

HOUSE RECORD

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Contains: Committee of Conference Statement on SB 3

ADDENDUM TO HOUSE CALENDAR 45

WEDNESDAY, JUNE 8

COMMITTEE OF CONFERENCE STATEMENT

SB 3-FN-A-L, making comprehensive changes to the state retirement system.

This bill incorporates comprehensive reform to the New Hampshire Retirement System. Among the things that it does is increase the retirement age of Group II fire and police from 45 to 50 years. It requires Group II employees to work 25 years versus the 20 years required now. It changes the multiplier used to determine the pension benefit (number of years times the %) in Group II from 2.5% per year to 2.0% per year. It eliminates from earnable compensation special duty pay for new hires. It raises the full retirement age on Group I to 65 from 60 years. It transfers the \$170 million in the Special Account back into the corpus of the system. It eliminates the escalator on the medical subsidy. It better defines part time hours for both Group I and Group II. It changes the makeup of the Board of Directors. It raises employee contributions by 2% for Group I, 2.25% for Police, and 2.5% for Fire. It requires new unclassified hires that are not for a fixed term to give up their pension as a retired NHRS person while they are working full time. It adds the provision that once employee and employer rates are equal they will rise or fall together to protect the financial health of the system. It establishes a study committee to investigate a defined contribution system with a report date of Nov 1, 2011. It also establishes a study committee to look at COLA's, medical subsidies, and disability benefits with a report date of Nov 1, 2011.

Rep. Kenneth Hawkins