

SENATE FINANCE - 2025 BUDGET RECAP SHEET

New Hampshire Retirement System	Contact	SOF	FY 2025	FY 2026	FY 2027	Total	Status
1. HB 2 Amendment #2025-2633s, Page 2 Amends sections 20-59, effective dates extended by 6 months. Appropriates \$14.5m in FY 2026 and continually appropriates \$27.5m through 2034.	Senator Lang	GF	\$0	(\$13,000,000)	\$0	(\$13,000,000)	New

Amendment to HB 2-FN-A-LOCAL

1 Amend the bill by replacing sections 20-59 with the following:

2
3 20 New Paragraph; Definition; Vested; 2026 Change. Amend RSA 100-A:1 by inserting after
4 paragraph XXXVII the following new paragraph:

5 XXXVIII. "Vested" means that a member is eligible for a benefit after 10 years of service.
6 The calculations of earnable compensation under RSA 100-A:1, XVII, and average final
7 compensation under RSA 100-A:1, XVIII, shall not be reduced after 3 years of service.

8 21 Earnable Compensation; 2026 Change. Amend RSA 100-A:1, XVII to read as follows:

9 XVII. "Earnable compensation" shall mean:

10 (a) For **group I** members who have attained vested status prior to January 1, 2012 the
11 full base rate of compensation paid, as determined by the employer, plus any overtime pay, holiday
12 and vacation pay, sick pay, longevity or severance pay, cost of living bonus, annual attendance
13 stipend or bonus, additional pay for extracurricular and instructional activities for full-time teachers
14 and full-time employees who are employed in paraprofessional or support position, additional pay for
15 instructional activities of full-time faculty of the community college system, and any military
16 differential pay, plus the fair market value of non-cash compensation paid to, or on behalf of, the
17 member for meals or living quarters if subject to federal income tax, but excluding other
18 compensation except cash incentives paid by an employer to encourage members to retire,
19 supplemental pay paid by the employer while the member is receiving workers' compensation, and
20 teacher development pay that is not part of the contracted annual salary. [~~Compensation for extra~~
21 ~~and special duty, as reported by the employer, shall be included but limited during the highest 3~~
22 ~~years of creditable service as provided in paragraph XVIII.] However, earnable compensation in the~~
23 final 12 months of creditable service prior to termination of employment shall be limited to 1-1/2
24 times the higher of the earnable compensation in the 12-month period preceding the final 12 months
25 or the highest compensation year as determined for the purpose of calculating average final
26 compensation, but excluding the final 12 months. Any compensation received in the final 12 months
27 of employment in excess of such limit shall not be subject to member or employer contributions to
28 the retirement system and shall not be considered in the computation of average final compensation.

29 Provided that, the annual compensation limit for members of governmental defined benefit pension
30 plans under section 401(a)(17) of the United States Internal Revenue Code of 1986, as amended,

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1 shall apply to earnable compensation for all employees[~~]~~ **and** teachers[~~permanent firemen, and~~
2 ~~permanent policemen~~] who first become eligible for membership in the system on or after July 1,
3 1996. Earnable compensation shall not include compensation in any form paid later than 120 days
4 after the member's termination of employment from a retirement eligible position, with the limited
5 exceptions of disability related severance pay paid to a member or retiree no later than 120 days
6 after a decision by the board of trustees granting the member or retiree disability retirement
7 benefits pursuant to RSA 100-A:6 and of severance pay which a member was entitled to be paid
8 within 120 days after termination but which, without the consent of the member and not through
9 any fault of the member, was paid more than 120 days after the member's termination. The member
10 shall have the burden of proving to the board of trustees that any severance payment paid later than
11 120 days after the member's termination of employment is earnable compensation and meets the
12 requirements of an asserted exception to the 120-day post-termination payment requirement.

13 (b)(1) For **group I** members who have not attained vested status prior to January 1,
14 2012, the full base rate of compensation paid, as determined by the employer, plus compensation
15 over base pay. Compensation over base pay shall include as applicable, subject to subparagraphs
16 (2)[~~], (3), and (4)~~] **and (3)**, any overtime pay, cost of living bonus, annual attendance stipend or
17 bonus, annual longevity pay, additional pay for extracurricular and instructional activities for full-
18 time teachers and full-time employees who are employed in paraprofessional or support position,
19 additional pay for instructional activities of full-time faculty of the community college system[~~]~~
20 ~~compensation for extra and special duty~~] and any military differential pay, plus the fair market
21 value of non-cash compensation paid to, or on behalf of, the member for meals or living quarters if
22 subject to federal income tax, but excluding other compensation except supplemental pay paid by the
23 employer while the member is receiving workers' compensation and teacher development pay that is
24 not part of the contracted annual salary.

25 (2) Compensation over base pay shall be limited during the highest 5 years of
26 creditable service as provided in paragraph XVIII.

27 (3) Earnable compensation shall not include compensation for extra [~~and special~~]
28 duty for members who commence service on and after July 1, 2011.

