will usually receive up to one year of service credit per incident for time spent on Workers’ Compensation leave.
**CREDITABLE SERVICE**

Creditable service under this special plan is service as an officer of the New York State Division of State Police. You may also receive credit for service as a:

- Police officer in the New York State Department of Environmental Conservation;
- Police officer or member of a police force or department of a State park authority or commission;
- Police officer for the State University of New York (maximum of five years), if you completed 20 years of service and successfully completed a course of law enforcement training within one year of the date of your appointment;
- Member of the New York State Office of General Services Capital Police force; or
- Police officer or member of a police force or department of an organized police force or department of a county, city, town, village, police district or authority.

You may also receive credit for police service transferred from the Metropolitan Transportation Authority Police Pension Fund. The following service would **not** be creditable in this special plan:

- Sheriff, undersheriff, and regular deputy sheriff service;
- Detective investigator service in the office of a district attorney;
- Service as uniformed personnel in institutions under the jurisdiction of the Department of Correctional Services; or
- Service as a paid firefighter for an employer that participates in the New York State Police and Fire Retirement System.
CREDIT FOR PREVIOUS OR MILITARY SERVICE

You may be able to obtain credit for your previous public employment or military service. It is very important that you claim all the service credit you are entitled to receive as early as possible, because records documenting your previous service may be lost or destroyed with the passage of time.

Please note that certain types of credit listed below may not provide additional benefits under your special plan. Contact us to verify what service would be creditable, i.e., can be used in the calculation of your benefit.

Prior Service

Prior service is any period of time you received earnings from a participating employer before that employer elected to participate in the Retirement System.

Service Before Your Date of Membership

You may receive credit for working for a participating employer before you joined the Retirement System. To receive the credit, you must earn at least two years of credited service as a Retirement System member.

Military Service

You may be able to receive credit for some or all of your military service. To determine your eligibility and the cost, if any, please send us a copy of your Certificate of Release or Discharge from Active Duty (DD-214).
For more information on how to apply, eligibility and the cost, please visit our Military Service Credit webpage at [www.osc.state.ny.us/retire/members/military-service-credit.php](http://www.osc.state.ny.us/retire/members/military-service-credit.php). If you have questions, email us at [www.emailNYSLRS.com](http://www.emailNYSLRS.com).

**Service From a Previous Membership**

If you previously were a member of this System, or another public retirement system in New York State, your service may be recredited and your date of membership and tier restored. However, an earlier tier of membership does not always result in a better benefit. Please review your options carefully before making your decision, and contact us with any questions you may have.

For reinstatement to Tier 1 or 2, or to an earlier membership date within Tier 2, send us a completed [Application to Reinstall a Former Tier 1 or 2 Membership (RS5506)](http://www.osc.state.ny.us/retire/members/reinstatement.php). We will initiate reinstatement to Tier 5 or an earlier date within Tier 6 by sending you information about your eligibility and giving you the opportunity to purchase credit for your withdrawn service. If your previous membership was with another retirement system, please write to our Member & Employer Services Bureau.
APPLYING FOR
PREVIOUS OR MILITARY SERVICE CREDIT

To receive credit for previous or military service, send a written request (which must be received before your effective date of retirement) to our Member & Employer Services Bureau. Include as much information as you can about the period of employment for which you are seeking credit. We will determine your eligibility to receive the credit and any cost involved.

Requesting credit for your previous public employment as early in your career as possible can be advantageous:

- If there is a cost, it is generally less expensive than if you wait to purchase it at a later date.
- Your retirement benefit will be processed more quickly if your service credit is in order.
- Records we need to verify your service will be more readily available.
- If your tier allows for a cessation of contributions after a defined period of time, you will stop paying contributions sooner.

If you are requesting previous service credit to establish eligibility for a vested retirement benefit, you must request this credit while you are on the payroll of a participating employer. If you receive a statement of the cost after you leave the payroll, you must make payment within 30 days of notification.

NOTE: If your purchased service brings your total credited service to ten or more years, you will no longer be eligible to withdraw your contributions and end your membership.
**ADDITIONAL SERVICE CREDIT FOR SICK LEAVE (SECTION 341 [j])**

Under Section 341(j) of the Retirement and Social Security Law (RSSL), you may receive service credit for your unused, unpaid sick leave days at retirement. To be eligible for this benefit, you must retire directly from public employment or within a year after separating from service. The additional credit is determined by dividing your total unused, unpaid sick leave days, which cannot exceed 165 (200 days for some police officers employed by New York State), by 260.

Credit for your unused sick leave at retirement cannot be used to:

- Qualify for vesting. For example, if you have four years and ten months of service credit and you need five years to be vested, your sick leave credit cannot be used to reach the five years.

