

**Summary Comparison of NH Retirement System Reforms Adopted by the House (HB 580) and Senate (SB 3)** April 25, 2011

HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Findings and Intent; Session Law</b>	
<p><b>§1</b></p> <p>findings address the necessity for pension reform</p>	<p><i>No comparable provision</i></p>
<b>Average Final Compensation (AFC); RSA 100-A:1, XVIII</b>	
<p><b>§2</b></p> <p><i>applies to:</i> members who retire prior to 7/1/2016</p> <ul style="list-style-type: none"> <li>• AFC is average annual compensation over the <b>highest 3</b> years of creditable service</li> </ul> <hr/> <p><i>applies to:</i> members who retire on or after 7/1/2016</p> <ul style="list-style-type: none"> <li>• AFC is average annual compensation over the <b>highest 5</b> years of creditable service</li> </ul>	<p><b>§2</b></p> <p><i>applies to:</i> members vested prior to 1/1/2012</p> <ul style="list-style-type: none"> <li>• AFC is average annual compensation over the <b>highest 3</b> years of creditable service</li> <li>• Extra and special duty pay applied to AFC limited to the average paid for extra and special duty over the last 7 years of service</li> </ul> <hr/> <p><i>applies to:</i> new hires and members not vested by 1/1/2012</p> <ul style="list-style-type: none"> <li>• AFC is average annual compensation over the <b>highest 5</b> years of creditable service</li> <li>• Extra and special duty pay applied to AFC limited to the average paid for extra and special duty over the last 7 years of service</li> </ul>

HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Definition of Earnable Compensation; RSA 100-A:1, XVII</b>	
<p>§3</p> <p><i>applies to:</i> members in service on or before 6/30/2011 who retire prior to 7/1/2016</p> <p>the full base rate of compensation paid plus:</p> <ul style="list-style-type: none"> <li>• overtime pay</li> <li>• holiday and vacation pay</li> <li>• sick pay</li> <li>• longevity or severance pay</li> <li>• cost of living bonus</li> <li>• additional pay for extracurricular and instructional activities</li> <li>• other extra or special duty</li> <li>• any military differential pay, plus the fair market value of non-cash compensation</li> </ul> <p><i>excluding other compensation, except</i></p> <ul style="list-style-type: none"> <li>• early retirement incentives</li> <li>• supplemental pay paid by the employer while the member is receiving workers' compensation</li> <li>• teacher development pay</li> </ul> <hr/> <p><i>applies to:</i> members in service on or after 7/1/2011 who retire after 7/1/2016</p> <p>full base rate of compensation paid plus:</p> <ul style="list-style-type: none"> <li>• holiday and vacation pay</li> <li>• sick pay</li> </ul>	<p>§1</p> <p><i>applies to:</i> members vested prior to 1/1/2012</p> <p>the full base rate of compensation paid plus:</p> <ul style="list-style-type: none"> <li>• overtime pay</li> <li>• holiday and vacation pay</li> <li>• sick pay</li> <li>• longevity or severance pay</li> <li>• cost of living bonus</li> <li>• additional pay for extracurricular and instructional activities</li> <li>• other extra or special duty (<i>with limitations</i>)</li> <li>• any military differential pay, plus the fair market value of non-cash compensation</li> </ul> <p><i>excluding other compensation, except</i></p> <ul style="list-style-type: none"> <li>• early retirement incentives</li> <li>• supplemental pay paid by the employer while the member is receiving workers' compensation</li> <li>• teacher development pay</li> </ul> <hr/> <p><i>applies to:</i> members who begin service after 12/31/2011 or not vested on 1/1/2012</p> <p>the full base rate of compensation paid plus:</p> <ul style="list-style-type: none"> <li>• overtime pay</li> <li>• holiday and vacation pay</li> <li>• sick pay</li> <li>• longevity pay</li> </ul>