29 (4) Earnable compensation shall not include incentives to encourage members to
30 retire, severance pay or end-of-career additional longevity payments, and pay for unused sick or
31 vacation time. Earnable compensation in the final 12 months of creditable service prior to
32 termination of employment shall be limited to 11/2 times the higher of the earnable compensation in
33 the 12-month period preceding the final 12 months or the highest compensation year as determined
34 for the purpose of calculating average final compensation, but excluding the final 12 months. Any
35 compensation received in the final 12 months of employment in excess of such limit shall not be
36 subject to member or employer contributions to the retirement system and shall not be considered in
37 the computation of average final compensation. Provided that, the annual compensation limit for

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1 members of governmental defined benefit pension plans under section 401(a)(17) of the United
2 States Internal Revenue Code of 1986, as amended, shall apply to earnable compensation for all
3 employees[;] *and* teachers[~~permanent firemen, and permanent policemen~~] who first become eligible
4 for membership in the system on or after July 1, 1996. Earnable compensation shall not include
5 compensation in any form paid later than 120 days after the member's termination of employment
6 from a retirement eligible position.

7 *(c) For group II members who attained vested status prior to September 1, 2013,*
8 *the full base rate of compensation paid, as determined by the employer, plus any overtime*
9 *pay, holiday and vacation pay, sick pay, longevity or severance pay, cost of living bonus,*
10 *annual attendance stipend or bonus, additional pay for instructional activities, and any*
11 *military differential pay, plus the fair market value of non-cash compensation paid to, or*
12 *on behalf of, the member for meals or living quarters if subject to federal income tax, but*
13 *excluding other compensation except cash incentives paid by an employer to encourage*
14 *members to retire, supplemental pay paid by the employer while the member is receiving*
15 *workers' compensation. Compensation for extra and special duty, as reported by the*
16 *employer, shall be included but limited during the highest 3 years of creditable service as*
17 *provided in paragraph XVIII. However, earnable compensation in the final 12 months of*
18 *creditable service prior to termination of employment shall be limited to 1-1/2 times the*
19 *higher of the earnable compensation in the 12-month period preceding the final 12 months*
20 *or the highest compensation year as determined for the purpose of calculating average*
21 *final compensation, but excluding the final 12 months. Any compensation received in the*
22 *final 12 months of employment in excess of such limit shall not be subject to member or*
23 *employer contributions to the retirement system and shall not be considered in the*
24 *computation of average final compensation. Provided that, the annual compensation limit*
25 *for members of governmental defined benefit pension plans under section 401(a)(17) of the*
26 *United States Internal Revenue Code of 1986, as amended, shall apply to earnable*
27 *compensation for all permanent firemen and permanent policemen who first become*
28 *eligible for membership in the system on or after July 1, 1996. Earnable compensation*
29 *shall not include compensation in any form paid later than 120 days after the member's*
30 *termination of employment from a retirement-eligible position, with the limited exceptions*
31 *of disability-related severance pay paid to a member or retiree no later than 120 days after*
32 *a decision by the board of trustees granting the member or retiree disability retirement*
33 *benefits pursuant to RSA 100-A:6 and of severance pay which a member was entitled to be*
34 *paid within 120 days after termination but which, without the consent of the member and*
35 *not through any fault of the member, was paid more than 120 days after the member's*
36 *termination. The member shall have the burden of proving to the board of trustees that*
37 *any severance payment paid later than 120 days after the member's termination of*

employment is earnable compensation and meets the requirements of an asserted exception to the 120-day post-termination payment requirement.

(d)(1) For group II members who have not attained vested status prior to September 1, 2013, the full base rate of compensation paid, as determined by the employer, plus compensation over base pay. Compensation over base pay shall include, as applicable and subject to subparagraphs (2) and (3), any overtime pay, cost of living bonus, annual attendance stipend or bonus, annual longevity pay, compensation for extra and special duty, and any military differential pay, plus the fair market value of non-cash compensation paid to or on behalf of the member for meals or living quarters if subject to federal income tax, but excluding other compensation except supplemental pay paid by the employer while the member is receiving workers' compensation that is not part of the contracted annual salary.

(2) Earnable compensation shall not include compensation for extra and special duty for members who began service on or after July 1, 2011.

(3) Earnable compensation shall not include incentives to encourage members to retire, severance pay, end-of-career additional longevity payments, or pay for unused sick or vacation time. Earnable compensation in the final 12 months of creditable service prior to termination of employment shall be limited to 1 1/2 times the higher of the earnable compensation in the 12-month period preceding the final 12 months or the highest compensation year as determined for the purpose of calculating average final compensation, but excluding the final 12 months. Any compensation received in the final 12 months of employment in excess of such limit shall not be subject to member or employer contributions to the retirement system and shall not be considered in the computation of average final compensation. Provided that, the annual compensation limit for members of governmental defined benefit pension plans under section 401(a)(17) of the United States Internal Revenue Code of 1986, as amended, shall apply to earnable compensation for all permanent firemen and permanent policemen who first become eligible for membership in the system on or after July 1, 1996. Earnable compensation shall not include compensation in any form paid later than 120 days after the member's termination of employment from a retirement-eligible position.