- Qualify for a better retirement benefit calculation. For example, if you have 19½ years of service credit but your pension will improve substantially if you have 20 years, your sick leave credit cannot be used to reach the 20 years.

- Increase your pension beyond the maximum amount payable under your retirement plan.

- Meet the service credit requirement to retire under a special 20- or 25-year plan.
Final Average Salary

**Overview**

Your pension is based on your years of credited service and your final average salary (FAS). For Tier 2 and 5 members, FAS is the average of the wages you earned during any 36 consecutive months of service when your earnings were highest. For Tier 6 members, it is the average of your highest 60 consecutive months of earnings. This is usually your years of employment immediately before retirement.

The calculation of your FAS can include, but is not limited to, the following types of payments. In some cases, certain restrictions may apply.

- Regular salary;
- Overtime earned in the period used in the FAS;*
- Holiday pay;
- Longevity payments (maximum of one per FAS year) if earned in the years used in the FAS; and
- Payment for sick leave in excess of 165 days.

* For Tier 5 and 6 members, the total amount of overtime that can be included in your FAS calculation is limited to 15 percent of your salary.
The following types of payments are **not** considered regular compensation and, in most cases, will not be included in your FAS calculation:

- Payments made as a result of working your vacation;
- Any form of termination pay;
- Payments made in anticipation of retirement;
- Lump sum payments for deferred compensation; and
- Overtime which is compensated in whole or in part by payments from private, non-governmental entities.**

** Service rendered to private entities is not government service and payment for such service is not regular compensation earned from a participating employer. It is not pensionable and cannot be included in the calculation of a final average salary. Please note that overtime work performed by police officers for other public employers that participate in this Retirement System, for example, a school district, should be reported to the Retirement System and is includable in the calculation of final average salary, even if the employer is reimbursed by the other public entity.
LIMITATIONS

Tier 2

If the earnings in any year included in the FAS period exceed the average of the previous two years by more than 20 percent, the amount in excess of 20 percent is excluded from the computation of your FAS.

Payment for accumulated vacation is not included in the calculation of your FAS.

Tier 5

If the earnings in any year included in the FAS period exceed the average of the previous two years by more than 20 percent, the amount in excess of 20 percent is excluded from the computation of your FAS.

Payment for accumulated vacation is not included in the calculation of your FAS, and the amount of overtime that can be included in the FAS is limited to 15 percent of your salary in any given year.
**Tier 6**

If the earnings in any year included in the FAS period exceed the average of the previous four years by more than 10 percent, the amount in excess of 10 percent is excluded from the computation of your FAS.

Payment for accumulated vacation is not included in the calculation of your FAS. Earned compensation which exceeds the Governor’s annual salary, currently $179,000, is excluded, as well as salary paid by more than two participating employers. The amount of overtime that can be included in the FAS is limited to 15 percent of your salary in any given year.
20-YEAR SERVICE RETIREMENT BENEFIT (SECTION 381-b)

Eligibility

As a member covered by the 20-year plan, you may retire with full benefits at any age after completing 20 full years of creditable service.

State Police officers must retire on the last day of the year in which their 60th birthday occurs.

You must file an Application for Service Retirement to receive benefits even if you are required to retire due to age.

The Benefit

If you retire with at least 20 years of State Police service credit, your retirement benefit will equal:

- One-half of your FAS; plus
- An additional 1.66 percent of your FAS for each year of creditable service in excess of 20 years.

For Tier 2, 5 and 6 members, your benefit cannot exceed 70 percent of your FAS.
If you reach mandatory retirement age before completing 20 years of service, your retirement benefit will equal:

- 2.5 percent of your FAS for each year of creditable service; **plus**
- 1.66 percent of your FAS for each year of non-State Police service.

Your total benefit may not exceed one-half of your FAS.

You are also eligible for this calculation if you were employed by the Division of State Police prior to August 15, 2007, and retire at age 57 before completing 20 years of service.

**Filing**

Your [Application for Service Retirement (RS6037)](https://www.osc.state.ny.us/retire/index.php) must be on file with the Office of the State Comptroller at least 15 days, but not more than 90 days, before the date on which your retirement will occur.
Choosing a Payment Option

**RECEIVING YOUR BENEFIT**

At retirement, you must decide how you want your retirement benefit paid. You can choose from several options, all of which will provide you with a monthly benefit for life. For example, you may elect the Single Life Allowance, which provides the maximum amount payable during your lifetime, with nothing payable to a beneficiary upon your death. Or, you may elect to receive a smaller monthly benefit to provide for a possible payment to a designated beneficiary after your death.

**FILING YOUR OPTION ELECTION**

You must file your [Option Election form](#) (unless notified otherwise, as in the case of disability retirement) before the first day of the month following your retirement date. You have up to 30 days after your pension benefit becomes payable to change your selection. If you are a disability retiree, you may change your option selection up to 30 days after your disability application is approved, or up to 30 days after your retirement date, whichever is later.

