

CHAPTER 166
SB 230-FN – FINAL VERSION

2012 SESSION

12-2877
10/09

SENATE BILL **230-FN**

AN ACT relative to the calculation of average final compensation for certain retirement system members.

SPONSORS: Sen. Groen, Dist 6; Sen. Bradley, Dist 3; Sen. White, Dist 9; Sen. Bragdon, Dist 11; Sen. Luther, Dist 12; Rep. Hawkins, Hills 18; Rep. Hill, Merr 6; Rep. Winter, Merr 3; Rep. C. McGuire, Merr 8; Rep. W. Smith, Rock 18

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill modifies the calculation of average final compensation for retirement system members hired after July 1, 2011 or who have not attained vested status prior to January 1, 2012.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 average final compensation for certain retirement system members.

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

1 166:1 Retirement System; Definition; Average Final Compensation. Amend RSA 100-A:1,
2 XVIII(b) to read as follows:

3 (b) For members who commenced service on or after July 1, 2011 or who have not
4 attained vested status prior to January 1, 2012, the average annual earnable compensation of a
5 member during his or her highest 5 years of creditable service, or during all of the years in his or her
6 creditable service if less than 5 years. For purposes of ***inclusion in*** this calculation, [~~inclusion of~~
7 ~~compensation in each of~~] ***the average percentage of compensation paid in excess of the full***
8 ***base rate of compensation in*** the highest 5 years [~~which is in excess of the full base rate of~~
9 ~~compensation paid as determined by the employer~~] shall not exceed the average [~~annual amount of~~
10 ~~compensation over base pay paid to the member~~] ***percentage of compensation paid in excess of***
11 ***the full base rate of compensation*** over all the member's years of service on or after January 1,
12 2012, but excluding the highest 5 years.

13 166:2 Effective Date. This act shall take effect upon its passage.

14 Approved: June 7, 2012

15 Effective Date: June 7, 2012