

April 19 Legislative Update:

The Legislature completed the tenth and eleventh legislative days of the Regular Session this week.

On Tuesday, the Senate passed SB147, by Sen. Waggoner, which would allow local governments that participate in ERS to provide Tier I benefits to their Tier II members. The bill now moves to the House.

On Wednesday, after much consideration and discussion, the House Ways and Means Education committee gave a favorable report to HB77, by Rep. Baker, which would create a Tier III for TRS to improve retirement benefits for Tier II members.

Bills to create Tier III for ERS State members were filed this week. HB4379 by Rep. Ingram and SB319 by Sen. Barfoot mirror the TRS Tier III bill (HB77) currently pending in the House. The legislation proposes three benefit improvements to current Tier II: (1) increase the multiplier to 2.00%; (2) allow 30-year retirement; and (3) allow sick leave conversion. It would also increase the member's contribution to 7.5% for regular employees and 7.75% for FLC members (firefighters, law enforcement officers, and corrections officers). In addition, FLC members would still be able to retire at age 56 with at least 10 years of service. The bills provide that Tier II members would be automatically converted to Tier III (with an option to revert back to Tier II) and all ERS State members hired for the first time after January 1, 2021, would be Tier III members.

Additionally, HB439 by Rep. Wadsworth and SB288 by Sen. Smitherman were introduced and would provide a one-time bonus in the amount of \$800 to TRS retirees. This bonus would be funded by appropriations from the Education Trust Fund.

Finally, Sen. Whatley filed SB299, which would create a trust to fund COLAs for TRS retirees.