22 Average Final Compensation; 2026 Change. Amend RSA 100-A:1, XVIII to read as follows:

XVIII. "Average final compensation" shall mean:

(a) For group I members who have attained vested status prior to January 1, 2012, the average annual earnable compensation of a member during his or her highest 3 years of creditable service, or during all of the years in his or her creditable service if less than 3 years. [For purposes of this calculation, the inclusion of the average annual compensation for extra and special duty in the 3 years shall not exceed the average annual amount of compensation for extra and special duty

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1 paid to the member over the member's last 7 years of creditable service on or after July 1, 2009, as
2 reported by the employer in accordance with RSA 100-A:16, VI, or over all of the years in his or her
3 creditable service on or after July 1, 2009, if less than 7 years.]

4 *(b) For group II members who attained vested status prior to September 1, 2013,*
5 *the average annual earnable compensation shall be calculated based on the member's*
6 *highest 3 years of creditable service, or during all years of creditable service if less than 3*
7 *years. For purposes of this calculation, the inclusion of the average annual compensation*
8 *for extra and special duty in the 3 years shall not exceed the average annual amount of*
9 *compensation for extra and special duty paid to the member over the member's last 7 years*
10 *of creditable service on or after July 1, 2009, as reported by the employer in accordance*
11 *with RSA 100-A:16, VI, or over all of the years in the member's creditable service on or after*
12 *July 1, 2009, if less than 7 years.*

13 ~~[(b)]~~ (c) For group I members who commenced service on or after July 1, 2011 or who
14 have not attained vested status prior to January 1, 2012, the average annual earnable compensation
15 of a member during his or her highest 5 years of creditable service, or during all of the years in his or
16 her creditable service if less than 5 years. For purposes of inclusion in this calculation, the average
17 percentage of compensation paid in excess of the full base rate of compensation in the highest 5
18 years shall not exceed the average percentage of compensation paid in excess of the full base rate of
19 compensation over all the member's years of service on or after January 1, 2012, but excluding the
20 highest 5 years.

21 ~~[(c)(4)]~~ (d)(1) For group II members ~~[who commenced service prior to July 1, 2011 and]~~
22 ~~who have not attained vested status prior to [January 1, 2012,]~~ **September 1, 2013**, the average
23 annual earnable compensation of a member during his or her highest 5 years of creditable service, or
24 during all of the years in his or her creditable service if less than 5 years. For purposes of inclusion
25 in this calculation, the average percentage of compensation paid in excess of the full base rate of
26 compensation in the highest 5 years shall not exceed the average percentage of compensation paid in
27 excess of the full base rate of compensation over all the member's years of service on or after
28 ~~[January 1, 2012]~~ **September 1, 2013**.

29 (2) For group II members who commenced service on or after July 1, 2011, ~~[and who~~
30 ~~have not attained vested status prior to January 1, 2012,]~~ the average annual earnable
31 compensation of a member during his or her highest 5 years of creditable service, or during all of the
32 years in his or her creditable service if less than 5 years. For purposes of inclusion in this
33 calculation, the average percentage of compensation paid in excess of the full base rate of
34 compensation in the highest 5 years shall not exceed the average percentage of compensation paid in
35 excess of the full base rate of compensation over all the member's years of service on or after
36 January 1, 2012, but excluding the highest 5 years.

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23 Group II Service Retirement Benefits; 2026 Change. Amend RSA 100-A:5, II(a) to read as follows:

II. Group II Members.

(a) Any group II member in service, who is in vested status before ~~January 1, 2012~~ **September 1, 2013**, who has attained age 45 and completed 20 years of creditable service, and any group II member who commenced service on or after July 1, 2011, who has attained age 50 and completed 25 years of creditable service, and group II members who have not attained vested status prior to ~~January 1, 2012~~ **September 1, 2013**, as provided in the transition provisions in RSA 100-A:5, II(d), or any group II member in service who has attained age 60 regardless of the number of years of creditable service, may retire on a service retirement allowance upon written application to the board of trustees setting forth at what time not less than 30 days nor more than 90 days subsequent to the filing thereof the member desires to be retired, notwithstanding that during such period of notification the member may have separated from service. Provided, however, that a group II member who commenced service on or after July 1, 2011 shall not receive a service retirement allowance until attaining the age of 52.5; but may receive a reduced allowance after age 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for each month by which the date on which benefits commence precedes the month after which the member attains 52.5 years of age, by 1/4 of one percent.

24 Group II Service Retirement Benefits; 2026 Change. Amend RSA 100-A:5, II(b)(2) to read as follows:

(2) For members who are in vested status before ~~January 1, 2012~~ **September 1, 2013**, a state annuity which, together with his or her member annuity, shall be equal to 2-1/2 percent of his or her average final compensation multiplied by the number of years of his or her creditable service not in excess of 40 years, or for members who commenced service on or after July 1, 2011, a state annuity which, together with his or her member annuity, shall be equal to 2 percent of his or her average final compensation multiplied by the number of years of his or her creditable service not in excess of 42.5 years, and group II members who have not attained vested status prior to ~~January 1, 2012~~ **September 1, 2013**, shall be as provided in the transition provisions in RSA 100-A:5, II(d) with the maximum number of years of creditable service not in excess of the limits under RSA 100-A:6-a, but only for group II members in service who have attained age 60 regardless of the number of years of creditable service, or who work up to their full age and service requirements and retire under service retirement. If a member retires prior to reaching full age and service requirements, then their annuity multiplier remains the same as their first 15 years of creditable service.

