

SB 228-FN-LOCAL – AS AMENDED BY THE HOUSE

17May2012... 2216h

2012 SESSION

12-2875
10/09

SENATE BILL **228-FN-LOCAL**

AN ACT relative to the calculation of employer assessments for excess retirement system benefits, and relative to charitable games of chance and poker in private residences.

SPONSORS: Sen. Stiles, Dist 24; Sen. Lambert, Dist 13; Sen. Bradley, Dist 3; Rep. F. Rice, Rock 15; Rep. Nevins, Rock 15; Rep. Waddell, Rock 15; Rep. J. Brown, Straf 1

COMMITTEE: Executive Departments and Administration

AMENDED ANALYSIS

This bill requires that employer assessments for excess retirement system benefits begin with persons retiring on or after July 1, 2013.

The bill also increases the limit on a single wager in a charitable game of chance and allows the playing of poker in private residences.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twelve

AN ACT relative to the calculation of employer assessments for excess retirement system benefits, and relative to charitable games of chance and poker in private residences.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 Retirement System; Assessment on Employers. RSA 100-A:16, III-a is repealed and reenacted
2 to read as follows:

3 III-a. Upon the retirement of a member:

4 (a) The retirement system shall:

5 (1) Calculate the amount of the following which are included in earnable
6 compensation in the member's final 12 months of creditable service as determined for the purpose of
7 calculating average final compensation or as compensation paid within 120 days after the member's
8 termination of employment from a retirement eligible position:

9 (A) Unused sick leave;

10 (B) Unused vacation leave;

11 (C) Severance pay;

12 (D) Cash incentives paid by an employer to encourage members to retire; or

13 (E) Any similar end-of-service payment resulting from a contractual or legal
14 requirement or an employment policy where the triggering event for the payment is the termination
15 of the member's employment.

16 (2) Determine the present value of the portion of the member's retirement benefit
17 attributable to the earnable compensation calculated in subparagraph (a)(1).

18 (3) Subtract from the amount determined in subparagraph (a)(2) a credit to account
19 for the portion of such present value, as determined by the retirement system, that has been funded
20 through the normal employer contributions.

21 (b) If the result in subparagraph (a) is greater than zero, the employer shall be assessed
22 the cost of the excess benefit.

23 (c) The retirement system shall certify to the cost determined in subparagraph (b) to the
24 employer and assess upon the employer such cost for payment to the retirement system at such
25 times and in such manner as the board of trustees may prescribe.

26 (d) The employer shall certify to the accuracy of each member's compensation included
27 in subparagraph (a)(1).

28 2 Effective Date of Amendments; Employer Assessments. Amend 2008, 300:35, VII, as amended
29 by 2009, 4:1, 2010, 357:1, and 2011, 230:3, to read as follows:

1 VII. Section 33 of this act shall take effect July 1, ~~[2012]~~ **2013**.

2 3 Online Calculator. Amend 2011, 230:5 to read as follows:

3 230:5 Retirement System; **Online Calculator**; Interactive Estimator. The retirement system
4 shall develop and implement on the retirement system’s website, within 30 days after the effective
5 date of this section, an **online calculator and** interactive estimator for a retirement system
6 employer to evaluate its probable costs under RSA 100-A:16, III-a, as amended ~~[by this act]~~, for
7 individual members **planning to retire**.

8 4 Repeal of Prior Version and Applicability Provision. The following are repealed:

9 I. 2011, 230:1, relative to the amendment to RSA 100-A:16, III-a.

10 II. 2011, 230:2, relative to the applicability of RSA 100-A:16, III-a.

11 5 Wagering; Single Player. Amend RSA 287-D:3, V to read as follows:

12 V. No single wager by a player, on any game of chance, shall exceed the amount of ~~[\$4]~~ **\$6**.

13 6 New Subparagraph; Poker in Private Residences. Amend RSA 647:2, V by inserting after
14 subparagraph (c) the following new subparagraph:

15 (d) Poker games held in a private residence so long as neither the house nor any person
16 or individual takes any rake or compensation from the prize pool, admission fee, or from any other
17 source whatsoever.

18 7 Effective Date.

19 I. Section 1 of this act shall take effect July 1, 2013 at 12:01 p.m.

20 II. The remainder of this act shall take effect upon its passage.

LBAO
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SB 228-FN-LOCAL - FISCAL NOTE

AN ACT relative to the calculation of employer assessments for excess retirement system benefits, and relative to charitable games of chance and poker in private residences.

FISCAL IMPACT:

The New Hampshire Retirement System States this bill will have an indeterminable impact on state, county, and local expenditures in FY 2014 and each year thereafter. There will be no impact on state, county, and local revenues.

METHODOLOGY:

The New Hampshire Retirement System states this bill would repeal the so-called “spiking charges” (i.e., employer assessments for excess benefits paid to retirees). The System states this bill will not affect total employer contributions required over the long-term, however it will affect how employer contributions will be shared across employers. The System states without the “spiking-charge” increased costs related to retiring members whose average compensation is subject to the “spiking-charge” will be spread in future years among all participating system employers. The System states with the “spiking-charge” in effect, those employers paying the charge will contribute, over an extended period of time, a greater percentage of payroll than those employers who are not subject to the “spiking-charge”. The System is unable to determine the fiscal impact on state, county, and local expenditures as the System is unable to determine which employers, or to what extent, would have been subject to the “spiking-charge”.