

## **HOUSE BILL 272:** The Sergeant Mickey Hutchinson Act.

## 2025-2026 General Assembly

**Analysis of:** 

**Committee:** House Pensions and Retirement. If favorable, **Date:** M

March 21, 2025

re-refer to State and Local Government. If favorable, re-refer to Rules, Calendar, and

Operations of the House

**Introduced by:** Reps. Zenger, Chesser, Pyrtle, Miller

First Edition

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Committee Co-Counsel

OVERVIEW: House Bill 272 would allow law enforcement officers, probation and parole officers, and correctional officers who hold an Advanced Law Enforcement Certificate or an Advanced Corrections Certificate to purchase up to four years of creditable service in the Retirement System.

BILL ANALYSIS: Section 1.(a) would amend the service purchase provisions of the Teachers' and State Employees' Retirement System (TSERS) to allow State employees to purchase up to four years of creditable service if they hold an Advanced Law Enforcement or Corrections Certificate and if they have been a member of TSERS for five or more years. Purchase would only be permitted upon, or after, the employee obtains the certificate. Both the employee and their employer would be allowed to pay the costs of purchasing the employee's creditable service.

Creditable service would be purchased by paying a lump sum to the Annuity Savings Fund. If the employer pays for all or part of the purchase price, then the amount paid would be credited to the Pension Accumulation Fund. In the instance where both the employee and the employer contribute to the purchase, the portion paid by the employee would be credited to their accumulated contributions and interest in the Annuity Savings Fund.

The cost of purchase would be equal to the full liability increase of the Retirement System due to the purchase, plus a fee that is set by the Board of Trustees. The liability increase to the Retirement System resulting from the purchase would be calculated using the following assumptions:

- The same assumptions that are used for the actuarial valuation of the Retirement System's liabilities.
- The assumption that the allowance would begin at the earliest age that the employee could retire without a reduced retirement allowance.
- An assumption that would reflect annual postretirement allowance increases.

**Section 1.(b)** would exempt purchases of creditable service made under the new subsection from a current limitation that forbids State employees from receiving more than one year of creditable service for one year of service.

**Section 2.(a)** and **2.(b)** would create the same provisions described in Sections 1.(a) and (b) for the Local Government Employees' Retirement System (LGERS).

**EFFECTIVE DATE:** This act would become effective July 1, 2025.

Kara McCraw Director



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