

Updates for Members and Re-Employed Retirees
Chapter 56 of the Laws of 2022

Chapter 56 of the Laws of 2022, signed into law by the Governor on April 9, 2022, contains provisions that impact the pension rights of certain BERS members and retirees. Below is a summary of these provisions.

1. All BERS Members Now Vest with 5 Years of Credited Service

As a result of Chapter 56, all members of BERS now have the right to vest with 5 years of credited service.

This includes the following categories of members, who previously required 10 years of credited service to vest:

- Tier 4 members represented by the United Federation of Teachers (UFT) with a membership date on or after 12/10/2009; and
- Tier 6 members.

2. Tier 6 Contribution Rate Determination Will Temporarily Disregard Overtime

BERS members pay a percentage of their gross salary to BERS as employee contributions. For Tier 6 members, the percentage ranges from 3% to 6%, depending on the total wages the member was paid during the previous year. (For the first three years of membership, annual wages are based on a projection by the employer.) Ordinarily, the total wages on which this calculation is based include overtime pay.

However, as a result of Chapter 56, the methodology used to determine the rate of Tier 6 contributions will disregard overtime pay between April 1, 2022 and April 1, 2024.

(Note: Overtime pay will still be subject to deductions for BERS contributions. However, overtime pay will not count toward the total wages for the purpose of determining the contribution rate.)

3. Re-employed Retirees May Temporarily Work for Public Schools without Suspending their Pension

Ordinarily, retirees who return to service with a public employer are subject to certain limitations. Without a special waiver, re-employed retirees who earn more than \$35,000 from public employment in a calendar year will be subject to a suspension of pension benefits until the end of the calendar year.

However, as a result of Chapter 56, employment with a public school district (including the New York City Department of Education) or any New York State Board of Cooperative Educational Services (BOCES) will be exempt from the \$35,000 per year cap from 04/09/2022 through 06/30/2023. This means that re-employed retirees can earn any amount from employment with a public school district or BOCES until 06/30/2023, without suffering a suspension of their pension benefits.

The above is general information provided for your convenience. As always, if you need personalized guidance about your retirement rights, please reach out to BERS at 929-305-3800, or you can contact us using our [contact form](#).