25 Group II Service Retirement Benefits; 2026 Change. Amend RSA 100-A:5, II(c)(1) to read as follows:

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1 (c)(1) Notwithstanding any provision of RSA 100-A to the contrary, any group II member
2 who is in vested status before ~~[January 1, 2012]~~ **September 1, 2013**, and has retired on or after the
3 effective date of this subparagraph after attaining the age of 45 with at least 20 years of creditable
4 service, and any group II member who commenced service on or after July 1, 2011, and retires after
5 the effective date of this subparagraph after attaining the age of 50 with at least 25 years of
6 creditable service, and group II members who have not attained vested status prior to ~~January 1,~~
7 ~~2012]~~ **September 1, 2013**, who qualify as provided in the transition provisions in RSA 100-A:5, II(d),
8 shall receive a minimum annual service retirement allowance of \$10,000. If such group II member
9 has elected to convert the retirement allowance into an optional allowance for the surviving spouse
10 under RSA 100-A:13, the surviving spouse shall be entitled to a proportional share of the \$10,000.
11 26 Group II Service Retirement Benefits; 2026 Change. Amend RSA 100-A:5, II(d) to read as
12 follows:

13 (d) Active group II members who commenced service prior to July 1, 2011, and who have
14 not attained vested status prior to ~~[January 1, 2012]~~ **September 1, 2013**, shall be subject to the
15 following transition provisions for years of service required for regular service retirement, the
16 minimum age for regular service retirement, and for the first 15 years of creditable service, the
17 multiplier used to calculate the retirement annuity ~~[, which shall be applicable on, or after January~~
18 ~~1, 2012]~~ according to the following table:

Creditable service on	Minimum years of service	Minimum age attained	Annuity multiplier
January 1, 2012			
(1) Less than 4 years	24 age	49	2.1%
(2) At least 4 years	23 age	48	2.2%
but less than 6 years			
(3) At least 6 years	22 age	47	2.3%
but less than 8 years			
(4) At least 8 years	21 age	46	2.4%
but less than 10 years]			
(1) Less than 1 year	24	age 49	2.1%*
(2) At least 1 years	24	age 49	2.1%*
but less than 2 years			
(3) At least 2 years but	24	age 49	2.1%*
less than 3 years			
(4) At least 3 years but	24	age 49	2.1%*
less than 4 years			
(5) At least 4 years	23	age 48	2.2%*
but less than 5 years			
(6) At least 5 years	23	age 48	2.2%*

