

Interim Study for Proposed Committee Substitute for House Bill No. 1805 RBH No.7384

This Bill would for EMTs hired after the effective date a benefit of 2.5% of Final Average Compensation times years of service maximum of 20 plus 2% of Final Average Compensation times years of service in excess of 20.

This is the same benefit formula that is used for other participants in hazardous jobs such as DOC employees.

Impact:

The current normal cost percentage for Hazardous Duty participants is 15.37 % of compensation with a participant contribution equal to 8% compensation. The net difference is 7.37% compensation.

Without this bill the normal cost percentage would be 10.7% and the employee contribution rate would be 3.5%. Net difference is 7.2% of compensation. The difference is used to reduce the unfunded Accrued Actuarial Liability. If this bill were to be effective there would be .17% of compensation of the new emt participants less toward funding unfunded Accrued Actuarial Liability.

The employer contribution rate would remain 16.5%.