Bill as Introduced

2003 SESSION

03-0816
10/09

HOUSE BILL ***HB 356-FN***

AN ACT relative to including medical benefits costs in the purchase of creditable service in the retirement system.

SPONSORS: Rep. Zolla, Rock 77

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill provides that the determination of the cost to purchase creditable service in the retirement system shall include the costs of medical benefits.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

03-0816
10/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Three

AN ACT relative to including medical benefits costs in the purchase of creditable service in the retirement system.

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

1 Retirement System; Purchase of Creditable Service; Cost of Medical Benefits. Amend RSA 100-A:3, VI(c) to read as follows:

(c) Upon payment by the member of the amount determined by the actuary ***which shall include, where applicable, the cost of financing medical benefits paid from the 401(h) subtrust under RSA 100-A:50-55***, and with the approval of the board, the member shall receive credit for such prior service. ***Except for allocations to the 401(h) subtrust,*** the full amount of such payment by the member for prior service credit shall be credited to the member annuity savings fund.

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

LBAO
03-0816
1/16/03

HB 356-FN - FISCAL NOTE

AN ACT relative to including medical benefits costs in the purchase of creditable service in the retirement system.

FISCAL IMPACT:

The New Hampshire Retirement System states this bill will increase state restricted expenditures by $65,000 in FY 2003. There will be no fiscal impact on state, county, and local revenue or county and local expenditures.

METHODOLOGY:

The System states this bill provides that the determination of the cost of purchasing creditable service under RSA 100-A:3, VI(c) shall include the cost of the post-retirement medical subsidy. There is no cost to the System since the impacted member has to pay for the entire cost of the post-retirement medical subsidy. There would be a one-time administrative cost of $15,000 to modify the PC program used to calculate the cost of purchasing creditable service, and a one-time administrative cost of $50,000 to modify the mainframe to track the contributions used to purchase the post-retirement medical subsidy cost.

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 356-FN Date Feb. 11, 2003

Committee ED+A

**** Please Print All Information ****

Name	Address	Phone	Representing	(check one) Pro	Con
Gary Bergier	25 Triangle Park Concord	224-7447	NHMA	X	
Donna Parker	Concord		SEA	X	
Eleanor Carpenter	15 Scelig Cir Dover		NHPolicyAss	✓	

Hearing Minutes

HOUSE COMMITTEE ON EXECUTIVE DEPARTMENTS AND ADMINISTRATION

PUBLIC HEARING ON HB 356-FN

BILL TITLE: relative to including medical benefits costs in the purchase of creditable service in the retirement system.

DATE: February 11, 2003

LOB ROOM: 100 SH **Time Public Hearing Called to Order:** 1:50 PM

Time Adjourned: 2:00 PM

(please circle if present)

Committee Members: Reps. (O'Neil) (Hamel) (Langer) (Goulet) (Zolla) (N. Allan) (Dexter) (Hall, C.) (Robertson) (Bergin) LaFlamme, (Milligan) (W. Field) Fitzgerald, (Maybeck) Clayton, (Schulze) (DeJoie,) (Irwin) (Pilotte) and (T. Sullivan).

Bill Sponsors: Rep. Zolla, Rock 77

TESTIMONY

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

Rep. Zolla, sponsor. Supports bill. Brings employees into the system they should pay their part of medical benefits fees as well as retirement benefits fees. This bill provides for costs of the medical subtrust.
Eric Henry, representing NHRS. No opposition or support noted on card..

Respectfully submitted,

Ray F Langer

Rep. Ray Langer, Clerk

Voting Sheets

HOUSE COMMITTEE ON EXECUTIVE DEPARTMENTS AND ADMINISTRATION

EXECUTIVE SESSION on HB 356-FN

BILL TITLE: **relative to including medical benefits costs in the purchase of creditable service in the retirement system.**

DATE: March 3, 2003

LOB ROOM: 100

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

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

Moved by Rep. Zolla

Seconded by Rep. Hall

Vote: 17-0 (Please attach record of roll call vote.)

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

Moved by Rep.

Seconded by Rep.

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

CONSENT CALENDAR VOTE: NO

(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 2003 SESSION

EXECUTIVE DEPARTMENTS AND ADMINISTRATION

Bill #: 356 Title: Relative to including medical benefits costs in the purchase of creditable service in the retirement system

PH Date: 2/11/03 Exec Session Date: 3/3/03

Motion: OTP Amendment #:

MEMBER	YEAS	NAYS
O'Neil. Michael. Chairman	17	
Hamel. Albert W. V Chairman	1	
Langer. Rav F		
Goulet. Maurice E	2	
Zolla. William R	3	
Allan. Nelson S	4	
Dexter. Judson K		
Hall. Charles Q	5	
Robertson. Carl G	6	
Bergin. Peter F	7	
LaFlamme. Paul G	8	
Milligan. Robert H	9	
Field. William D	10	
Fitzgerald. James M	11	
Maybeck. Margie	12	
Clayton. William K		
Schulze. Joan H	13	
DeJoie. John	14	
Irwin. Anne-Marie	15	
Pilotte. Maurice L	16	
Sullivan. Francis B	17	
TOTAL VOTE:	17	0

Printed: 1/6/2003

Committee Report

COMMITTEE REPORT

COMMITTEE: **Executive Departments and Administration**

BILL NUMBER: **HB 356–FN**

TITLE: relative to including medical benefits costs in the purchase of creditable service in the retirement system.

DATE: March 4, 2003 CONSENT CALENDAR YES ☐ NO ☒

☒ OUGHT TO PASS

☐ OUGHT TO PASS WITH AMENDMENT

☐ INEXPEDIENT TO LEGISLATE

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

STATEMENT OF INTENT
(Include Committee Vote)

This bill would require those members purchasing creditable service in the system and anticipating medical benefits upon retirement to make a contribution to the medical sub trust also. In so doing those members already eligible for these benefits upon retirement as well as those already receiving them will not have the sub trust's original terminal funding depreciated sooner than planned for.

Vote 17-0.

Rep. William R. Zolla
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

Executive Departments and Administration

HB 356–FN, relative to including medical benefits costs in the purchase of creditable service in the retirement system. **OUGHT TO PASS**

Rep. William R. Zolla for Executive Departments and Administration: This bill would require those members purchasing creditable service in the system and anticipating medical benefits upon retirement to make a contribution to the medical sub trust also. In so doing those members already eligible for these benefits upon retirement as well as those already receiving them will not have the sub trust's original terminal funding depreciated sooner than planned for. **Vote 17-0.**

HB 356 FN

HB 356 Relative to including medical benefit costs in the purchase of creditable service in the retirement system. OUGHT TO PASS

William R. Zolla for the EXECUTIVE DEPARTMENTS AND ADMINISTRATION.

This bill would require those members purchasing creditable service in the system and anticipating medical benefits upon retirement to make a contribution to the medical sub trust also. In so doing those members already eligible for these benefits upon retirement as well as those already receiving them will not have the sub trust 's original terminal funding depreciated sooner than planned for. VOTE 17-0