

## **2019 Regular Session**

The 2019 Regular Legislative Session ended on May 31, 2019, and was a very positive session for RSA and its members. As it has always done, the Legislature ensured that ERS and TRS were fully funded by setting the actuarially-determined employer contribution rate in the General Fund and Education Trust Fund budgets. This full funding has ensured that the RSA stays healthy and is able to continue paying out hard-earned benefits for members.

In addition, for the third session in a row, no pension reform legislation was introduced. Instead, the Legislature focused on improvements to the RSA that would benefit members, while ensuring the continued sustainability of the system.

Three bills of note were enacted that will impact the RSA: the PLOP bill, the Local Tier I bill, and the Special Needs Trust bill.

First, the PLOP bill (Act 2019-316) by Rep. Baker will provide an additional option at retirement for RSA members, who will be able to take up to 24 months of the maximum retirement benefit as a lump sum. Then, the member's retirement benefit will be actuarially reduced by a like amount. The RSA is working to implement this option, which will be available to members that retire on or after October 1, 2019.

Second, the Local Tier I bill (Act 2019-132) by Sen. Waggoner and Rep. Ledbetter will allow local government employers that participate in the RSA, such as cities and counties, to provide Tier I benefits to Tier II members. Local employers have two years to make this election. The RSA is working with its actuaries to run cost estimates for all 874 of its local units so local governments have the information needed to make such an important decision.

Finally, the Special Needs Trust bill (Act 2019-221) by Sen. Ward will allow payments for a member's beneficiary to be paid to a special needs trust. Under current law, beneficiary payments may only be made to individuals, which has caused some issues for special needs beneficiaries.

## House Bills

Bill/Sponsor	Companion	Summary	Status
<b>HB21 Baker</b>		Provides an option at retirement for a member to take up to 2 years of his or her benefit as a partial lump sum in exchange for a reduced lifetime monthly benefit.	Enacted Act 2019-316.
<b>HB152 Clouse</b>		General Fund Budget; fully funds ERS.	Enacted Act 2019-394.
<b>HB355 Chestnutt</b>		Exempts retired law enforcement officers rehired by rural municipalities from the return to work laws and revolving door prohibitions. Amended in House committee to apply return to work laws.	Enacted Act 2019-448.

## Senate Bills

Bill/Sponsor	Companion	Summary	Status
<b>SB57 Ward</b>		Allows payments for a member's beneficiary to be paid to a special needs trust.	Enacted Act 2019-221.
<b>SB147 Clouse</b>	<b>HB61 Ledbetter</b>	Allows local employers participating in ERS to provide Tier I benefits to Tier II members.	Enacted Act 2019-132.
<b>SB199 Orr</b>		Education Trust Fund Budget; fully funds TRS and PEEHIP.	Enacted Act 2019-403.
<b>SB310 Beasley</b>		Proposes a constitutional amendment to allow Barbour County elected officials to participate in ERS.	Enacted Act 2019-166.