If your election is not timely, by law, we must process your retirement as if you had selected Cash Refund — Contributions (Option ½), with your estate named as beneficiary.
Available Options

Single Life Allowance (Option 0)
This is the basic retirement benefit. It provides the maximum benefit payment to you each month for the rest of your life. Under this selection, all payments cease upon your death. When you die (even if it is only one year, or sooner, after retiring), nothing will be paid to any beneficiary.

Cash Refund — Contributions (Option ½)
(Available only to members with annuity savings contributions on deposit)
This option will provide you with a reduced monthly benefit for your lifetime. At your death, the unpaid balance of your accumulated annuity savings contributions will be paid to your beneficiary or your estate. If all of your accumulated annuity savings contributions have been expended, all payments will cease upon your death. The mandatory contributions made by Tier 5 and 6 members are not annuity savings contributions.
Joint Allowance — Full*

This option will provide you with a reduced monthly benefit for your lifetime, and is based on your birth date and that of your beneficiary. After your death, your beneficiary will receive the same monthly amount you were receiving (without COLA) for life. If your beneficiary dies before you, all benefit payments will cease upon your death.

Joint Allowance — Half*

This option will provide you with a reduced monthly benefit for your lifetime, and is based on your birth date and that of your beneficiary. After your death, your beneficiary will receive monthly payments equal to one-half of the amount you were receiving (without COLA) for life. If your beneficiary dies before you, all benefit payments will cease upon your death.

Pop-Up/Joint Allowance — Full or Half*

These options will provide you with a reduced monthly benefit for your lifetime. If you die before your beneficiary, the same monthly amount or one-half that amount, depending on which option you elect, will be paid to your beneficiary for life (without COLA). If your beneficiary dies first, your benefit will be increased to the amount you would have received if you had selected the Single Life Allowance at retirement, and all payments will cease upon your death.

* If you elect this option, you must submit proof of your beneficiary’s birth date. You can designate only one beneficiary and you cannot change your designation after your retirement. If your beneficiary is your spouse at the time of your death, he or she will be eligible for 50 percent of your COLA.
Five Year Certain and Ten Year Certain

These options will provide you with a reduced monthly benefit for your lifetime, with the additional guarantee that if you live for less than five years or ten years after retirement, depending upon which option you elect, payments in the same amount you were receiving (without COLA) will be made to your beneficiary for the balance of the five- or ten-year period. You may change your beneficiary within the five- or ten-year period.

Alternative Options

If the options described here do not meet your needs, we will consider written requests for other payment methods. These requests must be outlined in detail by you and then examined by us for legal and actuarial soundness prior to approval.
Partial Lump Sum Payment

Eligible Police and Fire Retirement System members can choose to receive a reduced lifetime retirement benefit in exchange for a one-time lump sum payment. The payment will be made when your retirement benefit is finalized.

**ELIGIBILITY**

To be eligible to choose a partial lump sum payment (PLS), you must:

- Retire under a special 20- or 25-year plan;
- Retire on or after April 1, 2008;
- Have been eligible to retire with a service retirement benefit for at least one year prior to your date of retirement; and
- Retire with a service retirement benefit (not a disability retirement benefit).*

* If you receive a PLS payment under a service retirement benefit and are later approved for a disability retirement benefit, the PLS payment must be repaid if you convert to the disability benefit. Additionally, severe tax consequences may apply in some situations.
CHOOSING A LUMP SUM PAYMENT

When you file for retirement, if you are eligible for PLS, we will send you a special Option Election Form so you can choose a PLS payment along with the standard retirement option you want for your continuing lifetime benefit.

LUMP SUM PAYMENT AMOUNTS

A PLS payment is a percentage of the actuarial value of your retirement benefit at the time you retire. The chart below outlines the various percentages available to you based on the number of years you have been eligible to retire. Your Single Life Allowance will be reduced by the same percentage as the PLS option you have chosen. If you choose a different option, that option amount will be calculated based on your reduced Single Life Allowance.

<table>
<thead>
<tr>
<th>Years You’ve Been Eligible to Retire</th>
<th>Available PLS Payment Options*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>5%</td>
</tr>
<tr>
<td>2</td>
<td>5 or 10%</td>
</tr>
<tr>
<td>3</td>
<td>5, 10 or 15%</td>
</tr>
<tr>
<td>4</td>
<td>5, 10, 15 or 20%</td>
</tr>
<tr>
<td>5 or more</td>
<td>5, 10, 15, 20 or 25%</td>
</tr>
</tbody>
</table>

*A percentage of the value of your retirement benefit.

