

House Retirement Ad Hoc Committee PROPOSED Recommendations

*****These are proposals of the Committee and have NOT been voted on by the General Assembly.*****

Recommendations	New Employees	Current Employees	SCRS	PORS	GARS
COLAs – Ad-hoc COLAs to be established annually by the General Assembly with specific parameters having to be met prior to the granting of a COLA for any year. <ul style="list-style-type: none"> No COLAs will be guaranteed. (i.e. the 1% guaranteed COLA will be curtailed) COLAs must have an identified revenue source. Actuarial firm must approve granting of COLA will not affect the 30 year amortization period. 	X	X	X	X	
Retirement Age and Service with Full Benefits – Covered employee must be 62 years of age <u>AND</u> have 30 years of service to receive 100% of benefit. This applies to all newly hired and to current employees who have less than 23 years of covered employment. <i>*Actuarial reductions will be required if either age or years of service are not met.*</i>	X	X	X		
AFC – The annual final compensation (AFC) will be computed using the 5 highest years rather than the current 3 highest years of compensation.	X	X	X	X	
Leave – Sick leave will no longer be used to add additional service credit. Annual leave will no longer be added to the average final compensation.	X	X	X	X	
Spiking – Rules will be developed to prevent covered employees from “spiking.”	X	X	X	X	
Service purchase – Require actuarially neutral service purchase.	X	X	X	X	X
Employee contribution rates – Increase the employee contribution rate by 1%.	X	X	X	X	
Employer contribution rates – Increase the employer contribution rate by 1%. <i>*As adopted by Budget & Control Board on November 3, 2011. *</i>	X	X	X	X	
Earnable compensation –SCRS members will no longer be allowed to use overtime and special pay as earnable compensation.	X	X	X		
TERI – No longer available for new employees. No action considered for current employees.	X		X		
Retirement Benefits and Salary - Eliminate ability for serving Members of the General Assembly to draw retirement benefits as well as salary during service.					X