

HB 1399-FN – AS INTRODUCED

2014 SESSION

14-2410
10/05

HOUSE BILL

1399-FN

AN ACT relative to the application for a vested deferred retirement allowance in the retirement system.

SPONSORS: Rep. Gagnon, Sull 5

COMMITTEE: Executive Departments and Administration

ANALYSIS

This bill establishes the time frame prior to retirement for filing an application for vested deferred retirement with the retirement system.

This bill is a request of the New Hampshire retirement system.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT relative to the application for a vested deferred retirement allowance in the retirement system.

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

1 1 Retirement System; Application for Vested Deferred Retirement. Amend RSA 100-A:10 to
2 read as follows:

3 100-A:10 Vested Deferred Retirement Benefit.

4 I. Group I Members.

5 (a) A group I member who has completed 10 years of creditable service and who, for
6 reasons other than retirement or death, ceases to be an employee or teacher shall be deemed in
7 vested status and upon meeting the eligibility requirements of subparagraph (b) may collect a vested
8 deferred retirement allowance ***upon written application to the board of trustees setting forth***
9 ***at what time, not less than 30 days nor more than 90 days subsequent to the filing thereof,***
10 ***the member desires to be retired.*** In lieu of a vested deferred retirement allowance, the member
11 may make application on a form prescribed by the board of trustees and receive a return of the
12 member's accumulated contributions under RSA 100-A:11. Provided, however, that a group I
13 member who commenced service on or after July 1, 2011 shall not receive a vested deferred
14 retirement allowance until attaining the age of 65; but may receive a reduced allowance after age 60
15 if the member has at least 30 years of creditable service where the allowance shall be reduced, for
16 each month by which the date on which benefits commence precedes the month after which the
17 member attains 65 years of age, by 1/4 of one percent.

18 (b) At any time after attainment of age 50, a group I member who meets the requirement
19 of subparagraph (a) may make application on a form prescribed by the board of trustees ***not less***
20 ***than 30 days nor more than 90 days subsequent to the date the member desires to be retired,***
21 and receive a vested deferred retirement allowance~~[which]~~. ***The vested deferred retirement***
22 ***allowance*** shall consist of a member annuity which shall be the actuarial equivalent of the
23 member's accumulated contributions on the date of retirement and a state annuity which, together
24 with the member annuity, shall be equal to either the service retirement allowance payable under
25 RSA 100-A:5, I(a) and I(b) or the reduced early service retirement allowance payable under RSA 100-
26 A:5, I(c), based on the member's age when the vested deferred retirement allowance begins and on
27 the member's average final compensation and creditable service at the time service is terminated.
28 Provided, however, that a group I member who commenced service on or after July 1, 2011 shall not
29 receive a vested deferred retirement allowance until attaining the age of 65; but may receive a
30 reduced allowance after age 60 if the member has at least 30 years of creditable service where the

1 allowance shall be reduced, for each month by which the date on which benefits commence precedes
2 the month after which the member attains 65 years of age, by 1/4 of one percent.

3 II. Group II Members.

4 (a) A group II member who has completed 10 years of creditable service and who, for
5 reasons other than retirement or death, ceases to be a permanent policeman or permanent fireman
6 shall be deemed in vested status and upon meeting the eligibility requirements of subparagraph (b)
7 may collect a vested deferred retirement allowance *upon written application to the board of*
8 *trustees setting forth at what time, not less than 30 days nor more than 90 days subsequent*
9 *to the filing thereof, the member desires to be retired.* In lieu of a vested deferred retirement
10 allowance, the member may make application on a form prescribed by the board of trustees and
11 receive a return of the member's accumulated contributions under RSA 100-A:11. Provided,
12 however, that a group II member who commenced service on or after July 1, 2011 shall not receive a
13 vested deferred retirement allowance until attaining the age of 52.5; but may receive a reduced
14 allowance after age 50 if the member has at least 25 years of creditable service where the allowance
15 shall be reduced, for each month by which the date on which benefits commence precedes the month
16 after which the member attains 52.5 years of age, by 1/4 of one percent.

17 (b) For members who are in vested status before January 1, 2012, upon the member's
18 attainment of age 45, provided the member would then have completed 20 years of creditable service,
19 otherwise the subsequent date on which such 20 years would have been completed, or for members
20 who commenced service on or after July 1, 2011, upon the member's attainment of age 50, provided
21 the member would then have completed 25 years of creditable service, otherwise the subsequent date
22 on which such 25 years would have been completed, and group II members who have not attained
23 vested status prior to January 1, 2012 shall be as provided in the transition provisions in RSA 100-
24 A:5, II(d), or at any time after age 60, a group II member who meets the requirement of
25 subparagraph (a) may make application on a form prescribed by the board of trustees *not less than*
26 *30 days nor more than 90 days subsequent to the date the member desires to be retired,* and
27 receive a vested deferred retirement allowance ~~which~~. *The vested deferred retirement*
28 *allowance* shall consist of: (1) A member annuity which shall be the actuarial equivalent of
29 accumulated contributions on the date the member's retirement allowance commences; and (2) A
30 state annuity which, together with the member annuity, shall be equal to a service retirement
31 allowance based on the member's average final compensation and creditable service at the time the
32 member's service is terminated. Provided, however, that a group II member who commenced service
33 on or after July 1, 2011 shall not receive a vested deferred retirement allowance until attaining the
34 age of 52.5; but may receive a reduced allowance after age 50 if the member has at least 25 years of
35 creditable service where the allowance shall be reduced, for each month by which the date on which
36 benefits commence precedes the month after which the member attains 52.5 years of age, by 1/4 of
37 one percent.

HB 1399-FN – AS INTRODUCED
- Page 3 -

1 2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
14-2410
10/21/13

HB 1399-FN - FISCAL NOTE

AN ACT relative to the application for a vested deferred retirement allowance in the retirement system.

FISCAL IMPACT:

The New Hampshire Retirement System states this bill, **as introduced**, will have no fiscal impact on state, county, or local revenue and expenditures.

METHODOLOGY:

The New Hampshire Retirement System states this bill establishes the time frame prior to retirement for filing an application for vested deferred retirement. The System states the bill will have no fiscal impact.