

NCTR PORTABILITY SURVEY RESULTS

Data collected and compiled between May and July 1999.

NCTR MEMBER	Question 1 Accepts direct rollovers		Question 2 Allows installment purchase of service credit		Question 3 Pre-tax purchase of svc credit		Question 4 Plan authorizes less common purchases	Question 5 Transfer agreement with other plans		Question 6 Current Legislative Activity
	Yes	No	Yes	No	Yes	No	Type of purchase	Intrastate	Interstate	
AK TRS		X	X			X	Par. or PScS* Other (See Comments)	No	No	None
Comments to: Q4: Peace Corps teaching, up to five years service in armed forces, overseas teaching in schools funded by US funds.										
AZ St. RS	X (See Comments)		X		X		Other: (See Comments)	Yes (See Comments)	No	(See Comments)
Comments to: Q1: Toward the purchase of service credit only. Q4: Active members may purchase service from another public retirement plan, but also may purchase service for work with a public employer that was not covered by a retirement plan. Q5: Will transfer actuarial present value of retirement account future benefits. Other plan requires transfer only of member contributions and interest. Q6: Defined contribution alternative established effective Dec. 1, 2000, for state elected officials, employees of the state legislature, and certain state exempt employees. 1999 legislature also established "cash balance overlay" provision that creates an enhanced refund provision for members terminating with at least five years of service credit. The members receive a portion of employer money on prorated basis from five to ten years of service, getting all employer money with ten years; 25% at five years. No annuity option.										
AR TRS	X		X		X		Par. or PScS*	No (See Comments)	No	
Comments to: Q5: No transfer is made. However, service credit is combined to meet retirement eligibility. The final average of the system from which the member retires is used by all reciprocal systems.										
CA St. TRS	X		X (See Comments)		X (See Comments)		Nonqualified svc., eff. 1/1/99	Yes (See Comments)	No	
Comments to: Q2: Up to 10 years of installment payments. Q3: For the redeposit of previously withdrawn contributions. Q5: CalSTRS has partial reciprocity with most public retirement systems in California. This partial reciprocity does not transfer credit, but rather recognizes the highest final average salary from either employer to compute the benefit. For example, if someone worked in CalPERS-covered employment for 20 years and then worked in CalSTRS-covered employment for 5 years, he/she would be entitled to two separate benefits, <u>but</u> CalPERS and CalSTRS would both use the individual's highest final average salary when calculating the benefit.										

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CA LA USD		X (Non contrib fund)		X		X	Not applicable	No	No	
Denver PS Ees' Pen. & Ben. Assoc.	X		X (See Comments)			X	PSS* Par. or PScS* Other: (See Comments)	No (But see Comments)	No	
Comments to: Q2: Not to exceed 12 monthly payments. Q4: Non-qualified employment with a participating employer. (If this were paid for within two years of employment/re-employment, the cost is considerably less.) Q5: We have a provision for reciprocity of survivor benefits with Colorado PERA.										
CT State TRS	X		X (See Comments)			X (See Comments)	Other (See Comments)	No	No	None pending
Comments to: Q2: Only for prior CT service. Additional credited service (out-of-state, military, etc.) is purchasable at retirement in a lump sum. Q3: Plan to allow pre-tax in future. Q4: Other: Peace Corps, Federal Teacher Corp, service as an elected official.										
FL Ret. Sys.		X	X			X	Par. or PScS* (See Comments)	No	No	(See Comments)
Comments to: Q4: In state, accredited non-public schools and colleges; including Charter schools. Q6: 1999 session ended. Expect '00 session to consider alternative DC choice; wage indexing & reduced vesting for FL Ret. Sys.										
TRS of GA	X (See Comments)			X		X	Other: (See Comments)	Yes (See Comments)	No	
Comments to: Q1: Allows direct rollovers for purchase of service credit. Q4: Allows American Dependent School service, service for graduate study and visiting scholar, military service, maternity leave, service under state Employees' Retirement System. Q5: Can transfer between TRS and ERS.										

