

Comparison of MSRS, PERA, TRA, and First Class City Teacher Retirement Fund Association Financial Sustainability Proposals

H.F. 2952, 1st Committee Engrossment, as Recommended by the House State Government Finance Division

Source Bill(s):	SF2573/HF2952						SF2631/HF2999			SF2499/HF2953	LCPR10-038	SF2404/HF 2951
	MSRS-General	MSRS-Correct.	State Patrol	Judges	Legislators	ESO	PERA-General	PERA- Correct.	PERA-P&F	TRA	DTRFA	SPTRFA
a. Contributions												
1. Member	--	--	+2.0%	--	--	--	+0.25%	--	+0.2%	+2.0%	+1.00%	+1.00% Coord;
2. Employer	--	--	+3.0%	--	--	--	+0.25%	--	+0.3%	+2.0%	+1.00%	+1.00% Basic
3. Contribution rate stabilizer	--	--	--	--	--	--	Modified	--	--	Added	--	+2.00% C&B
b. Post-retirement adjustments	Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase.	Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase.	Reduced from 2.5% to 1.5%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase.	Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase.	Reduced from 2.5% to 2.0%, restored once MSRS-General is 90% funded on MVB,* 6-mo. waiting period for initial increase.	Reduced from 2.5% to 2.0%, restored once MSRS-General is 90% funded on MVB,* 6-mo. waiting period for initial increase.	Reduced from 2.5% to 1.0%, restored when 90% funded on MVB,* rate reduced if fund later declines from 90% funded.	Reduced from 2.5% to 1.0%, restored when 90% funded on MVB,* rate reduced if fund later declines from 90% funded.	Reduced from 2.5% to 1.0% for 1/1/2011 and 1/1/2012, then equal to the CPI percentage for the preceding fiscal year, not to exceed 1.5% until 90% funded on MVB,* then not to exceed 2.5%, but rate reduced if fund later declines from 90% funded.	Adjustments suspended for 1/1/ 2011 & 1/1/2012, reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period for initial increase.	0% when less than 80% funded on MVB,* 1% when 80%-90% funded on MVB,* and 2% when more than 90% funded on MVB,* when 90% funded on AVB** moves to inflation match up to 5%	--
c. Interest on refunds	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	--	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	Reduced from 6% to 4% after 6/30/2011	--
d. Deferred annuities augmentation	Reduced from 5, 3, or 2.5% to 2% after 12/31/2010	Reduced from 5, 3, or 2.5% to 2% after 12/31/2010	Reduced from 5, 3, or 2.5% to 2% after 12/31/2010	Reduced from 5, 3, or 2.5% to 2% after 12/31/2010	Reduced from 5, 3, or 2.5% to 2% after 12/31/2010	--	Reduced from 5, 3, or 2.5% to 2% for plan members terminating before 1/1/2011, and eliminated for plan members terminating after 12/31/2010	Reduced from 5, 3, or 2.5% to 2% for plan members terminating before 1/1/2011, and eliminated for plan members terminating after 12/31/2010	Reduced from 5, 3, or 2.5% to 2% for plan members terminating before 1/1/2011, and eliminated for plan members terminating after 12/31/2010	Reduced from 5, 3, or 2.5% to 2% after 6/30/2010	Reduced from 5, 3, or 2.5% to 2% after 6/30/2010	--
e. Reemployed annuitant earnings limitation deferral account interest	Eliminated after 1/1/2011	Eliminated after 1/1/2011	Eliminated after 1/1/2011	--	--	--	Eliminated after 1/1/2011	Eliminated after 1/1/2011	Eliminated after 1/1/2011	Eliminated after 1/1/2011	Eliminated after 6/30/2011	--
f. Vesting service requirement	For new members after 6/30/ 2010, increased from 3 years to 5 years.	For new members after 6/30/ 2010, increased from 3 years to 10 years.	For new members after 6/30/ 2010, increased from 3 years to 5 years.	--	--	--	For new members after 6/30/ 2010, increased from 3 years to 5 years.	For new members after 6/30/ 2010, incr. from 3 yrs to 50% vested w/5 yrs-100% w/10 yrs.	For new members after 6/30/ 2010, incr. from 3 yrs to 50% vested w/ 5 yrs – 100% w/10 yrs.	--	For new members after 6/30/ 2010, increased from 3 years to 5 years.	--
g. Early retirement reduction factor, per year under age 55	--	For pre-6/30/2010 members retiring after 6/30/2015 & for new members after 6/30/ 2010, increased from 2.4% to 5.0%	For new members after 6/30/ 2010, increased from 1.2% to 2.4%	--	--	--	--	--	--	--	--	--
h. Benefit accrual rate percentage, per year of high-5 average salary	--	For new members after 6/30/2010, reduced from 2.4% to 2.2%	--	--	--	--	--	--	--	--	--	--

*MVB = Market Value Basis

**AVB = Actuarial Value Basis