

Wallis, Keri

From: john kvamme [jekvamme@yahoo.com]
Sent: Thursday, June 30, 2011 10:32 AM
To: Smith, Matt
Subject: 2011-12 WASA/AWSP Interim Issues
Attachments: 2011-12 Inerim Priorities.doc

Matt

Attached is a listing of issue that WASA & AWSP would like the SCPP to consider during this interim. Please include the attached sheet in the committee member's packet for the upcoming SCPP committee meeting. Thank you.

John Kvamme, WASA & AWSP Consultant

WASA & AWSP Priority Issues
For Consideration By The SCPP
During The 2011-12 Interim

- **SB 5163/HB 1261 TRS Plan 1 Survivor Benefit Payment Option** Provides survivors of active retirement-eligible members of TRS 1 with a partial lump sum benefit payment option. (Received SCPP recommendation in 2010 interim)
- **SB 5160 PERS, TRS, & SERS Lump Sum Duty-Death Benefit** Increases the lump sum duty-death benefit for PERS, TRS, and SERS and volunteer fire fighter members from \$150,000 to \$214,000. (Received SCPP recommendation in 2010)
- **SB 5846 Health Benefit Retirement Subsidy** From September 1, 2011 through August 31, 2014 provides an optional subsidy of \$250 per month for health benefit premiums to plan 1 TRS members who are ineligible for Medicare and retire between June 1, 2011, and August 31, 2011 and receive their first retirement allowance before October 31, 2011. Members receiving the subsidy become ineligible for the 867 hour postretirement employment provision or retire/rehire until August 31, 2014. (Change dates and delete reference to postretirement work)
- **HB 1851 Plan 2/3 “Two Month Problem” For Administrators** Solves the two month problem for administrators using the Early Retirement Reduction Factor (ERRF) eligibility option in their 30th year of service.
- **HB 1706 Plan 2 Access to the PEBB** Allows TRS, PERS and SERS Plan 2 members access to the Public employee Benefit Board (PEBB) health plans upon separation (not retirement) from service at age 55 with at least 20 years of service.
- **HB 1704 Establishes 5 year vesting in Plan 3** Present vesting for TRS, PERS and SERS Plan 3 members is 5 years with 12 service credit months after attaining the age of 44. This bill would just require the 5 years which is similar to other plans.
- **SJR 8214/HJR 4219 Constitutional Amendment for Managing Pension Risks** State Treasurer James McIntire proposed a constitutional amendment that would ensure that annual contributions for pensions are paid into the plans in amounts sufficient to fund at least 80% of the expected long-term annual cost of benefits under the plan. It also lays contribution rate floors for paying off the unfunded liabilities of PERS & TRS Plan 1.
- **Eliminate Postretirement Employment Exclusion** for Plan 2 & 3 members taking advantage of the 2008 early retirement ERF