Bill as Introduced

HB 1115-FN – AS INTRODUCED

2000 SESSION

00-2601
10/01

HOUSE BILL ***1115-FN***

AN ACT relative to purchasing credit for prior service for certain employees in the retirement system.

SPONSORS: Rep. Dyer, Hills 8; Rep. Thulander, Hills 6

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill removes the 5 year time limit to petition the board of trustees for purchasing prior service credit for certain employees after participation becomes effective and requires full payment and final approval of the board before receiving the credit.

Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

00-2601
10/01

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand

AN ACT relative to purchasing credit for prior service for certain employees in the retirement system.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 Retirement System; Modifications; Purchasing Prior Service. Amend RSA 100-A:22 to read as follows:

100-A:22 Modifications. Membership in the retirement system shall be optional for officers and employees of the employer who are in the service of the employer on the date when participation becomes effective, and any such officer or employee who elects to join the retirement system within one year thereafter shall be credited with prior service covering such periods of prior service rendered to such employer for which the employer is willing to make accrued liability contributions. If the employer is unable or unwilling to make such contributions, a member in service may petition the board of trustees [~~within 5 years from the date when the employer's participation becomes effective for~~] ***and upon approval may purchase the*** periods of prior service rendered to such employer. Upon ***full*** payment by the member of the amount determined in accordance with RSA 100-A:3, VI(b) and with the ***final*** approval of the board, the member shall receive credit for such prior service. Thereafter, service for such employer on account of which contributions are made by the employer and member shall also be considered as creditable service. Membership shall be compulsory for all employees entering the service of such employer after the date participation becomes effective. Municipalities may, by action of their city council or board of selectmen, exempt their chief administrative officer, as an unclassified employee, from compulsory membership provided herein. Any such officer who is presently a member of the retirement system, or who previously was a member of the retirement system, shall be entitled to have any accumulated contributions and the accumulated interest thereon in such officer's account or the employer's account, paid over to such officer and the employer respectively for the express purpose of having said accumulated contributions or equal amounts of monies contributed to the International City Management Retirement Corporation. The chief fiscal officer of the employer, and the heads of its departments, shall submit to the board of trustees such information and shall cause to be performed with respect to the employees of such employer, who are members of the retirement system, such duties as shall be prescribed by the trustees in order to carry out the provisions of this chapter.

2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
99-2601
10/29/99

HB 1115-FN - FISCAL NOTE

AN ACT relative to purchasing credit for prior service for certain employees in the retirement system.

FISCAL IMPACT:

The New Hampshire Retirement System stated this bill will have no fiscal impact on state, county and local revenue or expenditures.

METHODOLOGY:

The System indicates there is no fiscal impact because this bill eliminates the 5 year limit and requires the employee to pay back the entire cost of the prior service purchase.

The Actuary's letter is on file in the bill jacket in the House Clerk's Office.

Speakers

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 1115 Date Feb. 2, 2000

Committee EDTA

** Please Print All Information **

Name	Address	Phone	Representing	(check one) Pro	Con
Rep Ann Rinkenhaus			Hsth, 6	✓	
Dennis Parker	Concord		SEA	✓	
Arthur Beaudry	30 Dow St Manchester		NHSPFFRA	✓	
Jeff Brown	Seabrook	474300	Professional FF	✓	

Hearing Minutes

HOUSE COMMITTEE ON EXECUTIVE DEPARTMENTS AND ADMINISTRATION

PUBLIC HEARING ON HB 1115-FN

BILL TITLE: **relative to urchaseing credit for prior service for certain employees in the retirement system**

DATE: **February 2, 2000**

LOB ROOM: **202** **Time Public Hearing Called to Order: 10:08 AM**

Time Adjourned: 10:30 AM

(please circle if present)

Committee Members: Reps. Mercer, Goulet, Dyer, Langer, Holley, B. Moore, Dickinson, Stickney, Sapareto, Hamel, Millham, O'Neil, Poulin, Zolla, Murphy, Reidy, Virtue, Batchelder, Burkush, Courchesne, Landers and Lent.

Bill Sponsors: Rep.Dyer, Hills 8; Rep. Thulander, Hills 6

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Rep. Dyer, sponsor. The practice had been that the member may or may not buy back within 5 years. A letter was sent out to those members who were coming up on the five years and received adverse comments at the time. This bill requires that a payment in fill must be paid but the time is extended to any time. The actuary will determine the contribution that must be paid in full. Kim France & Maureen Kryger, representing NHRS, 271-3351. Answered how quickly an actuary could turn around on the request for the amount owed the retirement system. Within one day the calculation could be arrived at. A full time employee must be working 35 hours a week.