FOR MORE INFORMATION

For more information, including the taxability of a PLS payment, please refer to our publication, Partial Lump Sum Payment at Retirement (VO1750), at www.osc.state.ny.us/retire/publications/vo1750.php.
Items That May Affect Your Pension

IRS Pension Limitation

Internal Revenue Code Section 401(a)(17) limits the amount of earnings that qualified pension plans, including the New York State and Local Retirement System, may use in calculating benefits. It affects members who first join the retirement system on or after April 1, 1996, and currently excludes earnings over $265,000 (effective April 1, 2015) in the State’s fiscal year (April 1st – March 31st). The amount is set by federal law and is periodically adjusted for inflation.

Borrowing Against Your Contributions

If you meet eligibility requirements, you may take a loan from the Retirement System. To apply, you must file a loan application (refer to the loan information for your tier) with us. Before you apply, you should be aware of the federal tax laws pertaining to Retirement System loans. Your loan will be taxable if:

- The loan amount exceeds federal limits (federal tax information is available on the loan application).

- You have a loan with a deferred compensation (457) or tax-sheltered annuity (403-b) plan through your current employer that causes your loan to exceed the federal limits for nontaxable loans. Exceeding these limits could result in significant tax consequences for you.
• You do not make the required payments on your loan at least once every three months or do not complete payment within five years from the date the loan was issued.

• You retire or withdraw from the Retirement System and have one or more outstanding loan balances.

If your loan is taxable, or becomes taxable as described above, you must include it on your federal income tax return for the year the loan is granted or becomes taxable. If you are under age 59½ at the time, you may be required to pay a 10 percent penalty tax in addition to any ordinary federal income tax you owe. Please consider consulting a tax advisor before applying for a taxable loan from the Retirement System.

If you already have an outstanding loan with us and want to take another loan, please contact our Call Center at 1-866-805-0990 (or 518-474-7736 if you live in the Albany, New York area) and connect with our automated information line to determine if refinancing your current loan or carrying multiple loans would be better for you. Once you access the loan menu, you can receive specific information relating to your account for multiple and refinanced loans or you can speak directly to a customer service representative. Although the repayment amount may be larger if you choose multiple loans, you may reduce or eliminate your tax liability.
**Tier 2 Members**

The following rules apply when borrowing against your contributions:

- You must be in active service and have one year of member service credit.

- Each loan must be for a minimum of $25, and the total of all your loans may not be more than 75 percent of your annuity savings contribution balance. Therefore, you must have an annuity savings balance of at least $33.35. Annuity savings contributions are those you make voluntarily.

- You repay each outstanding loan through payroll deductions in an amount sufficient to repay the loan and interest within five years.

- You may borrow only once in any 90-day period.

- Prior to retirement, and 30 days after issuance, loans are fully insured in case you die before repaying them.

- To apply, you must file a **Loan Application (RS5025)** with us.

If you retire with an outstanding loan, the **annuity portion** of your retirement benefit will be **permanently reduced**.

**Please note:** You cannot pay off your loan balance once you retire. The amount of your annuity reduction will be based on your age, the loan balance at retirement, and the type of retirement (service or disability).
Tier 5 and 6 Members

The following rules apply when borrowing against your contributions:

- You must be in active service and have one year of member service credit.
- Each loan must be for a minimum of $1,000, and the total of all your loans may not be more than 75 percent of your contribution balance. Therefore, you must have an account balance of at least $1,334.
- The minimum payroll deduction to repay your outstanding loan balances must be at least 2 percent of your earnings. You repay each outstanding loan through payroll deductions in an amount sufficient to repay the loan, interest and insurance premium within five years.
- You may borrow only once in any 12-month period.
- Prior to retirement, and 30 days after issuance, loans are fully insured in case you die before repaying them.
- To apply, you must file a [Loan Application (RS5025-A)] with us.

Any outstanding loan balance when you retire will permanently reduce your pension.

Please note: You cannot pay off your loan once you retire. The amount of your pension reduction will be based on your age, the loan balance at retirement, and the type of retirement (service or disability).
These are examples of how your service retirement benefit will be permanently reduced by an outstanding loan balance at retirement. The approximate reductions are for calendar year 2016. The amount of the reduction changes annually.

<table>
<thead>
<tr>
<th>At Age</th>
<th>Outstanding Loan Balance</th>
<th>Annual Pension Reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td>$5,000</td>
<td>$218</td>
</tr>
<tr>
<td></td>
<td>$10,000</td>
<td>$435</td>
</tr>
<tr>
<td>55</td>
<td>$5,000</td>
<td>$253</td>
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<td></td>
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<td>$506</td>
</tr>
<tr>
<td>60</td>
<td>$5,000</td>
<td>$280</td>
</tr>
<tr>
<td></td>
<td>$10,000</td>
<td>$560</td>
</tr>
</tbody>
</table>
Cost-of-Living Adjustment

Once you meet the eligibility requirements, including age and number of years retired, your retirement benefit will permanently increase each year. This adjustment, subject to pension caps and limitations, is 50 percent of the previous year’s annual rate of inflation, but never less than 1 percent or more than 3 percent of your benefit. The adjustment percentage is applied only to the first $18,000 of your Single Life Allowance amount, even if you selected a different option at retirement.