<p style="text-align: center;"><b>HB 580 as amended by the House</b></p>	<p style="text-align: center;"><b>SB 3 as amended by the Senate</b></p>
<ul style="list-style-type: none"> <li>• compensation for mandatory training</li> <li>• military differential pay</li> </ul> <p>shall not include:</p> <ul style="list-style-type: none"> <li>• pay for unused sick or unused vacation time</li> </ul>	<ul style="list-style-type: none"> <li>• cost of living bonus</li> <li>• additional pay for extracurricular and instructional activities</li> <li>• other extra or special duty (<i>with limitations</i>)</li> <li>• any military differential pay, plus the fair market value of non-cash compensation <i>excluding other compensation, except</i> <ul style="list-style-type: none"> <li>• supplemental pay paid by the employer while the member is receiving workers' compensation</li> <li>• teacher development pay</li> </ul> </li> </ul> <p>shall not include:</p> <ul style="list-style-type: none"> <li>• early retirement incentives</li> <li>• severance pay</li> <li>• pay for unused sick or unused vacation time</li> </ul>
<p style="text-align: center;"><b>Limitation on Earnable Compensation in Final Months of Service; RSA 100-A:1, XVII</b></p>	
<p><b>§3</b></p> <p><i>applies to:</i> members in service on or after 6/30/2011 who retire after 7/1/2016</p> <ul style="list-style-type: none"> <li>• earnable compensation in <b>final 12 months</b> limited to 150% of next highest 12-month period</li> <li>• compensation paid later than 120 days after termination not included; <i>exceptions</i> for disability-related severance paid within 120 days of being granted and severance pay paid late through no fault of employee</li> </ul> <hr style="width: 20%; margin-left: 0;"/>	<p><b>§1</b></p> <p><i>applies to:</i> members vested prior to 1/1/2012</p> <ul style="list-style-type: none"> <li>• earnable compensation in <b>final 12 months</b> limited to 150% of next highest 12-month period</li> <li>• compensation paid later than 120 days after termination not included; <i>exceptions</i> for disability-related severance paid within 120 days of being granted and severance pay paid late through no fault of employee</li> </ul> <hr style="width: 20%; margin-left: 0;"/>

<b>HB 580 as amended by the House</b>	<b>SB 3 as amended by the Senate</b>
<p><i>applies to:</i> members in service on or after 7/1/2011 who retire prior to 7/1/2016</p> <ul style="list-style-type: none"> <li>• earnable compensation in <b>final two 12-month periods</b> each limited to 150% of next highest 12-month period</li> <li>• compensation paid later than 120 days after termination not included, <i>no exceptions</i></li> </ul>	<p><i>applies to:</i> members who begin service after 12/31/2011 or not vested 1/1/2012</p> <ul style="list-style-type: none"> <li>• earnable compensation in <b>final 12 months</b> limited to 150% of next highest 12-month period</li> <li>• compensation paid later than 120 days after termination not included, <i>no exceptions</i></li> </ul>
<p><b>Maximum Retirement Benefit; RSA 100-A:6-a</b></p>	
<p><i>No comparable provision</i></p>	<p><b>§3</b></p> <p><i>applies to:</i> members who retire on or after 7/1/2016 (effective date of section)</p> <ul style="list-style-type: none"> <li>• initial calculation of retirement benefit limited to 100% of the <u>highest year of full base rate of compensation</u></li> <li>• repeals provision limiting retirement benefit of members who commenced service on or after 7/1/2009 to \$120,000</li> </ul> <p>[<i>current law:</i> members who commenced service before 7/1/2009 limited to 100% of <u>highest year of earnable compensation</u>]</p>
<p><b>Full-Time Requirement, NHRS Membership; RSA 100-A:3, III</b></p>	
<p><b>§4</b></p> <p><i>applies to:</i> all members (effective 7/1/2011)</p> <ul style="list-style-type: none"> <li>• membership requires full-time employment</li> <li>• prohibits combining service in two or more part-time positions prohibited</li> </ul>	<p><i>No comparable provision</i></p>