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Ees' Ret. Sys. of HI		X	X		X Eff. 1/1/99		Other: Military service	No (See Comments)	No	None
Comments to: Q5: Generally, all State and County employees in the state of HI are members of the State of Hawaii Employees' Retirement System and are entitled to benefits from the System upon eligibility.										
PERS of ID	X (See Comments)		X		X (See Comments)		None	No	No	(See Comments)
Comments to: Q1: If for payment of previous service. We do not allow for purchase of non-employment related service. Q3: We have received authority to do multiple irrevocable elections to increase repayments. Q6: It may be a topic for our current legislative interim committee, but doesn't seem to be a big concern so far.										
PS Tchrs. Pen. & Ret. Fund of Chicago	X (See Comments)		X			X	Bd. may approve svc. credit purchases of not more than 10 yrs. Teacher must pay contrib. at rate in force on date of appointment or during the period he/she was a certified teacher in the other state(s). (See Comments)	Yes	No	
Comments to: Q1: Only if rolled from a conduit IRA. Q4: Purchases of up to three years of parochial and private school service being considered.										

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IL Municipal Ret. Fund	X (See Comments)		X		X		Nonqualified svc (See Comments)	Yes (See Comments)	No	None
Comments to: Q1: Rollovers are permitted to purchase certain types of service and to repay refunds. Q4: Five years for Early Retirement Incentive. Q5: Illinois has a Reciprocal Act covering 13 major public systems including Illinois and Chicago teachers. Service is no longer transferred but benefits are calculated as if all service was within one System.										
IL TRS	X		X		X (See Comments)		PSS* Other: (See Comments)	Yes (See Comments)	No	
Comments to: Q3: Participation in Payroll Deduction Program (PDP) (effective July '98) has been very high due to members "upgrading" service credit earned before 7/1/98 to new formula; members also use PDP for optional service. Q4: The PSS is very limited. It is available for service with a national or Illinois education association. Other: Leave of absence, maternity leave when termination of employment was required, layoffs, II that was not covered by statute when rendered. Q5: Under the Illinois Reciprocal Act, the 13 participating systems recognize service earned in other systems for vesting, "stacking" (for graduated formulas) and final average salary calculations. Each system pays its share. Service is assumed to be continuous. Actual transfers are very rare and are only allowed in certain cases.										
IN St. Tchrs.' Ret. Fund	X		X			X	Par. or PScS* Other: Private IN Colleges	Yes (See Comments)	No	
Comments to: Q5: To and from the State Teachers' Ret. Fund and Public Employees' Retirement Fund.										
IA Public Ees.' Ret. Sys.		X		X (See Comments)		X	Other (See Comments)	No (See Comments)	No	(See Comments)
Comments to: Q2: Can purchase in quarter increments, but not a true "installment" plan. Q4: Military, federal employment, other public employment within Iowa covered by other retirement system, optional Iowa PERS coverage, leaves of absence. Q5: Had a one-time agreement with one intrastate plan. Q6: Effective 7/1/99, refundees will receive a percent of employer accumulated contributions. Next session may contain portability provisions.										
Wichita Ee Ret. Sys.		X		X		X	We are a local government system	No	No	

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KY TRS		X	X			X	Nonqualified svc. (See Comments)	Yes (See Comments)	No	(See Comments)
Comments to: Q4: Members are charged full actuarial cost. Q5: Service credit is not transferred, but it is combined for purposes of meeting eligibility for retirement, calculation of final average salary (FAS) with both plans using their own retirement formulas and paying benefits on their service. Q6: None at present. There is emphasis on changes that permit non-teachers to teach certain subjects as a way of addressing shortage of teachers.										
TRS of LA	X As of 7/1/99			X		X	Par. or PScS* Other: (See Comments)	Yes (See Comments)	No	(See Comments)
Comments to: Q4: Governmental service for Louisiana governmental entity, military base teaching, leave without pay for Louisiana public schools. Q5: Transfer paid on an actuarial basis with member, or if he/she does not pay the actuarial cost deficiency, his/her credit is pro-rated. Q6: Just passed legislation to allow rollovers from qualified plans or conduit IRAs.										
ME State Ret. Sys.		X	X			X	Par. or PScS* Other: Head Start, Comprehensive Employment Training Act (CETA), Military	No	No	
MA TRS	X (See Comments)		X (See Comments)			X (See Comments)	Par. Or PScS*	Yes (See Comments)	No	(See Comments)
Comments to: Q1: We accept a direct rollover of pre-tax dollars in another plan for the purchase of eligible service. Q2: Currently, a five year installment plan; paid directly to the board; 5% interest. Planned payroll deduction with variable durations. Q3: Not yet. However, we expect to allow pre-tax payroll deductions within 12-18 months. Q4: Legislation pending that would allow vocational teachers to purchase up to 4 years of related private sector employment and would allow women to purchase up to 4 years of maternity leave (leave must have occurred prior to 1975). Q5: All Massachusetts service is totally portable among our 106 public retirement systems. Each system annually bills every other system for a percentage of a retiree's pension that relates to service rendered in prior systems. For example: If 50% of a teacher's creditable service was rendered as a state employee (prior to becoming a teacher), we would bill the State Retirement System for 50% of his/her pension. Q6: Following legislative proposals are pending: previously noted service purchase options (vocational ed and maternity); enhanced interest paid on refunded member accounts; and option retirement program (very limited DC option) for senior school administrators.										

