

TIER IV EQUITY

Your VOTE/COPE Dollars

The Way It Was....		The Way We Changed It....
Tier III members faced a 50% Social Security offset in retirement.	1983	Tier IV enacted into law: eliminates Social Security offset and permits Tier III members to select Tier IV benefits at retirement.
Tiers III/IV could not retire at age 55 with 30 years of service without a reduction in benefits.	1985	Tiers III/IV able to retire at 55 ^{age} /30 ^{service} with a full retirement allowance.
Tiers III/IV Death Benefit calculation did not permit the refund of member contributions.	1986	Achieved the same Death Benefits as Tier II, providing increased life insurance and inclusion of refund of member contributions (paragraph 2 selection).
ALL members of the NYSTRS with less than 10 years of credited service who were out of service 5 years out of 10 lost retirement membership.	1986	Legislation enacted to increase period of time of absence from service to 7 years without losing retirement rights (<i>i.e.</i> 20 days of service in one school year <u>every</u> seven years continues membership in the same tier).
Tier III/IV members had to pay federal income tax on their 3% mandatory contributions.	1988	Federal tax <u>DEFERRAL</u> on the 3% mandatory contributions (represents several hundred dollars of savings per year for Tier III/IV members!).
Previously, these members had to make their selection or change no later than the day before the effective date of their retirement.	1989	Allows Tier III/Tier IV members to elect or change their retirement option until the last day of the month in which retirement is effective.
Tier IV members with less than 10 years of service were not entitled to withdraw their contributions prior to age 62. Tier III members could always withdraw their contributions at the time they ceased with a NYSTRS participating employer if they were credited with less than 10 years of service.	1989	Allows Tier IV members to withdraw their accumulated contributions and interest once they are no longer employed with a participating employer of NYSTRS. To be eligible to withdraw, the Tier IV member must be credited with less than 10 years of service.
Tiers II and III members allowed to retire at age 55 with LESS THAN 30 years of service with a <u>reduced</u> pension. No early retirement afforded Tier IV members.	1990	Achieved legislation allowing Tier IV members the <u>ability</u> to retire at age 55 with less than 30 years of credited service with a <u>reduction</u> in retirement allowance.
Tiers III/IV members not able to borrow from their 3% mandatory contributions.	1990	Members of Tiers III/IV allowed to borrow against their 3% mandatory contributions, up to 75% of individuals' accumulations, at 1% less than the retirement system's valuation rate of 8% (<i>i.e.</i> 7% interest on loan; should be paid back via payroll deduction).
Tiers II, III/IV unable to claim prior part-time or substitute teaching served before joining the retirement system.	1991	Achieved two-year legislation for these tiers to claim such service for retirement credit (service had to be rendered <u>before 1/1/86</u> ; member had to belong to TRS by <u>7/1/91</u>). <u>Statute existed from 7/1/91 - 7/1/93.</u>
Only Tiers I and II were afforded choices of "pop-up" options at retirement.	1992	Tiers III/IV now may select "pop-up" at retirement; gives more protection for a member choosing "joint life" option.

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Transfer from one NYS public retirement system to another mandated to be filed within a 7 year period; credit for previous service and dates of membership in NYSTRS limited to actual enrollment for part-time and substitute employees.	1993	Achieved 3 year legislation for Tiers II, III/IV to provide transfer rights (1 year opener); assessment of retroactive dates of membership based on eligibility criteria and affidavit of districts. <u>Statute existed from 10/24/93 - 10/24/96.</u>	
Only Tiers I and II were entitled to select an "alternative" option at retirement.	1995	Members who retire as Tier IV have choice of "alternative" option. This affords opportunity for beneficiary to receive a lump sum amount in the event of the retired member's death.	
NYS law mandated a 30-day waiting period between application and onset of retirement for service and/or disability retirement.	1996	Achieved protection of benefits for all members by authorizing Retirement Board to accept disability retirement for those who choose disability retirement, then die due to the disability before such retirement is effective (<i>i.e.</i> waiver of 30-day period in such situations).	
Many Tier II, III/IV members were eligible for, but failed to claim certain part-time/substitute service under Chapter 422 of the Laws of 1991. Law ended 7/1/93.	1997	Reopened 1991 legislation allowing Tiers II, III/IV members to claim certain service (see 1991 listing). <u>Statute existed from 7/1/97 - 7/1/98).</u>	
Members who retire under Tier IV must attain at least 25 years of service to be credited with 2% per year.	1998	Eligibility under Tier IV retirement for 2% credit per year reduced to 20 years of service.	
Members who withdrew or lost Tier I or II status were enrolled as Tier III or IV depending upon the date of return to service.	1999	Tier Reinstatement returned former members of Tier I or II to their original status.	
Tiers III/IV mandated to pay 3% of salaries to TRS for entire careers.	2000	3% contributions cease after ten years of TRS membership.	
Tier IV reductions for retiring before age 62 with less than 30 yrs. of service . began with 38.3% penalty at age 55.	2000	Tier IV Benefits Law reduced penalties for retiring with less than 30 yrs. to Tier II level (e.g. age 55: 27% reduction).	
In service Death Benefit choice "frozen" in initial selection of member.	2000	Death Benefit law allows TRS to notify members of a one-time change to a more beneficial choice.	
Prior service claims restricted to certain service during specific periods.	2000	Prior Service reform allows all NYS public service prior to joining the TRS to be claimed as a permanent benefit.	
NYC would not permit regular substitutes to join its retirement system.	2002	Backdating of membership allows NYSTRS members who were not permitted to join the NYCTRS to be changed to the tier in which they would have had membership.	
Tiers II, III/IV are Age 55/30 Year retirement plans for Full pension.	2002	Age 55/25 years to retire without penalty <u>ONLY</u> between 6/3/02 and 8/31/02.	