

2010 Retirement Incentive Program Information for Members

Overview

The 2010 Retirement Incentive Program is a temporary program for certain New York State and Local Employees' Retirement System (ERS) members. This program does not apply to Police and Fire Retirement System members.

The Program has two distinct parts.

- Part A is a targeted incentive. Employers must identify eligible titles. Part A provides additional service credit to eligible members. If there are more employees interested in the incentive than positions targeted in that title, the law requires that eligibility be determined by seniority for classified positions.
- Part B is not targeted. It is open to all eligible Tier 2, 3 and 4 members unless your employer deems your position critical to the maintenance of public health and safety. It eliminates the early retirement age reduction for those retiring with this incentive.

Your employer decides whether or not to offer the incentive.

- State Executive Branch employers will offer Part B, but can choose whether or not to offer Part A.
- Other State and participating employers can choose to offer Part A, Part B or both parts.

Open Periods

Employers must also choose open periods — windows of time within which you must retire, if you participate. Please contact your employer to confirm your employer's dates.

Employers must establish a 30-to-90-day window for Part A and/or a 90-day window for Part B. (Educational employers' Part B windows can be less than 90 days.) If your employer offers both Parts A and B, the open periods may overlap, but they do not need to be concurrent.

Part A Explained

Part A of the program provides one additional month of service credit for each year of service you have at retirement, up to a maximum of 36 additional months. Employers must choose to provide this part of the program and must target your title as eligible for the incentive. If there are more employees interested in the incentive than positions targeted in that title, the law requires that eligibility be determined by seniority for classified positions.

The additional credit can be used to reach service credit requirements for an improved benefit, such as the 20-year requirement for an improved pension calculation or the 30-year requirement

for the elimination of an early retirement benefit reduction. Members in 25-year plans can use the additional incentive service to reach the 25 years necessary to retire.

Eligibility

If you are in a regular retirement plan:

- You must be at least 50 years old and have ten or more years of service as of your date of retirement; or
- You must be at least 55 years old and have five or more years of service as of your date of retirement.

If you are in a 25-year retirement plan:

- You must have at least 23.08 years of service creditable in your special plan — enough service so the additional incentive service combined with your actual service brings your total service to 25 years.

In addition, you must:

- Have been continuously in active service from February 1, 2010 to the date immediately prior to the beginning of the open period; and
- Be in a title identified by your employer as eligible for the incentive (targeted).

Elected officials, judges, court justices, village justices, officers and agency or department heads appointed by the Governor, Comptroller or Attorney General are not eligible for Part A of the incentive.

Active Service

- While you are being paid on the payroll;
- While you are on a leave of absence with pay;
- While you are on other approved leave without pay for not more than 12 weeks from 2/1/2010 to the beginning of the open period;
- The period of time between the end of the June 2010 school term through August 31, 2010 if:
 - You are employed on a school-year basis and
 - You were otherwise in active service on 2/1/2010

Benefit Reductions for Early Retirement

- Members in regular plans who retire between age 55 and 62 with less than 30 years of service credit will receive a reduced benefit. The reductions are the same as those for a regular service retirement.
- The benefits of members in regular plans who retire between age 50 and 55 with less than 30 years of service credit will be reduced by an additional 3 percent for each year they retire before 55, prorated for partial years.

- The benefits of members in regular plans who retire between age 50 and 55 with 30 or more years of service credit will be reduced by 5 percent for each year they retire before 55, prorated for partial years.
- The benefits of members in special 25-year plans will be reduced 5 percent per year for each year of incentive service needed to reach 25 years.

Part B Explained

Part B of the program allows Tier 2, 3 or 4 members who are at least age 55 and have 25 or more years of service credit to retire without a benefit reduction. Part B does not provide any additional service credit.

If you are a Tier 2 member and are eligible for the additional service credit provided by the Retirement Enhancement of Article 19, you only need 23.08 years of actual service credit to retire under Part B. Your actual service combined with your Article 19 service will bring your total service to the 25 years needed to qualify for Part B.

State Executive Branch agencies will provide this part of the program; other State and participating employers can choose to provide it. Positions are not targeted. If you meet the eligibility requirements, you can retire under Part B, unless your position has been deemed critical to the maintenance of public health and safety.

Eligibility

- You must have been continuously in active service from February 1, 2010 to the date immediately prior to the beginning of the open period;
- You must be at least 55 years old and have 25 or more years of service credit;
- Your employer must not deem your position critical to the maintenance of public health and safety.

Elected officials, judges, court justices, village justices, officers and appointed members of board or commissions any of whose members are appointed by the Governor or another State officer or body are not eligible for Part B of the incentive.

Active Service

- While you are being paid on the payroll;
- While you are on a leave of absence with pay;
- While you are on other approved leave without pay for not more than 12 weeks from 2/1/2010 to the beginning of the open period;
- The period of time between the end of the June 2010 school term through August 31, 2010 if:
 - You are employed on a school-year basis and
 - You were otherwise in active service on 2/1/2010

Eligibility for More Than One Incentive

You may meet the eligibility requirements of both parts. Please Note: You are not eligible for the 2010 Retirement Incentive if you are a member of the Police and Fire Retirement System or a member of the Employees' Retirement System and belong to one of the Special 20 Year Plans.

- If your employer offers Part A and B and your date of retirement is within the open period for both parts (the open periods overlap), you may choose the part that will provide the greater benefit.
- If the open periods do not overlap you must choose which part you wish to retire under. You cannot receive the benefits of both parts.

If your employer offers a local incentive, unless your employer elects to allow you to accept both the local and State-provided incentive, you must waive your right to the local incentive to participate in this incentive program.

If you are eligible for the incentive for members in NYSUT represented positions and Part A of the 2010 Retirement Incentive Program, you must choose which incentive you wish to retire under. You cannot receive both incentives.

Open Periods

If you are eligible and wish to participate in the incentive, you must choose a date of retirement within your employer's open period. The open period is a window, or specific time frame your employer designates as the retirement period for the incentive, which went into effect on June 2, 2010.

Part A

Employers that offer Part A must establish a 30- to 90-day window.

Employer	Window Begins	Window Cannot Extend Beyond
Educational Employers (i.e. school districts, BOCES, schools for the deaf and blind)	On or after June 2, 2010	August 31, 2010
SUNY Employers (except State College Faculty - classified, non-instructional employees)	On or after June 2, 2010, but no later than September 1, 2010	September 30, 2010
State Executive Branch	July 1, 2010	September 28, 2010
Other State and participating Employers, State College Faculty, SUNY Construction Fund and Cooperative Extension Associations	On or after June 2, 2010	December 31, 2010
Counties, Cities, Towns and Villages	On or after June 2, 2010	December 31, 2010