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MI PS Ees' Ret. Sys.	X (See Comments)		X		X		Par. or PScS* Nonqualified Svc. Others: maternity, military	Yes (See Comments)	No	None
Comments to: Q1: Accepts rollovers of distributions from 401(a) or 401(k) plans for purchase of service credit. Q5: Reciprocity with State Employees Retirement System.										
Duluth Tchrs' Ret. Fund Assoc.	X (See Comments)		X (See Comments)			X	Par. or PScS* Other (See Comments)	No (See Comments)	No	(See Comments)
Comments to: Q1: Only to repay prior refunds, and only from conduit IRA's. Q2: Only to repay a prior refund. (May pay in 3 installments.) Q4: Other: 1999 legislation signed by Gov. Ventura allows Duluth teachers to purchase the following (the authority sunsets May 16, 2002): Military service - limited to initial period of induction, enlistment, or call to active duty; maternity leave or break-in service - limited to 5 years; out-of-state teaching - limited to 10 years; private/parochial teaching service -limited to 10 years; prior charter school teaching service - 10 years; part-time teaching service - limited to actual, uncovered part-time service; Peace Corps or Vista service - limited to 10 years. Q5: However, we have "combined service" in Minnesota. The seven major retirement systems use the same high-5 average salary for all service in funds of the seven systems. Q6: See comments to Q4.										
Minneapolis Tchrs' Ret. Fund Assoc.		X		X		X	Par. Or PscS* (See Comments)	No (See Comments)	No	(See Comments)
Comments to: Q4: Up to ten years when vested with three years of service--purchase at full actuarial value. See also comments to Q6. Q5: We have combined service--not a real transfer. Use all service years to reach rule of 90. Use final average salary for all years of service. Q6: 1999 legislation now allows private, parochial, out-of-state, charter school, VISTA, and Peace Corps purchase of service credit.										

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MN St. Tchrs.' Ret. Assoc.		X		X		X	Par. or PScS* (See Comments)	No (See Comments)	No	(See Comments)
Comments to: Q4: New provision - full actuarial cost. Q5: No transfer of credit. Have combined service agreement that uses combination of all Minnesota public pension plan service to determine benefit. Each fund pays its respective portion. Q6: 1999 legislation was just passed to allow members of the system to purchase: Military - prior to or break in teaching service; maternity - leave or break in service; out-of-state - public or governmental, private and parochial, charter school; Peace Corps and Vista. All purchases are at full actuarial cost.										
Public Ees' Ret. Sys. of MS	X Eff. 7/1/00		X		X		Can purchase "professional" leave on a limited basis.	Yes (See Comments)	No	No ongoing legislation at this time.
Comments to: Q5: PERS administers several plans with limited transfer between them.										
PS Ret. Sys. of MO	X		X			X	PSS* Par. or ScS Nonqualified Svc.	Yes	Yes	
MT TRS	X		X		X (eff. 7/1/99)		Par. or PScS*	Yes (See Comments)	No	
Comments to: Q5: Full reciprocity between TRS and PERS.										
Omaha School Ees' Ret. Sys.	X (See Comments)		X (See Comments)		X		Nonqualified Svc.	No	No	
Comments to: Q1: Must be public school district; must occur within first five years of Omaha Public School employment; limited to 10 years service. Q2: No longer than five years of installment payments.										
NH Ret. Sys.		X (See Comments)	X (See Comments)			X	No	No	No	None
Comments to: Q1: Lack of statutory authority. Q2: Only for certain "in-state" purchases.										