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- 1 31 Retirement System; 2029 Change; Group II; Date Change for Application of Retirement
2 Provisions Adopted in 2011 to Members in Vested Status. Amend the following RSA provisions by
3 replacing "January 1, 2016" with "January 1, 2017": 21-I:30, VIII; 100-A:1, XVII(c); 100-A:1,
4 XVII(d)(1); 100-A:1, XVIII(b); 100-A:1, XVIII(d)(1); 100-A:1, XXXVII(b)(1) and (3); 100-A:5, II(a); 100-
5 A:5, II(b)(2); 100-A:5, II(c)(1); 100-A:5, II(d) (except table heading); 100-A:6, II(b); 100-A:6, II(d)(1)
6 and (3); 100-A:10, II(b); 100-A:16, I(aa); 100-A:19-b, II(a) and (c); and 100-A:19-d.
- 7 32 Retirement System; 2030 Change; Group II; Date Change for Application of Retirement
8 Provisions Adopted in 2011 to Members in Vested Status. Amend the following RSA provisions by
9 replacing "January 1, 2017" with "January 1, 2018": 21-I:30, VIII; 100-A:1, XVII(c); 100-A:1,
10 XVII(d)(1); 100-A:1, XVIII(b); 100-A:1, XVIII(d)(1); 100-A:1, XXXVII(b)(1) and (3); 100-A:5, II(a); 100-
11 A:5, II(b)(2); 100-A:5, II(c)(1); 100-A:5, II(d) (except table heading); 100-A:6, II(b); 100-A:6, II(d)(1)
12 and (3); 100-A:10, II(b); 100-A:16, I(aa); 100-A:19-b, II(a) and (c); and 100-A:19-d.
- 13 33 Retirement System; 2031 Change; Group II; Date Change for Application of Retirement
14 Provisions Adopted in 2011 to Members in Vested Status. Amend the following RSA provisions by
15 replacing "January 1, 2018" with "January 1, 2019": 21-I:30, VIII; 100-A:1, XVII(c); 100-A:1,
16 XVII(d)(1); 100-A:1, XVIII(b); 100-A:1, XVIII(d)(1); 100-A:1, XXXVII(b)(1) and (3); 100-A:5, II(a); 100-
17 A:5, II(b)(2); 100-A:5, II(c)(1); 100-A:5, II(d) (except table heading); 100-A:6, II(b); 100-A:6, II(d)(1)
18 and (3); 100-A:10, II(b); 100-A:16, I(aa); 100-A:19-b, II(a) and (c); and 100-A:19-d.
- 19 34 Retirement System; 2032 Change; Group II; Date Change for Application of Retirement
20 Provisions Adopted in 2011 to Members in Vested Status. Amend the following RSA provisions by
21 replacing "January 1, 2019" with "January 1, 2020": 21-I:30, VIII; 100-A:1, XVII(c); 100-A:1,
22 XVII(d)(1); 100-A:1, XVIII(b); 100-A:1, XVIII(d)(1); 100-A:1, XXXVII(b)(1) and (3); 100-A:5, II(a); 100-
23 A:5, II(b)(2); 100-A:5, II(c)(1); 100-A:5, II(d) (except table heading); 100-A:6, II(b); 100-A:6, II(d)(1)
24 and (3); 100-A:10, II(b); 100-A:16, I(aa); 100-A:19-b, II(a) and (c); and 100-A:19-d.
- 25 35 Retirement System; 2033 Change; Group II; Date Change for Application of Retirement
26 Provisions Adopted in 2011 to Members in Vested Status. Amend the following RSA provisions by
27 replacing "January 1, 2020" with "January 1, 2021": 21-I:30, VIII; 100-A:1, XVII(c); 100-A:1,
28 XVII(d)(1); 100-A:1, XVIII(b); 100-A:1, XVIII(d)(1); 100-A:1, XXXVII(b)(1) and (3); 100-A:5, II(a); 100-
29 A:5, II(b)(2); 100-A:5, II(c)(1); 100-A:5, II(d) (except table heading); 100-A:6, II(b); 100-A:6, II(d)(1)
30 and (3); 100-A:10, II(b); 100-A:16, I(aa); 100-A:19-b, II(a) and (c); and 100-A:19-d.
- 31 36 Medical and Surgical Benefits; 2034 Change. Amend RSA 21-I:30, VIII to read as follows:
- 32 VIII. Any vested deferred state retiree may receive medical and surgical benefits under this
33 section if the vested deferred state retiree is eligible. To be eligible, a group I vested deferred state
34 retiree shall have at least 10 years of creditable service with the state if the employee's service began
35 prior to July 1, 2003 or 20 years of creditable service with the state if the employee's service began
36 on or after July 1, 2003 and a group II vested deferred state retiree shall have at least 20 years of
37 creditable service with the state if the employee's service with the state began on or after July 1,

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2010. In addition, if the vested deferred state retiree is a member of group I, such retiree shall be at least 60 years of age to be eligible. If the vested deferred state retiree is a member of group II who is in vested status before January 1, 2012, such retiree shall not be eligible until 20 years from the date of becoming a member of group II and shall be at least 45 years of age, and any group II member who commenced service on or after July 1, 2011 shall not be eligible until 25 years from the date of becoming a member of group II and shall be at least 52.5 years of age~~[- and group II members who have not attained vested status prior to January 1, 2012 shall be as provided in the transition provisions in RSA 100-A:5, II(d)].~~

37 Definitions; 2034 Change. Amend RSA 100-A:1, XVII(d)(1) to read as follows:

(d)(1) For group II members ~~[who have not attained vested status prior to January 1, 2021] who commenced service on or after July 1, 2011~~, the full base rate of compensation paid, as determined by the employer, plus compensation over base pay. Compensation over base pay shall include, as applicable and subject to subparagraphs (2) and (3), any overtime pay, cost of living bonus, annual attendance stipend or bonus, annual longevity pay, compensation for extra and special duty, and any military differential pay, plus the fair market value of non-cash compensation paid to or on behalf of the member for meals or living quarters if subject to federal income tax, but excluding other compensation except supplemental pay paid by the employer while the member is receiving workers' compensation that is not part of the contracted annual salary.

38 Definitions; 2034 Change. Amend RSA 100-A:1, XXXVII(b)(1) through (3) to read as follows:

(b)(1) For a group II member who is ~~[in vested status before January 1, 2012] who commenced service prior to July 1, 2011~~, the later of the date that the member has both attained age 45 and completed 20 years of creditable service; **or**

(2) For a group II member who commenced service on or after July 1, 2011, the later of the date that the member has both attained age 52.5 and completed 25 years of creditable service.^[5]

~~[(3) For a group II member who commenced service prior to July 1, 2011, and who has not attained vested status prior to January 1, 2012, as provided in the transition provisions in RSA 100-A:5, II(d); or]~~

