

#### May 10 Legislative Update:

The Legislature completed the sixteenth, seventeenth, and eighteenth legislative days of the Regular Session this week.

The Senate Finance and Taxation Education committee gave a favorable report to HB21 by Rep. Baker, which would create a partial lump sum option plan (PLOP) for members upon retirement.

The House Ways and Means General Fund committee gave a favorable report to HB437 by Rep. Ingram, which would create a Tier III for ERS State members. This Tier III bill mirrors the Tier III created by HB77 for TRS members. That bill has already been passed by the House and is pending in the Senate Finance and Taxation Education committee.

Additionally, SB147 by Sen. Waggoner was enacted this week after being signed by the governor. Act 2019-132 would allow local units that participate in ERS to elect to provide Tier I benefits to their Tier II members. Such election must be made 24 months after enactment of the legislation.

Finally, one new bill affecting RSA was introduced this week. HB581 by Rep. Sells would create the Employees' Investment Retirement Plan (EIRP). A member could choose to participate in EIRP if they were retirement eligible and at least age 55 for a Tier I member or age 62 for a Tier II member. If a member elected to participate, they would retire but would continue employment. During this continued employment, 80% of the member's retirement benefit would be deposited into an account. No interest would accrue. The member must continue employment for at least three years to receive the benefits deposited in the account. The member may not participate in EIRP for longer than five years. During the participation period, the member would continue to make member contributions to RSA, which would be non-refundable. Additionally, the member would not receive service credit during such period.