

Sanitation 20-Year Retirement Plan for Tier 4 Members (SA-20)



NYC EMPLOYEES'
RETIREMENT SYSTEM

Tier 4

June 2025

This brochure describes the benefits of the Sanitation 20-Year Retirement Plan (SA-20 Plan). The SA-20 Plan is available **ONLY** to employees in the uniformed force of the NYC Department of Sanitation. (See Allowable Service for a list of titles.)

Participation

Any NYCERS member who was employed in the uniformed force of the NYC Department of Sanitation on July 24, 1992 had the option to participate by filing an election form by October 21, 1992. **This option has expired.**

Anyone who was a Tier 4 member of NYCERS prior to July 25, 1992 who subsequently became employed in the uniformed force of the NYC Department of Sanitation has the **option** to participate in the SA-20 Plan by filing [Election of Sanitation 20-Year Plan form Form #175](#) with NYCERS within 90 days of becoming employed in the uniformed sanitation force.

Participation is **mandatory** for any employee of the uniformed force of the NYC Department of Sanitation who becomes a Tier 4 member after July 24, 1992 and before April 1, 2012. Such a member will automatically become a participant in the SA-20 Plan on the date they join NYCERS.

Participants who cease to hold a uniformed Sanitation title will no longer be able to participate in the SA-20 Plan.

Participants who terminate service as a uniformed force employee of the NYC Department of Sanitation and return to a uniformed Sanitation title at a later date will be mandated to participate in the SA-20 Plan on the date of return.

Members who choose not to participate or who discontinue service in the SA-20 Plan are eligible to participate in NYCERS Basic Tier 4 (62/5) plan, or 57/5 or 55/25 plan, as applicable.

Contributions

Tier 4 participants are required to contribute 3% of their pensionable gross wages until they attain 10 years of Credited Service or reach the tenth anniversary of their membership date – whichever is earlier. These contributions are referred to as Basic Member Contributions (BMCs) and are held in the Member Contribution Accumulation Fund (MCAF).

In addition to the basic contributions of 3% of wages that all Tier 4 members are required to pay, SA-20 participants must contribute Additional Member Contributions (AMCs) of 5.35% of gross wages each payroll period for all service as a uniformed force of the NYC Department of Sanitation member rendered on and after June 28, 1992.

Participants must contribute AMCs for the first 20 years of Allowable Sanitation Service.

AMCs are maintained in the Retirement Reserve Fund (RRF), which is an account maintained separately from the Members' Contribution Accumulation Fund (MCAF) account. The MCAF contains only the member's contributions of 3% of wages. Both funds earn interest of 5% per-



annum, compounded annually.

Note: If participants were previously enrolled in another special plan, AMCs may still be required under the previous plan(s).

Deficits

Failure to pay any of the required contributions will result in a deficit in the MCAF (for BMCs) or RRF (for AMCs). If the deficit is identified prior to retirement, NYCERS will notify the participant so they can resolve the deficit.

If there is an unresolved BMC deficit at retirement in the MCAF only, NYCERS will notify the participant of the choice to either pay the deficit in full or apply an actuarial reduction (a lifetime reduction to their pension based on their deficit amount) to resolve the deficit. Unpaid deficits may also impact disability and death benefits.

In the event of an AMC deficit at retirement in the RRF, **participants may not retire until the deficit is paid in full.**

Participants who cease to be employed in the uniformed force of the NYC Department of Sanitation, and withdraw their AMCs (and accrued interest), and later become a SA-20 participant again, will be required to repay the AMCs refunded to them including 5% per-annum statutory interest, as if the AMCs had never been refunded. Payment of a deficiency can be made in a lump sum or through payroll deductions.

Loans

SA-20 Plan participants are not permitted to borrow against their AMCs.

SA-20 Plan participants may borrow up to 75% of the BMCs held in the MCAF account. Any loans taken are subject to the same terms and conditions applicable to Tier 4 members. Please consult [Loans Brochure #911](#) for additional information.