39 Service Retirement Benefits; 2034 Change. Amend RSA 100-A:5, II(a) to read as follows:

(a) Any group II member in service, ~~[who is in vested status before January 1, 2021] who commenced service prior to July 1, 2011~~, who has attained age 45 and completed 20 years of creditable service, and any group II member who commenced service on or after July 1, 2011 who has attained age 50 and completed 25 years of creditable service~~[- and group II members who have not attained vested status prior to January 1, 2021, as provided in the transition provisions in RSA 100-A:5, II(d)], or any group II member in service who has attained age 60 regardless of the number of years of creditable service, may retire on a service retirement allowance upon written application to the board of trustees setting forth at what time not less than 30 days nor more than 90~~

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1 days subsequent to the filing thereof the member desires to be retired, notwithstanding that during
2 such period of notification the member may have separated from service. Provided, however, that a
3 group II member who commenced service on or after July 1, 2011 shall not receive a service
4 retirement allowance until attaining the age of 52.5; but may receive a reduced allowance after age
5 50 if the member has at least 25 years of creditable service where the allowance shall be reduced, for
6 each month by which the date on which benefits commence precedes the month after which the
7 member attains 52.5 years of age, by 1/4 of one percent.

8 40 Service Retirement Benefits; 2034 Change. Amend RSA 100-A:5, II(b)(2) to read as follows:
9 (2) For members ~~[who are in vested status before January 1, 2021]~~ **who**
10 **commenced service prior to July 1, 2011**, a state annuity which, together with his or her member
11 annuity, shall be equal to 2- 1/2 percent of his or her average final compensation multiplied by the
12 number of years of his or her creditable service not in excess of 40 years, or for members who
13 commenced service on or after July 1, 2011, a state annuity which, together with his or her member
14 annuity, shall be equal to 2 percent of his or her average final compensation multiplied by the
15 number of years of his or her creditable service not in excess of 42.5 years~~[- and group II members~~
16 ~~who have not attained vested status prior to January 1, 2021 shall be as provided in the transition~~
17 ~~provisions in RSA 100-A:5, II(d) with the maximum number of years of creditable service not in~~
18 ~~excess of 40.5 years].~~

19 41 Service Retirement Benefits; 2034 Change. Amend RSA 100-A:5, II(c)(1) to read as follows:

20 (c)(1) Notwithstanding any provision of RSA 100-A to the contrary, any group II member
21 who ~~[is in vested status before January 1, 2021 and]~~ **commenced service prior to July 1,**
22 **2011**, has retired on or after the effective date of this subparagraph after attaining the age of 45
23 with at least 20 years of creditable service, and any group II member who commenced service on or
24 after July 1, 2011 and retires after the effective date of this subparagraph after attaining the age of
25 50 with at least 25 years of creditable service, ~~[and group II members who have not attained vested~~
26 ~~status prior to January 1, 2021 who qualify as provided in the transition provisions in RSA 100-A:5,~~
27 ~~II(d),]~~ shall receive a minimum annual service retirement allowance of \$10,000. If such group II
28 member has elected to convert the retirement allowance into an optional allowance for the surviving
29 spouse under RSA 100-A:13, the surviving spouse shall be entitled to a proportional share of the
30 \$10,000.

31 42 Disability Retirement Benefit; 2034 Changes. Amend RSA 100-A:6, II(b) to read as follows:

32 (b) Upon ordinary disability retirement, the group II member shall receive an ordinary
33 disability retirement allowance which shall consist of: a member annuity which shall be the
34 actuarial equivalent of his or her accumulated contributions at the time of his or her ordinary
35 disability retirement; and a state annuity which, together with his or her member annuity, for
36 members who ~~[are in vested status before January 1, 2012]~~ **commenced service before July 1,**
37 **2011**, shall be equal to 2 1/2 percent of his or her average final compensation at the time of ordinary

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1 disability retirement multiplied by the number of years of his or her creditable service not in excess
2 of 40 at the time of ordinary disability retirement, or for members who commenced service on or
3 after July 1, 2011, shall be equal to 2 percent of his or her average final compensation at the time of
4 ordinary disability retirement multiplied by the number of years of his or her creditable service not
5 in excess of 42.5 at the time of ordinary disability retirement, ~~and group II members who have not~~
6 ~~attained vested status prior to January 1, 2012, shall be as provided in the transition provisions in~~
7 ~~RSA 100-A:5, II(d) with the maximum number of years of creditable service not in excess of the~~
8 ~~limits under RSA 100-A:6-a provided], however, that such allowance shall not be less than 25~~
9 ~~percent of the member's final compensation at the time of his or her disability retirement. Members~~
10 ~~who retire upon ordinary disability or qualify for accidental death benefits as outlined in RSA 100-~~
11 ~~A:8 shall not be subject to the full age and service requirements listed under RSA 100-A:5, II(d).~~

12 43 Disability Retirement Benefits; 2034 Change. Amend RSA 100-A:6, II(d)(1) through (3) to
13 read as follows:

14 (1) For members ~~[who are in vested status before January 1, 2021]~~ **who**
15 **commenced service before July 1, 2011**, any group II member who has more than 262/3 years of
16 service, a supplemental disability retirement allowance shall be paid. Such supplement shall be
17 equal to 21/2 percent of his or her average final compensation multiplied by the number of years of
18 his or her creditable service in excess of 262/3 but not in excess of 40 years.