You will begin receiving cost-of-living adjustments (COLAs) when you are:

- Age 62 or older and retired for five or more years;
- Age 55 or older and retired for ten or more years; or
- Receiving a disability pension for five or more years.

When you die, if you selected an option at retirement that pays a lifetime benefit to your beneficiary, and the beneficiary is your spouse, he or she will be eligible to receive half of the COLA amount you would have been entitled to receive.
### Divorce

The New York State Court of Appeals has determined that retirement benefits are considered marital property and can be divided between you and your ex-spouse when the marriage ends. If you divorce, your retirement benefits could be affected in any of the following ways:

- Your ex-spouse may be entitled to a portion of your pension;
- You may be required to name your ex-spouse as beneficiary of any pre-retirement death benefit payable;
- You may be required to elect a retirement option that provides a continuing benefit to your ex-spouse in the event of your death; and
- Your ex-spouse may be entitled to a portion of your cost-of-living adjustment.

Any division of your benefits must be stated in the form of a Domestic Relations Order (DRO) — a legal document that gives us specific instructions on how your benefits should be divided. However, it does not allow for a distribution of your benefits until you actually retire, die or terminate membership.

The Retirement System offers an easy-to-complete online [DRO template](#). The template is not required, but because the review process is simplified for all submissions using the DRO template, we can complete our review faster if you use it. We will also need a certified copy of your divorce decree.
If you are divorced, it is especially important to review your beneficiary designations to ensure your benefits will be distributed according to your wishes. Effective July 7, 2008, beneficiary designations for certain benefits are revoked when a divorce, annulment or judicial separation becomes final. An exception applies if the terms of a DRO specify otherwise. Beneficiary designations may be revoked for the Ordinary Death Benefit, Cash Refund Initial Value option (Tier 1), Cash Refund Contributions option (Tiers 1, 2 and 3) and Five and Ten Year Certain options. The Survivor Benefit beneficiary designations made by retirees who chose the Single Life Allowance option or certain alternative options may also be revoked.

For more information about our DRO template and how divorce may affect retirement benefits, please visit our Divorce and Your Benefits page at [www.osc.state.ny.us/retire/members/divorce/index.php](http://www.osc.state.ny.us/retire/members/divorce/index.php). If you have any questions, you or your legal representative should email our Matrimonial Bureau at dro@osc.state.ny.us.
Vested Retirement Benefit

ELIGIBILITY

You are eligible for a vested retirement benefit if you leave public employment before retirement age and you have met the minimum service requirement. Tier 2 members must have five years of credited member service. Tier 5 and 6 members must have ten years of service credit. When you reach retirement age, you will be entitled to a retirement benefit based on your service and salary earned when you were an active member.

The date you are eligible to retire depends on your tier:

- Tier 2 — the first of the month following your 55th birthday.
- Tier 5 — your 55th birthday.
- Tier 6 — your 63rd birthday.

YOUR VESTED BENEFIT

Your vested retirement benefit is 1.66 percent of your FAS for each year of credited service. The retirement benefit is payable for your lifetime. You may elect one of several payment options to provide for a continuing payment to a beneficiary of your choosing after your death.

If you are vested and leave public employment, you may wish to contact us to request an estimate of your pension benefits.

www.contactNYSLRS.com
FILING

To receive your vested retirement benefit at the earliest possible date, file a retirement application within 90 days before you become eligible. If we receive your retirement application after you become eligible, your vested retirement will be effective on the date the application is received.

Remember, it is up to you to file a retirement application when you become eligible and wish to receive your benefit.
**State Police Disability (Section 363-b)**

**Eligibility**

You would be entitled to this disability benefit if, at the time of filing, you are:

- Under age 60;
- Physically or mentally unable to perform your duties as the natural and proximate result of a disability sustained in service, not caused by your own willful negligence, regardless of your years of service; and*
- In the service upon which your membership is based. If you are discontinued from this service, voluntarily or involuntarily, and the disability is work-related, you may apply within two years of the discontinuance. If the disability is not work-related, you must apply within 90 days of the discontinuance.

For this benefit, “service” is when you are:

- On the payroll;
- On an authorized medical leave of absence (with or without pay); or
- Receiving Workers’ Compensation or similar employer-funded benefits as long as you have not resigned or been terminated while receiving those benefits.