Allowable Sanitation Service

Allowable Sanitation Service includes:

- Credited Service rendered as a member of the uniformed force of the NYC Department of Sanitation.
- Credited Service rendered in another uniformed force immediately prior to becoming a member of the uniformed force of the NYC Department of Sanitation (including NYC Housing Police, NYC Transit Police, and the NYC Department of Correction).
- Credited Service rendered in the uniformed force of the NYC Police Department or NYC Fire Department immediately prior to becoming a member of the uniformed force of the NYC Department of Sanitation, if the service was transferred to NYCERS pursuant to Section 43 of the RSSL.

Buy-Back

SA-20 Plan participants may purchase previous public service rendered anywhere in New York City or New York State, but only previous service rendered in another uniformed force immediately prior to becoming a member of the uniformed force of the NYC Department of



Sanitation will count as Allowable Service. The cost is 3% of the wages earned during the period they are buying back, plus 5% interest compounded annually from the date of their previous service until the date of payment.

Military Buy-Back

Federal and state laws allow members to purchase service credit for time spent in U.S. Military service – the Uniformed Services Employment and Reemployment Rights Act (USERRA) and Article 20 of the New York State Retirement and Social Security Law (RSSL), respectively. Under Article 20, the cost is 3% *times* the number of years of military service being purchased *times* the salary they earned during the 12 months prior to the date of their application. Under USERRA, the cost is the equivalent of the contributions required if they had never left for military service. No interest is charged on military buy-back.

Refunds

Plan participants who have rendered less than 10 years of Credited Service and who leave City service may apply for a refund of BMCs, plus accrued interest, effectively terminating their membership. Participants with between five and 10 years of Credited Service must also waive their right to a Vested Retirement Benefit. Refunds will be reduced by the present value of any loan. Refunds of BMCs are not possible for participants with 10 or more years of Credited Service, except in cases of a participant's death.

Participants with less than 15 years of Allowable Service who cease to hold a position may withdraw their AMCs, and interest earned thereon, for one of the following reasons:

- Death
- Resignation
- Disability Retirement
- Promotion
- Transfer
- Dismissal

Withdrawal of AMCs will trigger a Federal tax liability and may result in a tax penalty. Repayment of any AMC deficits is not eligible for deferred treatment under Federal income tax rules [IRC Section 414(h)].

Once participants have 15 or more years of Allowable Sanitation Service, withdrawal of AMCs is not possible, except in the case of death.

If a participant dies, all of their AMCs, with interest, will be paid to their Designated Beneficiary. If they do not designate a beneficiary, payment will be made to their Estate. This refund is made at the time of death.

Vested Retirement Benefit

SA-20 Plan members who separate from service with least five, but less than 20, years of Allowable Sanitation Service, are eligible for a Vested Retirement Benefit. This benefit will become payable on the date the member would have completed 20 years of Allowable Sanitation Service, had they



continued service. The Vested Retirement Benefit is calculated using the following formula:

2½% of Final Average Salary (FAS) *times* the number of years of Allowable Sanitation Service,
plus

1% of Final Compensation for each year of Credited Service other than Allowable Sanitation Service.

Final Average Salary is defined as the greater of:

The average of wages earned during any three consecutive calendar years

or

The average of wages earned during the 36 months immediately preceding the member's retirement date.

Note: Wages earned in any year used in the FAS computation cannot exceed more than 10% of the average of the previous two years.

Final Compensation is defined as the average compensation earned during the five-year period immediately preceding a member's retirement, or any consecutive five-year period prior to the member's retirement that would provide them with the greatest compensation.

If the member leaves City service with less than five years of Allowable Service but their total Credited Service is five years or more, their vested benefit will be governed by their underlying 62/5 Plan.

NYCERS encourages members who separate from City service to file [Notice of Intention to File for a Tier 3, 4, 6 or 22-Year Plan Vested Retirement Benefit Form #254](#). By doing so, NYCERS can send the member important information regarding their retirement account. For example, they will receive an Annual Disclosure Statement, detailing their account balances and designated beneficiaries. Additionally, NYCERS will send the member [Application for Payment of a Tier 3, 4, 6 or 22-Year Plan Vested Retirement Benefit Form #266](#) approximately 90 days prior to the date they are eligible to receive a vested benefit (Payability Date).

