

EXECUTIVE DIRECTOR UPDATE

WEEK 7 OF THE 90TH GENERAL ASSEMBLY

February 27, 2015

Overview of Week 7 of the 90th General Assembly ATRS Package Bills Continue to Advance

Week 7 of the General Assembly was slowed by meeting cancellations due to weather conditions. State offices were closed for short periods two times this week, and many legislative meetings were cancelled due to weather conditions across the state, including the Public Retirement Committee.

Even though the Public Retirement Committee did not meet this week, three ATRS package bills passed the House and are now on the Governor's desk awaiting his signature. The bills are:

SB48: Sponsored by **Senator Bill Sample**. This bill allows members to retire on disability as they currently do, but require additional requirements for continued eligibility after retirement.

SB50: Sponsored by **Senator Eddie Cheatham**. This is the ATRS technical corrections bill that makes minor clarifications of existing laws.

SB137: Sponsored by **Senator Jason Rapert**. This bill repeals the law that allows a payout of benefits less than \$20 per month and allows a member's annuity to be paid instead.

ATRS would like to express its appreciation to **Representative David Meeks** and **Representative Lanny Fite** for presenting **SB48, SB50, and SB137** on the House floor this week. Their valuable insight helped to carry the bills in the House.

One ATRS Package Bill Remains in the Senate Committee on Revenue and Tax

ATRS is continuing to work towards passage of **HB1132**, an ATRS package bill sponsored by **Representative Monte Hodges**, which allows ATRS to benefit from recycling tax credits on e-waste and other recycling facilities. The bill has passed the House, but remains in the Senate committee as further work is focused on the recycling issues.

Two ATRS Package Bills on Active Agenda for Monday, March 2, 2015

On Monday, March 2, 2015, ATRS has the last two (2) package bills for ATRS on the active agenda of the Public Retirement Committee for action. As stated earlier, the weather conditions prevented the Public Retirement Committee from meeting on the bills on February 23, 2015, as planned. The last two package bills are:

HB1078, sponsored by **Representative Gary Deffenbaugh**. This is a bill that would allow a retiree who chooses his or her spouse as an Option C (guaranteed 120 payments) beneficiary to change beneficiaries or pop-up to straight life annuity if the retiree's marriage ends by divorce or other marriage dissolution within the first 10 years of retirement. The ATRS and Public Retirement Committee's actuarial studies have been completed.

SB171, sponsored by **Senator Bill Sample**. The ATRS law on free military service credit for service when a mandatory draft was in effect and to generally purchase military service has not been changed in several years, and the wording has become outdated. The Public Retirement Committee discussed the ATRS Technical Corrections bill that led to a suggestion that the military service provisions also needed clarification. Based on that discussion, ATRS staff drafted a clarification of the existing law to better state the law in an easier to read format. The ATRS Board Chair concurred in the clarification and **Senator Bill Sample** activated his shell bill filed on behalf of ATRS to make the clarification. ATRS appreciates the assistance of **Representative Douglas House** on reviewing the clarification in SB171.

Next Steps as the Session Continues and the Weather Improves!

Barring any further winter weather, the ATRS bills should advance pretty quickly through the legislative process. Now that two of the original seven ATRS package bills are law, three of the original seven bills have been delivered to the Governor for signature, and ATRS added a new package bill, ATRS has three package bills still in the legislative process. ATRS will continue to monitor the remaining three ATRS package bills. The ATRS appropriation bill is now law and no further monitoring is required. This leaves one ATRS friendly shell bill that could become active. ATRS will continue to monitor HB1215 that was a shell bill and now requires specialized reporting and publishing of information.

ATRS will continue to provide weekly updates on the ATRS package bills and any shell bills that are amended to impact ATRS and the one bill that affects ATRS outside of the ATRS package (HB1215). ATRS tries to work closely with members of the General Assembly on legislation to ensure issues of interest to the General Assembly are properly addressed.