19 (2) For members who commenced service on or after July 1, 2011, any group II
20 member who has more than 331/3 years of service, a supplemental disability retirement allowance
21 shall be paid. Such supplement shall be equal to 2 percent of his or her average final compensation
22 multiplied by the number of years of his or her creditable service in excess of 331/3 but not in excess
23 of 42.5 years.

24 ~~[(3) For group II members who have not attained vested status prior to January 1,~~
25 ~~2012, calculation of the supplemental allowance shall use the percentage multipliers for the~~
26 ~~corresponding years of creditable service on January 1, 2012 in the transition provisions in RSA 100-~~
27 ~~A:5, II(d) with the range for the number of excess years for the supplement adjusted proportionally.]~~

28 44 Vested Deferred Retirement Benefit; 2034 Change. Amend RSA 100-A:10, II(b) to read as
29 follows:

30 (b) For members ~~[who are in vested status before January 1, 2021]~~ **who commenced**
31 **service before July 1, 2011**, upon the member's attainment of age 45, provided the member would
32 then have completed 20 years of creditable service, otherwise the subsequent date on which such 20
33 years would have been completed, or for members who commenced service on or after July 1, 2011,
34 upon the member's attainment of age 50, provided the member would then have completed 25 years
35 of creditable service, otherwise the subsequent date on which such 25 years would have been
36 completed, ~~and group II members who have not attained vested status prior to January 1, 2012~~
37 ~~shall be as provided in the transition provisions in RSA 100-A:5, II(d).]~~ or at any time after age 60, a

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1 group II member who meets the requirement of subparagraph (a) may make application on a form
2 prescribed by the board of trustees and receive a vested deferred retirement allowance which shall
3 consist of: (1) A member annuity which shall be the actuarial equivalent of accumulated
4 contributions on the date the member's retirement allowance commences; and (2) A state annuity
5 which, together with the member annuity, shall be equal to a service retirement allowance based on
6 the member's average final compensation and creditable service at the time the member's service is
7 terminated. Provided, however, that a group II member who commenced service on or after July 1,
8 2011 shall not receive a vested deferred retirement allowance until attaining the age of 52.5; but
9 may receive a reduced allowance after age 50 if the member has at least 25 years of creditable
10 service where the allowance shall be reduced, for each month by which the date on which benefits
11 commence precedes the month after which the member attains 52.5 years of age, by 1/4 of one
12 percent.

13 45 Method of Financing; 2034 Change. Amend RSA 100-A:16, I(aa) to read as follows:

14 (aa) The board of trustees shall certify to the proper authority or officer responsible for
15 making up the payroll of each employer, and such authority or officer shall cause to be deducted
16 from the compensation of each member, except group II members who are in vested status before
17 January 1, 2012 with creditable service in excess of 40 years, and group II members who commenced
18 service on or after July 1, 2011 or who have not attained vested status prior to January 1, 2012 with
19 creditable service in excess of 42.5 years as provided in RSA 100-A:5, II(b) and RSA 100-A:6, II(b), on
20 each and every payroll of such employer for each and every payroll period, the percentage of
21 earnable compensation applicable to such member. No deduction from earnable compensation under
22 this paragraph shall apply to any group II member ~~[who is in vested status before January 1,~~
23 ~~2024]~~ **who commenced service prior to July 1, 2011**, with creditable service in excess of 40 years,
24 and any group II member who commenced service on or after July 1, 2011 or who have not attained
25 vested status prior to January 1, 2012 with creditable service in excess of 42.5 years as provided in
26 RSA 100-A:5, II(b) and RSA 100-A:6, II(b), and this provision for such members shall not affect the
27 method of determining average final compensation as provided in RSA 100-A:1, XVIII. In
28 determining the amount earnable by a member in a payroll period, the board may consider the rate
29 of compensation payable to such member on the first day of a payroll period as continuing
30 throughout the payroll period and it may omit deduction from compensation for any period less than
31 a full payroll period if such person was not a member on the first day of the payroll period, and to
32 facilitate the making of deductions it may modify the deduction required of any member by such an
33 amount as shall not exceed 1/10 of one percent of the annual earnable compensation upon the basis
34 of which such deduction is made. The amounts deducted shall be reported to the board of trustees.
35 Each of such amounts, when deducted, shall be paid to the retirement system at such times as may
36 be designated by the board of trustees and credited to the individual account, in the member annuity
37 savings fund, of the member from whose compensation the deduction was made.

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1 46 Minimum Age; 2034 Change. Amend RSA 100-A:19-b, II to read as follows:

2 II.(a) For a member ~~[who is in vested status before January 1, 2024]~~ **who commenced**
3 **service prior to July 1, 2011**, and, who has completed 20 or more years of combined creditable
4 service, one year shall be deducted from age 60 for each year of creditable group II service, provided
5 that the age shall not be less than 45 years.