HB 580 as amended by the House	SB 3 as amended by the Senate
<ul style="list-style-type: none"> <li>• full-time employees cannot make contributions or accrue benefits for part-time employment</li> <li>• negates any rule or practice adopted by the board that does not comply with this paragraph</li> </ul>	
<b>Eligibility Age Increased; <u>Group I</u>; RSA 100-A:5</b>	
<p><b>§5</b></p> <p><i>applies to:</i> Group I members vested before 7/1/2011</p> <ul style="list-style-type: none"> <li>• eligible at age 60;</li> <li>• reduced service retirement allowed if at least 20 years of service combined with age equal at least <b>75</b> OR at least <b>55</b> years of age but not age <b>60</b>.</li> </ul> <p><i>applies to:</i> Group I members not vested on 7/1/2011</p> <ul style="list-style-type: none"> <li>• eligible at age 65;</li> <li>• reduced service retirement allowed if at least 20 years of service combined with age equal at least <b>75</b> OR at least <b>55</b> years of age but not age <b>65</b>.</li> </ul>	<p><i>No comparable section; no change to current law</i></p> <p><i>current law:</i> applies to all Group I members</p> <ul style="list-style-type: none"> <li>• eligible at age 60;</li> <li>• reduced service retirement allowed if at least 20 years of service combined with age equal at least <b>70</b> OR at least <b>50</b> years of age but not age <b>60</b>.</li> </ul>
<p><i>same applicability and age increases reflected in:</i></p> <ul style="list-style-type: none"> <li>• <b>§6</b>, ordinary disability retirement [100-A:6, I(b)]</li> <li>• <b>§7</b>, accidental disability retirement [100-A:6, I(d)]</li> <li>• <b>§11</b>, vested deferred, return of contribution upon death [100-A:11, I(c)]</li> <li>• <b>§12</b>, split benefit retirement minimum age [100-A:19-b]</li> <li>• <b>§14</b>, eligibility for state retiree health benefit [21-I:30,</li> </ul>	<p><i>No comparable section; no change to current law</i></p>

HB 580 as amended by the House	SB 3 as amended by the Senate												
II(a)] <ul style="list-style-type: none"> <li>• §15, vested def. state retiree health benefit [21-I:30, III]</li> </ul>													
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<p><b>§16</b></p> <p><i>applies to:</i> members vested on 7/1/2011</p> <ul style="list-style-type: none"> <li>• service, disability, vested deferred and split benefit changes in law not reduced if retirement at age indicated</li> </ul> <table border="0" style="margin-left: 40px;"> <tr> <td style="padding-right: 20px;"><i>service on 7/1/2011</i></td> <td><i>retirement age</i></td> </tr> <tr> <td>at least 10 but not 15</td> <td>64</td> </tr> <tr> <td>at least 15 but not 20</td> <td>63</td> </tr> <tr> <td>at least 20 but not 25</td> <td>62</td> </tr> <tr> <td>at least 25 but not 30</td> <td>61</td> </tr> <tr> <td>at least 30</td> <td>60</td> </tr> </table>	<i>service on 7/1/2011</i>	<i>retirement age</i>	at least 10 but not 15	64	at least 15 but not 20	63	at least 20 but not 25	62	at least 25 but not 30	61	at least 30	60	<p><i>No comparable section; no change to current law</i></p>
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<p><b>§5</b></p> <p><i>applies to:</i> members vested before 7/1/2011 to retire and receive benefit:</p> <ul style="list-style-type: none"> <li>• age 45 and at least 20 years of service, or age 60</li> <li>• pension: 2½ % x AFC x years or service (up to 40 years)</li> </ul> <p><i>applies to:</i> members not vested on 7/1/2011 to retire:</p> <ul style="list-style-type: none"> <li>• age 50 and at least 25 years of service, or age 65</li> <li>• pension: 2 % x AFC x years or service (up to 25 years)</li> </ul>	<p><b>§5</b></p> <p><i>applies to:</i> members vested before 1/1/2012 to retire and receive benefit:</p> <ul style="list-style-type: none"> <li>• age 45 and at least 20 years of service, or age 60</li> <li>• pension: 2½ % x AFC x years or service (up to 40 years)</li> </ul> <p><i>applies to:</i> members hired after 12/31/2011 to retire and receive benefit:</p> <ul style="list-style-type: none"> <li>• age 50 and at least 25 years of service, or age 60</li> <li>• pension: 2 % x AFC x years or service (up to 50 years)</li> </ul>												

