

2009 Pension Plan Changes

Proposed by the House Finance Committee

Effective date of Changes

- October 1, 2009 except purchased credits
 - Full actuarial value after June 16
- No impact on any individuals eligible to retire by September 30, 2009

Purchased Credits

- Full actuarial costs, upon passage
- Purchased credits do not count toward vesting (current law)
- Purchased credits continue to count for service time

State Employees and Teachers

- No application to those eligible to retire by Sep 30
- Retirement eligibility
 - Proportional to age 62
 - Plan A - Proportional to 28 years or age 60 with ten years
 - Plan B - Proportional to 59 and 29 years
 - Corrections proportional to age 55 and 25 years
 - Nurses proportional to age 55 and 25 years
- Freeze service credits, then plan B
 - Plan A on September 30 retain 80 percent cap
 - Plan B on September 30 retain 75 percent cap
- COLA = Plan B
- Salary basis is 5 consecutive highest years

Judges

- Applies only to new judges hired after July 1, 2009
- Salary basis is 5 consecutive highest years
- 80 Percent full, 65 percent reduced maximum benefit accrual

Accidental Disability

- Effective on filings after September 30
- 66 2/3rds percent for permanently and totally disabled
- 50 percent for those able to work in other jobs
- Annual review by ERSRI