* For a disability not sustained in service, you must have at least five years of service credit earned in the Division of State Police.
The Benefit

The benefit would be equal to one-half (50 percent) of your FAS, plus an annuity based on any annuity savings contributions you have made. The mandatory contributions made by Tier 5 and 6 members are not annuity savings contributions, and Tier 5 and 6 members would not receive an annuity based on those contributions.

The State Police disability benefit is paid in addition to any Workers’ Compensation payments or Social Security disability benefits which might be payable.

The sum of the disability retirement benefit, Workers’ Compensation benefit, and Social Security disability benefit cannot exceed your final salary. The portion of your pension which exceeds your final salary will be suspended until the combined benefits are less than or equal to your final salary. “Final salary” is the maximum salary or compensation you would have received in the next higher position from which you last retired for disability.

If you have completed 20 or more years of service and are eligible for service retirement, your disability benefit will equal your service retirement benefit.

If the application is approved, you will receive benefits from the filing date of the application for this benefit or from the day after the date you were last paid, whichever is later. You must select an option for the payment of your disability benefits.
Filing

You, the Superintendent of State Police (or the Superintendent’s designee), or someone authorized by you with your power of attorney may file your application for State Police disability retirement benefits. If you are eligible, applications for the State Police disability retirement benefit, the State Police accidental disability retirement benefit and the service retirement benefit may be submitted simultaneously.
State Police Accidental Disability (Section 363-bb)

Eligibility

You may be entitled to this benefit if, at the time of filing, you are:

- Physically or mentally unable to perform your duties as the natural and proximate result of an accident not caused by your own willful negligence sustained in service; and
- In the service upon which your membership is based. If you are discontinued from this service, voluntarily or involuntarily, subsequent to the accident, your application must be filed within two years after your discontinuance from service.

“Accident” has a special meaning when used in connection with Retirement System disability benefits. Whether an incident is an “accident” is determined on a case-by-case basis, using court decisions for guidance.

After filing an application for this benefit, you will have to undergo one or more medical examinations.

Notice of Accident

To be eligible for this benefit, you must file an application for an accidental disability retirement benefit within one year following the alleged accident. Otherwise, you must have filed a written notice of the accident with:

- The Retirement System within 90 days of the accident; or
- Your employer within 30 days of the date of the accident.

The written notice must detail the time and place of the accident, the particulars thereof, the nature and extent of your injuries, and the alleged incapacity.
The Benefit

If approved, this benefit would be a lifetime pension equal to three-quarters (75 percent) of your FAS, plus an annuity provided by any annuity savings contributions you might have made while in service. The mandatory contributions made by Tier 5 and 6 members are not annuity savings contributions and Tier 5 and 6 members would not receive an annuity based on those contributions.

You must apply for Workers’ Compensation benefits if you are eligible. Regardless of your tier, the accidental disability benefit would be reduced by the total amount of Workers’ Compensation benefits that you would be eligible to receive.

You must select an option for the payment of your disability benefits.

Filing

You, the Superintendent of State Police (or the Superintendent’s designee), or someone authorized by you with your power of attorney may file your application for the State Police accidental disability retirement benefit. If you are eligible, applications for the State Police disability retirement benefit, the State Police accidental disability retirement benefit and the service retirement benefit may be submitted simultaneously.
Death Benefits

**Ordinary Death Benefit**

Your beneficiary may be entitled to an ordinary death benefit, in lieu of a monthly pension, if your death is not attributable to an on-the-job accident.

The beneficiaries of active (not retired) members generally are not entitled to a monthly pension benefit. The first $50,000 of the ordinary death benefit is paid in the form of group term life insurance, which is currently exempt from federal income tax. Your accumulated contributions (if any) are also payable to your beneficiary.

**Eligibility**

An ordinary death benefit may be payable to your designated beneficiary if you have completed at least 90 days of service since last joining the Retirement System and your death occurs:

- While you are on the payroll;
- While you are on an authorized medical leave of absence without pay;
- While you are receiving Workers’ Compensation or other employer-funded benefits for up to two years (which may be extended for an additional two years) following the last date you were paid on the payroll, provided your employment has not been terminated by resignation, employer action, retirement or any other means while receiving those benefits; or
• Within 12 months of the last date you were receiving earnings, on an authorized medical leave of absence or receiving Workers’ Compensation or other employer-funded benefits, provided you were not otherwise gainfully employed or retired during that period.

The Benefit

This benefit is equal to three times the compensation earned during your last 12 months of service, rounded to the next higher $1,000.

Filing

Your family or employer should notify us of your death as soon as possible so we can send the appropriate forms to your beneficiary.
ALTERNATIVE AND
OUT-OF-SERVICE DEATH BENEFITS

Alternative Death Benefit

If your death occurs after you meet the requirements for service retirement, your beneficiary will receive a benefit equal to the pension reserve that would have been established under the State Police retirement plan had you retired on the date of your death. This alternative benefit is paid only when it is larger than other death benefits.