Service Retirement

Participants in the SA-20 plan become eligible to receive a Service Retirement Benefit upon attaining 20 years of Allowable Sanitation Service, without regard to age. The Service Retirement Benefit is calculated using the following formula:

50% *times* Final Average Salary (FAS) for the first 20 years of Allowable Sanitation Service,
plus

1½% *times* Final Compensation for each year of Allowable Sanitation Service in excess of 20 years, **plus**

1% *times* Final Compensation for each year of Credited Service other than Allowable Sanitation Service.

Underlying Plans

Retirement from Underlying 62/5 Plan:

Participants in the SA-20 Plan, including vested members who have left City service, who do NOT meet the SA-20 requirements for service retirement may retire under the 62/5 plan,



assuming service requirements have been met for the underlying plan. All requirements and benefits of the Basic 62/5 Plan will apply, including the ability to retire prior to age 62 with a benefit reduction.

Retirement from the SA-30 Plan:

Participants who have at least 30 years of Credited Service and have attained age 55 may retire from the SA-30 plan, assuming service requirements have been met for the underlying plan.

Note: The maximum Service Retirement Benefit (computed without optional modification) under the Sanitation 20-Year Plan shall equal that which is payable upon completion of 30 years of service.

If a participant has at least five years of Credited Service, they may vest under the 62/5 Plan.

Ordinary Disability Retirement

Tier 4 members are eligible for an Ordinary Disability Retirement Benefit at any age if they have 10 or more years of Credited Service and NYCERS' Medical Board determines that they are physically or mentally incapacitated to perform their job duties and were so incapacitated at the time that they ceased performance of their duties.

The Disability Retirement Benefit is equal to the greater of:

- $\frac{1}{3}$ of the member's FAS; **or**
- $1\frac{2}{3}\%$ *times* FAS *times* years of Credited Service; **or**
- If they are eligible for a service retirement, their Service Retirement Benefit.

Three-Quarters Accidental Disability Retirement (RSSL §605-b)

Uniformed Sanitation Force Members who become physically or mentally incapacitated for the performance of duties as the natural and proximate result of an Accident, not caused by their willful negligence, are entitled to a disability benefit equal to three-quarters of Final Average Salary. Uniformed Sanitation Force Members do not receive Workers' Compensation and therefore are not subject to Workers' Compensation offsets. An application must be filed within two years after the occurrence of the Accident.

Heart Law (GML §207-r)

The Heart Law provides a presumption that a disease of the heart was incurred in the performance of duty. Uniformed Sanitation Force Members who are approved for disability under the Heart Law are entitled to a disability benefit equal to three-quarters of Final Average Salary. Uniformed Sanitation Force Members do not receive Workers' Compensation and therefore are not subject to Workers' Compensation offsets. The presumption may be rebutted by competent medical evidence.

World Trade Center Disability Law

The World Trade Center (WTC) Disability Law provides that NYCERS members, vested members or retirees (retired after 9/11/01) who Participated in WTC Rescue, Recovery, or Clean-up Operations during a Qualifying Period may be entitled to a presumption that any current or future disability caused by a Qualifying Condition or Impairment of Health arose from participation in such operations, unless the contrary is proven. A Notice of Participation must have been filed no later than September 11, 2026. For more information, including death



benefits for members or retirees who die from a WTC Qualifying Condition or Impairment of Health, visit NYCERS' website at nycers.org and review [WTC Disability Law Fact Sheet #703](#).

Special Accidental Death Benefit

A Special Accidental Death Benefit is a monthly payment in addition to the Accidental Death Benefit of 50% of Wages. The effect of this benefit is to continue paying the equivalent of the decedent's salary including earned overtime, night differential, longevity payments and any other type of pensionable earnings, where applicable.

If the member was in a uniformed Sanitation title and died of injuries sustained in the line of duty as the natural and proximate result of an accident, (not caused by their own willful negligence, or while in military service), the benefit is paid to:

- The widow/widower; **or**
- The children of the deceased (under 18 years of age or under the age of 23 if a student) **if** the widow/widower is deceased; **or**
- The parents of the deceased **if** there are no eligible children.

The Special Accidental Death Benefit is generally increased annually by a percentage determined on the basis of the Consumer Price Index (CPI). The maximum potential benefit will be reduced by the basic amount of any Social Security survivors' benefit and Workers' Compensation award.