6 (b) For a member who commenced service on or after July 1, 2011 and who has
7 completed 25 or more years of combined creditable service, one year shall be deducted from age 60
8 for each year of creditable group II service, provided that the age shall not be less than 50 years, and
9 provided that a the member shall not be eligible to receive a retirement allowance until attaining the
10 age of 52.5.

11 ~~[(e) For members who have not attained vested status prior to January 1, 2012,~~
12 ~~minimum age shall be as provided in the transition provisions in RSA 100-A:5, II(d) with one year~~
13 ~~deducted from age 60 to not less than the adjusted minimum age.]~~

14 47 Reduced Early Retirement; 2034 Change. Amend RSA 100-A:19-d to read as follows:

15 100-A:19-d Reduced Early Retirement. Notwithstanding any other provision of law, any
16 retirement system member who has creditable service in both group I and group II with at least 10
17 years combined creditable service, and who has attained an age which is at least 45 ~~[for members~~
18 ~~who are in vested status with group II service before January 1, 2012]~~ **for members who**
19 **commenced service before July 1, 2011**, or at least 50 for members who commenced group II
20 service on or after July 1, 2011, and group II members who have not attained vested status prior to
21 January 1, 2012 shall be as provided in the transition provisions in RSA 100-A:5, II(d), and is within
22 10 years of the minimum age set forth in RSA 100-A:19-b, may elect to retire and have benefits
23 commence immediately as a reduced split-benefit service retirement allowance. Application shall be
24 as provided in RSA 100-A:5, I(c). The allowance shall be determined as a split-benefit service
25 retirement allowance in accordance with RSA 100-A:19-c, and the total combined split-benefit
26 service allowance shall be reduced by the percentages shown in RSA 100-A:5, I(c), based on the total
27 combined length of creditable service, for each month by which the date on which benefits commence
28 precedes the month after which the member attains the minimum age set forth in RSA 100-A:19-b.

29 48 Public Officers and Employees; Method of Financing; 2027 Change. Amend RSA 100-A:16,
30 II(b) to read as follows:

31 (b) The contributions of each employer for benefits under the retirement system on
32 account of group II members shall consist of a percentage of the earnable compensation of its
33 members to be known as the "normal contribution," and an additional amount to be known as the
34 "accrued liability contribution;" provided that beginning with state fiscal year ~~[2013]~~ **2028** and for
35 each state fiscal year thereafter, **the state shall pay the normal contribution and accrued**
36 **liability contributions attributable to this act, and any employer [shall pay the full amount of**
37 ~~such total contributions] other than the state, shall pay the remaining percentage, thereof;~~

and provided further that, in the case of group II members employed by the state, the state shall pay both normal and accrued liability contributions. The rate percent of such normal contribution, including contributions on behalf of group II members whose group II creditable service is in excess of 40 years, in each instance shall be fixed on the basis of the liabilities of the system with respect to the particular members of the various member classifications as shown by actuarial valuations, except as provided in subparagraph (i). The board of trustees of the retirement system shall certify the amount required for each such state payment and each biennium thereafter, and the total amount of the state grants, to the treasurer. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

49 Funding: Appropriations. The sum of \$14,500,000 for fiscal year ending June 30, 2026, and \$27,500,000 per state fiscal year every year thereafter is hereby appropriated to the retirement system to fund the cost of benefits under this act. Such sums shall be transferred on July 1 each year until 2034. The governor is authorized to draw a warrant for said sums out of any money in the treasury not otherwise appropriated.

50 Repeal. RSA 100-A:5, II(d)(9), relative to group II service retirement benefits.

51 Repeal. RSA 100-A:5, II(d)(8), relative to group II service retirement benefits.

52 Repeal. RSA 100-A:5, II(d)(7), relative to group II service retirement benefits.

53 Repeal. RSA 100-A:5, II(d)(6), relative to group II service retirement benefits.

54 Repeal. RSA 100-A:5, II(d)(5), relative to group II service retirement benefits.

55 Repeal. RSA 100-A:5, II(d)(4), relative to group II service retirement benefits.

56 Repeal. RSA 100-A:5, II(d)(3), relative to group II service retirement benefits.

57 Repeal. RSA 100-A:5, II(d)(2), relative to group II service retirement benefits.

58 Repeal. RSA 100-A:5, II(d), relative to group II service retirement benefits.

59 Repeal. RSA 100-A:1, XXXVII(d)(1) relative to group II service retirement definition.

60 Effective Date.

I. Sections 20 through 27 and 59 of this act shall take effect January 1, 2026.

II. Sections 28, and 50 of this act shall take effect July 1, 2026.

III. Sections 29, 48, and 51 of this act shall take effect July 1, 2027.

IV. Sections 30 and 52 of this act shall take effect July 1, 2028.

V. Sections 31 and 53 of this act shall take effect July 1, 2029.

VI. Sections 32 and 54 of this act shall take effect July 1, 2030.

VII. Sections 33 and 55 of this act shall take effect July 1, 2031.

VIII. Sections 34 and 56 of this act shall take effect July 1, 2032.

IX. Sections 35 and 57 of this act shall take effect July 1, 2033.

X. Sections 36 through 47, and 59 of this act shall take effect July 1, 2034.