October 18, 2019

The Honorable Andrew M. Cuomo
Governor of the State of New York
Executive Chamber
State Capitol
Albany, NY 12224

Dear Governor Cuomo:

The Citizens Budget Commission (CBC) urges you to veto A7620-A/S5903-A, which would cost $5.6 million annually to allow New York City police officers to receive retirement credit for time spent as cadets.

This is one of 18 bills passed by the Legislature to enhance pension or disability benefits, or provide other additional benefits, without providing enhanced services to New Yorkers or offsetting savings; therefore, CBC recommends you veto all 18 bills. The projected first-year cost of these bills is at least $71 million, but the fiscal impacts would likely be greater since six of the bills do not include a fiscal note.

If adopted, these bills would undermine the hard-fought compromises enacted early in your gubernatorial tenure. Enacting Tier 6 pension benefits and negotiating progressive health insurance contributions from employees and retirees was fiscally prudent—benefiting all New Yorkers—while continuing to treat employees and retirees fairly. Not only does granting targeted benefit enhancements increase costs, it may encourage further expansions.

The number of benefit sweeteners passed by the Legislature appears to be increasing. Last year only 12 benefit sweeteners passed both houses; this year 18 passed. You should veto all the bills and send a strong message that past reforms will not be overturned. The other 17 bills, which will be delivered to your desk in the coming months, are outlined below.

**Pension Benefits:** Eight bills expand eligibility for benefits or allow retirees to rejoin public employment without a diminution of their retirement benefits.

Six bills would expand eligibility:

- A4431/S5207 would establish a 20-year retirement plan for certain state law enforcement positions, including every non-seasonally appointed sworn member or officer in the Department of Environmental Conservation (DEC), the regional
state park police, and university police officers. This is the most expensive bill passed, and would cost approximately $41 million in the first year, and $3 million annually thereafter.

- **A7920-C/S6367** would extend eligibility to join Tier 2 to police and firefighters who joined the retirement system on or after July 1, 2009 and before January 9, 2010. This bill does not include a cost estimate.

- **A5940/S3659** would allow Tier 6 uniformed court officers and peace officers employed by the unified court system to retire without early age reduction upon attaining 30 years of creditable service and age 55. It also would lower the normal retirement age from 63 to 62, and lessen the reductions in benefits for those who retire prior to normal retirement age. Last year this bill, which would cost $2.76 million in the first year and $560,000 annually thereafter, was vetoed.

- **A8008/S6110-A** would allow registered nurses at the State University of New York (SUNY) Stony Brook Hospital who first became employed between January 1, 1996 and December 31, 1999 to retroactively switch from the defined contribution plan (known as the Optional Retirement Program) to the New York State and Local Employees' Retirement System. This bill does not include an estimate of the fiscal impact.

- **A7552/S4207-A** would increase annual maximum contributions under a defined contribution plan from $700 to $1,200 for volunteer ambulance and fire services. No fiscal note is provided.

- **A7874-A/S5905-A** would require New York City paraprofessionals to join the Teachers Retirement System. Currently, membership is optional. This bill would cost $15.7 million the first year after adoption.

Two bills would increase the maximum amount a retiree could earn from public employment without a diminution of pension benefits, and both bills are reported to have minimal fiscal impact:

- **A2858-B/S1866-B** would increase the amount a retiree may earn in a public service position from $30,000 to $35,000.
- **A7261-A/S4308-A** would allow retired firefighters and police officers to work as faculty members at SUNY and City University of New York (CUNY) schools and earn in excess of $30,000.

**Disability Benefits:** Seven bills would enhance disability benefits by expanding presumptions that certain ailments are related to public employment, expand disability benefits for Nassau County employees, or provide other enhancements.

Two bills would expand presumptions that certain ailments experienced by retirees were caused by public employment, making these retirees eligible for enhanced disability benefits:
• A4436/S3801 would apply to airport firefighters and training and safety officers in the New York State Division of Military and Naval Affairs with heart disease, lung disease, and certain forms of cancer. This bill would cost $820,000 in the first year and $95,000 annually thereafter.

• A5301/S3841 would apply to heart-related disabilities experienced by SUNY police officers. The fiscal impact is estimated to be negligible.

Three bills would expand disability benefits for Tier 3, 4, 5, and 6 employees of Nassau County, which is currently under a financial control board because of past fiscal mismanagement. All three of these bills were vetoed last year:

• A5021/S3946 would allow sheriffs, undersheriffs, deputy sheriffs, and correction officers to be eligible for performance of duty disability benefits due to the intentional or reckless act of a civilian visiting a county institution. The benefit would be 75 percent of final average salary (FAS) less workers’ compensation. Currently, to be eligible for such improved benefit, injuries must be caused by an inmate. This bill would cost Nassau County $1.5 million in the first year and $220,000 annually thereafter.

• A5324/S5133 would grant ambulance medical technician supervisors, ambulance medical technician coordinators, and ambulance medical technicians an enhanced disability benefit for injuries sustained in the performance of duty. The benefit for a performance of duty disability would be 50 percent of FAS and cost Nassau County $2.1 million in the first year and $270,000 annually thereafter.

• A5820/S3813 would grant any chief fire marshal, assistant chief fire marshal, division supervising fire marshal, supervising fire marshal, fire marshal, and fire marshal trainee an enhanced disability benefit for injuries sustained in the performance of duty. The benefit for a performance of duty disability would be 50 percent of FAS. This bill would cost Nassau County $227,000 in the first year and approximately $30,000 annually thereafter.

Two other bills also would enhance disability benefits:

• A6214/S3922 would enhance accidental and performance of duty disability pensions for certain members or officers of the DEC Division of Law Enforcement, forest rangers, regional state park police, and university police officers. The benefit for an accidental disability would be 75 percent of FAS minus workers compensation. Benefit for a performance of duty disability would be 50 percent of FAS. This bill would cost $1.4 million in the first year and $360,000 annually thereafter.

• A4432/S3675 would allow Tier 3, 4, 5, and 6 uniformed court officers and peace officers in the New York State Unified Court System to be eligible for accidental disability benefits for injuries sustained in the performance of duty as the result of a physical assault. The benefit would be 75 percent of FAS less workers compensation. The fiscal note does not provide an estimate of costs.
**Other:** Two other bills would provide other benefits for public employees:

- **A7248/S5291** would extend "last hired, first fired" provisions to certain skilled titles not subject to civil services tests. There is no fiscal note provided with this bill, but it would likely increase costs as public employers would be required to retain the longest-tenured employees instead of the most productive.
- **A5386/S3918** would authorize the Triborough Bridge and Tunnel Authority employee organization to opt into binding arbitration.

You have effectively contained personnel costs by adopting needed pension and health insurance reforms and rejected all 12 benefit sweeteners that made it to your desk last year. I urge you to continue that tradition by vetoing these 18 unwarranted expansions of employee and retiree benefits.

Sincerely,

Andrew S. Rein  
President  
Citizens Budget Commission