Out-of-Service Death Benefit

If you are a vested member with at least ten years of credited service, have not retired, and you die more than one year after leaving public employment, 50 percent of the death benefit may still be payable. This vested benefit is also payable if you die within one year of leaving covered service but were gainfully employed during that time.

Filing

Your family or employer should notify us of your death as soon as possible so we can send the appropriate forms to your beneficiary.
Accidental Death Benefit

Eligibility

Regardless of your years of service credit, if you die as the natural and proximate result of an on-the-job accident not due to your own willful negligence, an accidental death benefit may be payable on your behalf.

“Accident” has a special meaning when used in connection with Retirement System disability benefits. Whether an incident is an “accident” is determined on a case by case basis, using court decisions for guidance.

The Benefit

The accidental death benefit is a lifetime pension if paid to a surviving spouse or dependent parent. The annual benefit is equal to one-half (50 percent) of your FAS (less any Workers’ Compensation benefit paid or payable because of your death). Any accumulated contributions will be refunded to your designated beneficiary or to your estate.

The benefit can only be paid to the following family beneficiaries, in this order:

- First, to your surviving spouse for life;
- Second, where there is no surviving spouse or in the event of his or her death, to minor children until they reach age 18, or if students, until age 23;
- Finally, where there is no surviving spouse or minor children, to a dependent parent for life.
If all the beneficiaries listed above become ineligible for benefit payments, and the payments made up to that time do not equal or exceed the amount of the ordinary death benefit that would have been payable at the time of death, the difference will be paid to your designated beneficiary or to your estate. If you have no beneficiaries as listed above, the accidental death benefit will not be paid but the applicable ordinary death benefit will be paid to your last designated beneficiary or your estate.

**Filing**

Your family or employer should notify us of your death as soon as possible so we can send the appropriate forms to your beneficiary. The application for the accidental death benefit must be filed within two years of your date of death.
Special Accidental Death Benefit

Eligibility

If you die under circumstances that permit payment of the accidental death benefit, a special accidental death benefit will be paid to your surviving spouse. If the surviving spouse receiving the special accidental death benefit dies, this benefit will be paid to your children who are under the age of 18 or, if they are students, until the age of 23.

The Benefit

The special accidental death benefit is a pension equal to your salary reduced by:

- The accidental death benefit without reductions; and
- The Social Security benefit payable.

The earnings used to compute the special accidental death benefit will not be less than:

- The full wage you would have earned in the highest grade-step; or
- If you were in the highest grade-step of a supervisory position, the wage that would have been payable to a police superior officer.
World Trade Center Presumption

If you participated in the World Trade Center rescue, recovery or cleanup efforts in 2001, and you were a member of the Retirement System at that time, you should be aware of the benefits provided by the World Trade Center Presumption law.

- You may be eligible for an accidental disability retirement benefit if you become permanently disabled and unable to perform your job due to a qualifying condition.
- You may be eligible to reclassify your service or disability retirement benefit to an accidental disability retirement benefit if you develop a qualifying condition after you retire.
- Certain family beneficiaries may be eligible to receive an accidental death benefit if you die from a qualifying condition.

There are specific eligibility requirements and filing deadlines that must be met for you or your beneficiaries to receive these benefits. For more information, visit our World Trade Center Presumption webpage at [www.osc.state.ny.us/retire/publications/world_trade_center/index.php](http://www.osc.state.ny.us/retire/publications/world_trade_center/index.php).
Receiving Your Benefits

**APPLYING FOR BENEFITS**

To apply for all Retirement System benefits, you must file the appropriate application form with the Office of the State Comptroller in a timely manner. **Forms are available from our website**, our Call Center or your employer. Specific filing instructions are detailed in each benefit description. If you need help, you can call or write us, or make an appointment to speak with an Information Representative at one of **our consultation sites** throughout New York State.

**Filing With the Office of the State Comptroller**

For a form to be considered as “filed with the Comptroller,” it must be received by our Albany office, one of our consultation sites, or another office of the State Comptroller. **Giving your employer the form does not mean that you have “filed with the Comptroller.”**
Important Filing Requirements

Many retirement benefit applications and other documents are required by law to be filed with the Office of the State Comptroller within specific time limits (such as the 15-day filing requirement for your retirement application or the deadline to submit your option election form). As an alternative to visiting our offices to file these time-sensitive documents personally, you can fulfill the filing requirements by submitting the documents to us by mail.

If you are concerned about meeting a filing deadline, you may choose to submit your documents by certified mail or by fax:

- **Certified Mail** — If you mail a document “Certified Mail — Return Receipt Requested,” we will consider it as having been filed on the same date it was mailed once it is delivered to us by the Post Office.