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<ul style="list-style-type: none"> <li>benefit received starting at age 55</li> </ul> <p>transition provision applies to members not vested on 7/1/2011</p>	<p><i>applies to:</i> members not vested on 1/1/2012</p> <ul style="list-style-type: none"> <li>transition provision applies with maximum years adjusted between 40 and 50.</li> </ul>																																								
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<p><b>§17</b></p> <p><i>applies to:</i> members not vested on 7/1/2011</p> <table border="0" data-bbox="273 649 987 876"> <thead> <tr> <th><i>service on 7/1/2011</i></th> <th><i>years</i></th> <th><i>age</i></th> <th><i>multiplier</i></th> </tr> </thead> <tbody> <tr> <td>less than 4 years</td> <td>24</td> <td>49</td> <td>2.1%</td> </tr> <tr> <td>4 to less than 6</td> <td>23</td> <td>48</td> <td>2.2%</td> </tr> <tr> <td>6 to less than 8</td> <td>22</td> <td>47</td> <td>2.3%</td> </tr> <tr> <td>8 to less than 10</td> <td>21</td> <td>46</td> <td>2.4%</td> </tr> </tbody> </table>	<i>service on 7/1/2011</i>	<i>years</i>	<i>age</i>	<i>multiplier</i>	less than 4 years	24	49	2.1%	4 to less than 6	23	48	2.2%	6 to less than 8	22	47	2.3%	8 to less than 10	21	46	2.4%	<p><b>§5</b></p> <p><i>applies to:</i> members not vested on 7/1/2012</p> <table border="0" data-bbox="1134 649 1848 876"> <thead> <tr> <th><i>service on 7/1/2012</i></th> <th><i>years</i></th> <th><i>age</i></th> <th><i>multiplier</i></th> </tr> </thead> <tbody> <tr> <td>less than 4 years</td> <td>24</td> <td>49</td> <td>2.1%</td> </tr> <tr> <td>4 to less than 6</td> <td>23</td> <td>48</td> <td>2.2%</td> </tr> <tr> <td>6 to less than 8</td> <td>22</td> <td>47</td> <td>2.3%</td> </tr> <tr> <td>8 to less than 10</td> <td>21</td> <td>46</td> <td>2.4%</td> </tr> </tbody> </table>	<i>service on 7/1/2012</i>	<i>years</i>	<i>age</i>	<i>multiplier</i>	less than 4 years	24	49	2.1%	4 to less than 6	23	48	2.2%	6 to less than 8	22	47	2.3%	8 to less than 10	21	46	2.4%
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<p><i>same applicability and age increase reflected in following sections:</i></p> <ul style="list-style-type: none"> <li>§5, \$10,000 minimum annual service retirement allowance [100-A:5, II (c)(1)]</li> <li>§8, ordinary disability [100-A:6, II(b)]</li> <li>§10, vested deferred retirement [100-A:10, II(b)]</li> <li>§12, split benefits, minimum age [100-A:19-b]</li> <li>§13, reduced early retirement, split benefits [100-A:19-d]</li> <li>§15, vested deferred state retiree health benefit [21-I:30, III]</li> </ul>	<p><i>same applicability and age increases (unless otherwise noted) reflected in the following sections:</i></p> <ul style="list-style-type: none"> <li>§4, vested deferred state retiree health benefit [21-I:30, III]</li> <li>§5, \$10,000 minimum annual service retirement allowance [100-A:5, II (c)(1)]</li> <li>§6, ordinary disability [100-A:6, II(b)]</li> <li>§8, vested deferred retirement [100-A:10, II(b)]</li> <li>§9, split benefits, minimum age [100-A:19-b]</li> <li>§10, reduced early retirement, split benefits (<i>if vested before 9/1/2011 eligible at age 45</i>) [100-A:19-d]</li> </ul>																																								

HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Group II, Accidental and Supplemental Accidental Disability Benefit; RSA 100-A:6, II(d)</b>	
<p><b>§9</b></p> <p><i>for:</i> members vested before 7/1/2011, <u>accidental disability</u> = <math>2/3 \times \text{AFC}</math></p> <p><i>for:</i> members not vested on 7/1/2011, <u>accidental disability</u> = <math>1/2 \times \text{AFC}</math></p> <p><i>for:</i> all members with more than 26.66 years of service</p> <ul style="list-style-type: none"> <li>• <u>Supplemental disability</u>: <math>2\frac{1}{2}\% \times \text{AFC} \times \text{years over } 26.66</math> but not in excess of 40 years</li> <li>• Accidental disability allowance combined with supplemental disability allowance shall not exceed 100% of AFC</li> </ul>	<p><b>§7</b></p> <p><i>for:</i> all members <u>accidental disability</u> = <math>2/3 \times \text{AFC}</math></p> <p><i>for:</i> members vested before 1/1/2012 with more than 26.66 years of service</p> <ul style="list-style-type: none"> <li>• <u>Supplemental disability</u>: <math>2\frac{1}{2}\% \times \text{AFC} \times \text{years over } 26.66</math> but not in excess of 40 years</li> </ul> <p><i>for:</i> members hired after 12/31/2011 with more than 33.33 years of service</p> <ul style="list-style-type: none"> <li>• <u>Supplemental disability</u>: <math>2\% \times \text{AFC} \times \text{years over } 33.33</math> years but not in excess of 50 years</li> </ul> <p><i>for:</i> members not vested on 1/1/2012</p> <ul style="list-style-type: none"> <li>• <u>Supplemental disability</u> allowance adjusted proportionally</li> </ul>
<b>Employee Contribution Rates; RSA 100-A:16, I(a)</b>	
<p><b>§18</b></p> <p><i>applies to:</i> all members (effective 7/1/2011)</p> <ul style="list-style-type: none"> <li>• all Group I employees           7%</li> <li>• Group II fire                   11.8%</li> <li>• Group II police               11.55</li> </ul>	<p><b>§11</b></p> <p><i>applies to:</i> all members (effective 1/1/2012)</p> <ul style="list-style-type: none"> <li>• all Group I employees           7%</li> <li>• all Group II employees       11.3%</li> </ul>



HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Employee Contribution Not Deducted; RSA 100-A:16, I(a) or (aa)</b>	
<p><b>§18</b></p> <p><i>applies to:</i> Group II vested before 7/1/2011 (effective 7/1/2011)</p> <ul style="list-style-type: none"> <li>No payroll deduction after 40 years of service</li> </ul> <p><i>applies to:</i> Group II not vested on 7/1/2011 (effective 7/1/2011)</p> <ul style="list-style-type: none"> <li>No payroll deduction after 25 years of service</li> </ul>	<p><b>§11</b></p> <p><i>applies to:</i> Group II vested before 1/1/2012 (effective 1/1/2012)</p> <ul style="list-style-type: none"> <li>No payroll deduction after 40 years of service</li> </ul> <p><i>applies to:</i> Group II hired after 12/31/2011</p> <ul style="list-style-type: none"> <li>No payroll deduction after 50 years of service</li> </ul> <p><i>applies to:</i> Group II not vested before 1/1/2012</p> <ul style="list-style-type: none"> <li>Payroll deduction stops between 40 and 50 years of service, transition provision</li> </ul>
<b>Recalculation of Employer Rates; Session Law</b>	
<p><b>§19</b></p> <ul style="list-style-type: none"> <li>requires the NHRS Board of Trustees to recalculate the employer rates for FY 2012 and FY 2013 to reflect changes adopted in 2011. New rates applicable <b>7/1/2011</b>. (These rates for these years were certified on 9/14/2010.)</li> </ul>	<p><b>§25</b></p> <ul style="list-style-type: none"> <li>requires the NHRS Board of Trustees to recalculate the employer rates for FY 2012 and FY 2013 to reflect changes adopted in 2011. New rates applicable <b>1/1/2012</b>. (The rates for these years were certified on 9/14/2010.)</li> </ul>
<b>Return to Work; RSA 100-A:27-a (and 27-b in SB 3 only) (new sections)</b>	
<p><b>§20</b></p> <p>effective 7/1/2011</p> <ul style="list-style-type: none"> <li>prohibits receiving benefits while working</li> <li>applies to all persons for whom membership is optional</li> </ul>	<p><b>§19</b></p> <p><i>applies to:</i> members who retire after 1/1/2012</p> <ul style="list-style-type: none"> <li>prohibits a retired member receiving benefits from returning to work with the state or other participating</li> </ul>

