

Week 1 Legislative Update:

The Legislature convened on Tuesday, February 4, for the 2020 Regular Session. It was a busy week for the Legislature and a good one for the RSA.

The Governor's budgets fully fund ERS and TRS at the actuarially-calculated employer rates and fully funds PEEHIP at the requested \$800 per member per month employer rate.

No bills that would negatively impact RSA were introduced. Two bills that would improve benefits for members were introduced.

First, HB76, by Rep. Baker, would create Tier III for TRS. This bill, which was introduced and passed by the House last year, would increase benefits for TRS Tier II members and new education employees. The bill would: (1) increase the benefit multiplier from 1.65% to 2.00%; (2) allow 30-year retirement; and (3) allow sick leave conversion. It would also increase the member's contribution from 6.0% to 7.5%. Tier III would be mandatory for all employees hired after October 1, 2020. Tier II members would automatically be converted to Tier III with the option to revert back to Tier II.

Second, SB134, by Sen. Livingston, would allow judges, DAs, and circuit clerks that participate in the JRF and were first appointed or elected after November 2016, to retire with 25 years of service credit if they had prior service as a Tier I member with ERS or TRS.

Additionally, legislation was filed to add seats to the ERS Board. HB172 by Rep. Ingram and SB154 by Sen. Reed would add one seat for an elected county employee and one for an elected local employee or retiree. It would also convert the two elected local employee seats. One would become a seat for an elected city employee and the other for an elected local board employee.