- **Fax** — To send the document to us by fax, please include your name, retirement registration number, phone number and the person or department you wish to reach. Although we will consider the form as filed on the date the fax is received, you must still mail us the original document to continue the process and properly complete the filing requirement.
Service retirement documents (Retirement Application, Option Form, proof of your date of birth) can be faxed to our Benefit Calculation and Disbursements Bureau at 518-474-3510. If you also have a disability retirement application in process, your retirement documents can be faxed to Disability Calculations at 518-408-3766.

Disability retirement documents can be faxed to the Disability Services Bureau. For applications in-process or to apply for a disability retirement benefit, documents can be faxed to 518-474-3091 or 518-408-3587. Documents for approved disability retirement applications (Option Form, proof of your date of birth) can be faxed to 518-408-3766.

Member documents (Designation of Beneficiary Forms) can be faxed to our Member and Employer Services Bureau at 518-474-9438.

Filing Multiple Applications

Should you become ill or disabled and unable to perform your duties, depending on the circumstances, you may be eligible to file applications “without prejudice” for disability and regular service retirement benefits simultaneously. “Filed without prejudice” means we will process all filed applications and, if more than one benefit is approved, you will be given the opportunity to choose your pension from the approved benefits.
CHALLENGING A DETERMINATION

Benefits can only be paid if they are authorized by law. If you do not meet all the eligibility requirements established by law, you will not receive a benefit. If you believe that your benefit has been incorrectly denied or improperly calculated, you may request a hearing and redetermination to be held before an independent hearing officer.

Your request must be in writing and filed with the Hearing Administration Bureau within four months of the determination. As an alternative, you can email your request for a hearing and redetermination to our Hearing Administration Bureau at Hearings@osc.state.ny.us.

We will send you an acknowledgment letter with an explanation of the hearing process when we receive your written request. If you have questions regarding the hearing process, please review our Administrative Hearing FAQs, email the Hearing Administration Bureau or call us at 518-486-7015.
How to Stay Informed

Your retirement benefits are an important part of a solid financial plan. They can help you and your beneficiaries achieve financial security in retirement or in the event of disability or death. Use these tips to help you understand your benefits and stay informed.

- Subscribe to our blog, New York Retirement News (www.nyretirementnews.com), where you’ll find tools to help you understand your benefits, as well as important news from your Retirement System.

- You can also like us on Facebook (www.facebook.com/nyslrs) and follow us on Twitter (www.twitter.com/nyslrs) for quick tips and updates on a variety of retirement topics.

- Sign up for E-News, our email newsletter (www.osc.state.ny.us/retire/e-news/sign-up/index.php), for the latest retirement news and information dedicated to pre-retirement planning.

- Read your member newsletter, The Sentinel, for current retirement information and updates on your benefits.

- Review your Member Annual Statement carefully and notify us of any errors promptly.

- Visit our website (www.osc.state.ny.us/retire) frequently to learn about your benefits, download forms, read informative booklets and brochures, and get tips on preparing for retirement.
• Attend a pre-retirement presentation to learn about the retirement process and discuss post-retirement issues. At your employer’s request, we offer these presentations designed for members within five years of retirement eligibility.

• Make an appointment to visit any of our consultation sites (www.osc.state.ny.us/retire/consultation_site_offices/index.php), where you can meet with an Information Representative to discuss special concerns or request specific information.

• Notify us if your mailing address changes, so you can stay up to date about your benefits. This is especially important if you leave public employment before you are eligible to retire.

• Contact us (www.contactNYSLRS.com) with any questions you have about your benefits.

   Email: www.emailNYSLRS.com
   Phone: 1-866-805-0990, or 518-474-7736 if you live in the Albany, New York area
   Mail: New York State and Local Retirement System
         110 State Street
         Albany, NY 12244-0001
About This Publication

This retirement plan summary describes the benefits available to Tier 2, 5 and 6 members covered by the State Police Retirement Plan. (There is no Tier 4 in the Police and Fire Retirement System.) These benefits are provided by Section 381-b of the New York State Retirement and Social Security Law (RSSL) as enacted by the New York State Legislature.

This publication applies only to members who joined the New York State and Local Police and Fire Retirement System from July 31, 1973 through June 30, 2009, or after January 8, 2010. Members covered by the State Police retirement plan who joined July 1, 2009 through January 8, 2010 are covered by Article 14 benefits and should refer to the publication describing these benefits on our website.

Throughout this publication, you will find references to “Sections” and “Articles” that refer to the RSSL. The New York State and Local Retirement System, headed by the Comptroller of the State of New York, administers this plan. Our main office is in Albany, New York.
Your Retirement Plan

State Police Plan

For PFRS Tier 2, 5 and 6 Members
(Section 381-b)