Respectfully submitted,

Rep. Ray Langer, Clerk

Voting Sheets

HOUSE COMMITTEE ON EXECUTIVE DEPARTMENTS AND ADMINISTRATION

EXECUTIVE SESSION on HB 1115-FN

BILL TITLE: **relative to purchasing credit for prior service for certain employees in the retirement system.**

DATE: February 8, 2000

LOB ROOM: 202

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Re-Refer, Interim Study (Please circle one.)

Moved by Rep. Langer

Seconded by Rep. Murphy

Vote: 16-0 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Re-Refer, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 16-0

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Ray F. Langer, Clerk

OFFICE OF THE HOUSE CLERK

2000 SESSION

EXECUTIVE DEPARTMENTS AND ADMINISTRATION

Bill #: HB 1115 **Title:** _____

PH Date: ___/___/___ **Exec Session Date:** 2/8/2000

Motion: ITL **Amendment #:** _____

MEMBER	YEAS	NAYS
Mercer, Robert S, Chairman		
Goulet, Maurice E, V Chairman		
Dyer, Merton S		
Langer, Ray F, Clerk	1	
Holley, Sylvia A	2	
Moore, Benjamin E		
Dickinson, Howard C		
Stickney, Nancy C	3	
Sapareto, Frank V	4	
Hamel, Albert W	5	
Millham, Alida I	6	
O'Neil, Michael	7	
Poulin, Dave G	8	
Zolla, William R	9	
Murphy, Robert E	10	
Reidy, Frank J	11	
Virtue, Carolyn A	12	
Batchelder, Robert C	13	
Burkush, James A	14	
Courchesne, Judy A		
Landers, Dana L	15	
Lent, Donald R	16	
	16	0

TOTAL VOTE:
Printed: 12/30/1999

Committee Report

COMMITTEE REPORT

COMMITTEE: **Executive Departments and Administration**

BILL NUMBER: **HB 1115-FN**

TITLE: relative to purchasing credit for prior service for certain employees in the retirement system.

DATE: February 15, 2000 CONSENT CALENDAR YES ☒ NO ☐

☐ OUGHT TO PASS

☐ OUGHT TO PASS WITH AMENDMENT

☒ INEXPEDIENT TO LEGISLATE

☐ RE-REFER

☐ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

The practice has been that a member may or may not buy back prior service within 5 years. A letter was sent out to members approaching the five years and the retirement system received adverse comments. It was felt that if it was the consensus that 5 years was not desired, it was not practical to remove this limitation and make any payment be completed in full whenever a retiree desired to do so. If the 5-year limitation is removed, it makes the retirement system liable for picking up this retirement at any time.

Vote 16-0.

Rep. Ray F. Langer
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

CONSENT CALENDAR

Executive Departments and Administration

HB 1115-FN, relative to purchasing credit for prior service for certain employees in the retirement system. INEXPEDIENT TO LEGISLATE

Rep. Ray F. Langer for Executive Departments and Administration: The practice has been that a member may or may not buy back prior service within 5 years. A letter was sent out to members approaching the five years and the retirement system received adverse comments. It was felt that if it was the consensus that 5 years was not desired, it was not practical to remove this limitation and make any payment be completed in full whenever a retiree desired to do so. If the 5-year limitation is removed, it makes the retirement system liable for picking up this retirement at any time. Vote 16-0.

COMMITTEE REPORT

COMMITTEE: _____

BILL NUMBER: HB 1115 FN

TITLE: _____

_____

DATE: _____ CONSENT CALENDAR YES ___ NO ___

___ OUGHT TO PASS

___ OUGHT TO PASS WITH AMENDMENT

X INEXPEDIENT TO LEGISLATE

___ RE-REFER

___ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

The practice has been that a member may not purchase prior service credit for more than 5 years. A policy was put out to members approaching the five years and the retirement system received adverse comments. It was felt that if the consensus that 5 years was not desired, it was not practical to remove this limitation and make any payment be completed in full whenever a retiree desired to do so. If the 5 year limitation is removed it makes the retirement system liable for picking up this retirement at any time.

Vote. 16-0

Rep. Lamper
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT