

House Retirement Reform Bill

Change	New Employees	Current Employees	SCRS	PORS	GARS
Benefit Adjustment – Benefit adjustment to be granted unless certain revenue triggers are not met. Percentage not to exceed 2.5%. • 7.5% rate of return must be met based on 5 year average	X	X	X	X	N/A
Retirement Age and Service with Full Benefits – New employees must have 30 years of service to receive 100% of eligible benefits.	X	N/A	X	N/A	N/A
AFC – The average final compensation (AFC) will be computed using the 5 highest years rather than the current 3 highest years of compensation. Current employees’ accrued benefits, as of 6/30/12, are protected.	X	X	X	X	N/A
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. Current employees’ accrued benefits, as of 6/30/12, are protected.	X	X	X	X	N/A
Service purchase – Require actuarially neutral service purchase.	X	X	X	X	X
Employee contribution rates – Increase the employee contribution rate by 1%. *Phase-in over 2 years.*	X	X	X	X	N/A
Employer contribution rates – Increase the employer contribution rate by 1%. *As adopted by Budget & Control Board on November 3, 2011. * *Set the floor at 10.6%*	X	X	X	X	N/A
Earnable compensation –SCRS members will no longer be allowed to use overtime and special pay as earnable compensation unless mandated by the employer.	X	X	X	N/A	N/A
TERI – No longer available for new employees. No action considered for current employees.	X	N/A	X	N/A	N/A
Inactive Accounts - Interest will not accrue on inactive accounts.	X	X	X	X	X
GARS Retirement Benefits - Eliminate ability for Members of the General Assembly to draw retirement benefits during service. Applies to Members who are not drawing retirement as of 6/30/12.	X	X	N/A	N/A	X
GARS Employee Contribution Rate: Increase the Member contribution rate by 1%.	X	X	N/A	N/A	X