<b>HB 580 as amended by the House</b>		<b>SB 3 as amended by the Senate</b>
<p>under RSA 100-A:3, I (elected officials, officials appointed for fixed terms, unclassified state employees or eligible legislative employees) AND</p> <ul style="list-style-type: none"> <li>persons employed as a consultant for more than 3 months in a year, either part-time or full-time.</li> </ul>		<p>employer within 6 months of retirement</p> <p>effective 1/1/2012:</p> <ul style="list-style-type: none"> <li>prohibits a person hired into a position for which NHRS membership is required or optional to concurrently receive a retirement benefit; if a NHRS retiree is hired, the benefit shall be suspended during such employment</li> <li>requires employers to submit employee-identifying information and a statement that the employee is not receiving benefits to the NHRS</li> </ul>
<b>Repeal of Grandfathering Clause; Pension collected while working; Session Law</b>		
<p><b>§21</b></p> <p>repeals 2002, 137:7, which allowed those unclassified and non-classified employees who elected to receive pension benefits while remaining in service for the 2 years this option was available, to continue to receive this benefit after it was repealed. This provision was in effect from 6/26/2001 until 7/1/2003.</p>		<p><b>§20</b></p> <p>identical to House provision</p>
<b>NHRS Board of Trustees; RSA 100-A:14, I</b>		
<p><b>§22</b></p> <p>13 trustees</p> <ul style="list-style-type: none"> <li>state treasurer</li> <li>4 non-member trustees</li> <li>4 member trustees</li> <li>4 employer representatives</li> </ul>	<p><i>Current Law</i></p> <p>14 trustees</p> <ul style="list-style-type: none"> <li>state treasurer</li> <li>2 non-member trustees</li> <li>2 employee trustees</li> <li>2 teacher trustees</li> <li>2 police trustees</li> </ul>	<p><b>§12</b></p> <p>13 trustees</p> <ul style="list-style-type: none"> <li>state treasurer</li> <li>2 non-member trustees</li> <li>1 employee trustee</li> <li>1 teacher trustee</li> <li>1 police trustee</li> </ul>

HB 580 as amended by the House		SB 3 as amended by the Senate	
<ul style="list-style-type: none"> <li>G&amp;C appoint employer trustees with the advice of employer organizations</li> </ul>	2 fire trustees 1 Senator 1 House member 1 management in local government	1 fire trustee 4 employer trustees 1 Senator 1 House member  <ul style="list-style-type: none"> <li>G&amp;C appoint employer trustees using nominations from NH Assoc. of Counties, NH Municipal Assoc., NH School Boards Assoc. and one to represent management of state employees</li> </ul>	
<b>Application of Changes to Board Membership; Session Law</b>			
<b>§23</b>  current members serve the remainder of their term; vacancies filled after 7/1/2011 must reasonably conform with changes	<b>§14</b>  current members serve the remainder of their term; vacancies filled after passage of this act must reasonably conform with changes		
<b>Quorum; NHRS Board of Trustees, RSA 100-A:14, IV</b>			
<i>No comparable section; no change to current law</i>	<b>§13</b> <ul style="list-style-type: none"> <li>Quorum decreased from 7 to 6 members</li> <li>Decreased, from 7 to 6, the number of votes required for board action</li> </ul>		

HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Repeals relative to Special Account: Session Law</b>	
<b>Special Account Repealed (HB 580)</b>	<b>Method of Allocating Funds to the Special Account Repealed (SB 3)</b>
<p><b>§24</b></p> <p><b>Repeals</b> RSA 100-A:16, II(h)-(j); these subparagraphs address:</p> <ul style="list-style-type: none"> <li>• Establishing the special account; funding the account</li> <li>• Relative to a negative normal contribution rate for employers</li> <li>• One-time transfer of \$250,000,000 from the special account to the state annuity accumulation fund, adopted 2008</li> </ul>	<p><b>§15</b></p> <p><b>Repeals</b> RSA 100-A:16, II(h)(2); this subparagraph addresses:</p> <ul style="list-style-type: none"> <li>• the method of allocating funds to the special account; when funded ratio is equal or greater than 85%, earnings in excess of 10½% allocated to member special accounts</li> </ul>
<b>Transfer of Special Account Balances; Session Law</b>	
<p><b>§25</b></p> <p>transfers any funds remaining in the Special Account balances for each category of employee to the appropriate component of the State Annuity Accumulation Fund</p>	<p><i>No comparable section; no change to current law</i></p>
<b>References to Special Account (HB 580) or Section Establishing the Special Account (SB 3) Deleted or Changed</b>	
<p><b>§26, 27 and 28</b></p> <p>references to special account either deleted or replaced with a reference to the state annuity accumulation fund or terminal funding;</p> <ul style="list-style-type: none"> <li>• RSA 100-A:1, XXX</li> </ul>	<p><b>§16 and 17</b></p> <p>references to the assumed rate of return ‘determined under RSA 100-A:16, II(h)’ replaced with ‘determined by the trustees’</p> <ul style="list-style-type: none"> <li>• RSA 100-A:11, I(a)</li> <li>• RSA 100-A:11, II(a)</li> </ul>

<b>HB 580 as amended by the House</b>	<b>SB 3 as amended by the Senate</b>
<ul style="list-style-type: none"> <li>• RSA 100-A:12, I-a and II</li> <li>• RSA 100-A:41-a, III</li> </ul>	
<b>Medical Benefit Subsidy Amount Permanently Frozen; RSA 100-A:52, II</b>	
<i>No comparable section; no change to current law</i>	<p><b>§18</b></p> <p>The medical subsidy rate increased 8% annually from 7/1/1991 to 7/1/2007. From 7/1/2008 to 7/1/2011, this rate was frozen. It was scheduled to increase by 4% annually starting 7/1/2012 and every 7/1 thereafter. Under this section, the rate is permanently frozen at the 7/1/2007 level.</p>
<b>Transfer of Group II Special Account Funds; Session Law</b>	
<p><i>[Not included in HB 580; included in HB 464]</i></p> <p><b>HB 464</b></p> <ul style="list-style-type: none"> <li>• adopted by the House, 3/16 effective date 60 days after passage</li> <li>• adopted by Senate 4/13, effective upon passage</li> </ul>	<p><b>§21</b></p> <p>requires the Board of Trustees to transfer \$89,000,000 from the Group II components of the Special Account to the State Annuity Accumulation Fund</p>
<b>Powers of Investment Committee; RSA 100-A:15, I</b>	
<p><b>§29</b></p> <p>adds investment committee members to the section granting members of the Board of Trustees the powers, privileges and immunities of a corporation</p>	<i>No comparable section; no change to current law</i>

HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Protections of Investment Committee; RSA 100-A:15, IX</b>	
<p><b>§30</b></p> <p>provides non- trustee members of the investment committee the same statutory protections as board members</p>	<i>No comparable section; no change to current law</i>
<b>Member Acknowledgement; RSA 100-A:1-a (new)</b>	
<p><b>§31</b></p> <p><i>applies to:</i> members hired after 6/30/2011</p> <p>requires employers to keep a statement on file from each employee acknowledging that benefits under RSA 100-A do not constitute a binding contractual obligation and that they may be modified or discontinued</p>	<i>No comparable section</i>
<b>Collective Bargaining; RSA 273-A:11</b>	
<p><b>§32</b></p> <p>effective 7/1/2011</p> <p>establishes that upon the end of a collective bargaining agreement and during negotiations:</p> <ul style="list-style-type: none"> <li>• wages, hours and conditions of employment of employees in good standing shall be maintained at the status quo</li> <li>• continuation of any medical, dental, life insurance, retirement benefits, and other fringe benefits, are subject to the exclusive authority of employers, except where required by statute</li> </ul>	<i>No comparable section</i>

HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Option to Refuse Benefits; RSA 21-I:43-b (new)</b>	
<p><b>§33</b></p> <p><i>applies to:</i> state employees who first commenced service on or after July 1, 2004</p> <ul style="list-style-type: none"> <li>• permanent state employees may refuse medical, dental and retirement benefits in exchange for a 25% increase in base salary for the duration of their employment</li> <li>• source of funds for salary increase is the Employee and Retiree Benefit Risk Management Fund (RSA 21-I:30-e)</li> </ul>	<p><i>No comparable section</i></p>
<b>Severability; Session Law</b>	
<p><b>§34</b></p> <ul style="list-style-type: none"> <li>• changes in this act concerning the NHRS are severable if any provision is held to be unconstitutional or invalid</li> <li>• if any section is found to be unconstitutional or invalid, the remaining provisions and the contingent employee contribution rates (§35) shall take effect on the July 1 following the date that the Board of Trustees certifies that the final ruling on the law has been issued</li> </ul>	<p><b>§24</b></p> <ul style="list-style-type: none"> <li>• changes in this act concerning the NHRS are severable if any provision is held invalid or if deemed noncompliant with applicable law or regulations of the IRS so as to jeopardize the NHRS tax status</li> </ul>

HB 580 as amended by the House	SB 3 as amended by the Senate
<b>Contingent Employee Contribution Rates: RSA 100-A:16, I(a)</b>	
<p>§35</p> <ul style="list-style-type: none"> <li>requires the employee contributions to total 50% of the normal contribution and accrued liability contribution</li> <li>takes effect if any provision found unconstitutional or invalid</li> </ul>	<p><i>No comparable section</i></p>
<b>Study Committee on Voluntary Defined Contribution Plan; Session Law</b>	
<p>§36</p> <p>effective 7/1/2011; report due 11/1/2011</p> <ul style="list-style-type: none"> <li>establishes a committee to study the establishment of a federal tax qualified voluntary defined contribution plan</li> <li>Members: 3 House, 3 Senate</li> </ul>	<p>§22</p> <p>effective upon passage; report due 11/1/2011</p> <ul style="list-style-type: none"> <li>establishes a committee to study the establishment of a federal tax qualified voluntary defined contribution plan</li> <li>Members: 3 House, 1 Senate</li> </ul>
<b>Sections Repealed; Session Law</b>	
<p>§37</p> <p><i>Repeals RSA 100-A:41-d, Additional Temporary Supplemental Allowances</i></p> <p>provided for temporary supplemental allowances to be paid in 2008, 2009 and 2010 to certain retirees only; the payment was not a permanent addition to the retirees base pension</p>	<p>§23</p> <p><i>Repeals RSA 100-A:16, III-a, relative to employer assessments for excess benefits</i></p> <p>section amended in HB 462, adopted by House 3/16, Senate status: in committee as of 4/20/11</p> <p><i>Repeals RSA 100-A:4-b and RSA 100-A:4-c, relative to purchase</i></p>



<b>HB 580 as amended by the House</b>	<b>SB 3 as amended by the Senate</b>
<p>Temporary allowances have been granted to retirees:</p> <ul style="list-style-type: none"> <li>• With at least 15 years of service and benefit of \$20,000 or less; granted for FY beginning 7/1/08, 7/1/09 and 7/1/10</li> <li>• Who retired prior to 1/1/93, granted for FY beginning 7/1/08, 7/1/09 and 7/1/10</li> <li>• Who receive the medical subsidy, applies to FY beginning 7/1/08, 7/1/09, 7/1/10 and 7/1/11</li> </ul>	<p><i>of out-of-state service</i></p> <p>sections repealed in HB 461, adopted by House 3/16, Senate status: in committee as of 4/20</p>
<b>Effective Date</b>	
<p><b>§38</b></p> <ul style="list-style-type: none"> <li>• effective 7/1/2011</li> <li>• §35 takes effect as provided in §34</li> </ul>	<p><b>§26</b></p> <ul style="list-style-type: none"> <li>• sections 1, 2, 4-10, 11, 19 and 20 effective 1/1/2012</li> <li>• section 3 effective 7/1/2016</li> <li>• remainder effective upon passage</li> </ul>