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TRS, City of NY		X (See Comments)	X			X	Par. or PScS* (See Comments)	Yes (See Comments)	No	None
Comments to: Q1: All entitlement to contribute is defined by municipal law. Q4: TRS is divided into four tiers. Members of the oldest tier may purchase outside service. Q5: Transfers to state teachers and employees, and to all city systems as well.										
NY State TRS		X	X			X	(See Comments)	Yes (See Comments)	No	(See Comments)
Comments to: Q4: NYSTRS typically only permits purchase of prior <u>public</u> service in New York State and certain military service. Q5: Simply described as transfer of membership between systems. Q6: Focus is on bills allowing for purchase of prior public service within New York where person was not a system member at time service was rendered. Currently, New York law generally prohibits crediting of in-state public service if person failed to join a system at time service was rendered. In addition, there is considerable discussion of making it easier for Korean and Vietnam veterans to get credit for military service which was rendered prior to entering public employment in New York.										
ND Teachers' Fund for Retirement	X (See Comments)		X (See Comments)			X	Par. or PScS* Nonqualified Svc. Other (See Comments)	Yes (See Comments)	No	
Comments to: Q1: Rollovers accepted to purchase service credit. Q2: Up to 5 years. Q4: Other: Refunded TFFR service, government agency teaching, leave of absence, legislative service, military service, nonpublic teaching, out-of-state teaching, professional education organization. Non-qualified purchases beginning 8/1/99. Q5: NDPERS (state retirement system).										
St. Tchrs' Ret. Sys. of OH	X		X		X		Par. or PScS* Nonqualified Svc.	Yes	No	(See Comments)
Comments to: Q6: Proposal has been offered to allow new teachers and non-vested current members to forego DB plan and instead join a DC alternative offered by commercial vendors.										

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OH School Ees Ret. Sys.	X (See Comments)		X		X		Par. or PScS* Other (See Comments)	Yes (See Comments)	No	(See Comments)
Comments to: Q1: For purchase of out-of-state or private school service only to a maximum of 5 years of credit. Q4: Out-of-state public service. Q5: Transfer and combining of credit with Ohio Pension Funds. Q6: Legislation has been introduced to allow public employees to opt out of the state plan and contribute to an alternative retirement plan (defined contribution plan). One of the justifications for the bill is increased portability. University faculty and administrators who have less than 5 years of credit already have this option.										
OK TRS	X		X			X	Other-Peace Corps	Yes (See Comments)	No	None
Comments to: Q5: TRS & PERS; transfer of contributions and interest. Member responsible for balance of actuarial cost.										
PA Public School Ees' Ret. Sys.	X (See Comments)		X (See Comments)			X	Other (See Comments)	Yes (See Comments)	No	Not aware of any at this time.
Comments to: Q1: PSERS accepts rollovers of distributions from 401(a) and 401(k) plans up to the amount of the cost to purchase the eligible (creditable) service from the previous employer. Q2: Up to six years to pay installments. Q4: Certain military service, certain maternity leave, Cadet Nurse Corp Service, certain government service as a teacher or instructor in education as an employee of a United States government agency. Q5: Credit can be combined with the State Employees' Retirement System of Pennsylvania.										
Ees' Ret. Sys. of RI	X (See Comments)			X		X	Par. or PScS* (See Comments)	No (See Comments)	No	(See Comments)
Comments to: Q1: Only for qualified service credit purchase. Q4: Purchase limit 5 years. Q5: Except for transfers from Municipal Employees Retirement System (sister system also administered by ERSRI). Q6: Possibility of 5-year vesting (current is 10 years).										

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SC Ret. Sys.	X (See Comments)		X			X	Other (see Comments)	Yes	No	(See Comments)
Comments to: Q1: If purchasing eligible service credit. Q4: Other: Educational leave - up to two years; federal civilian; maternity - up to two years. Q6: Private letter ruling several years ago permits participants of state's 401(k) plan to move money to state's defined benefit plan at anytime to purchase eligible service credit. Some discussion and proposed legislation to open ORP to all employees. ORP now available only to higher education in high level administrative positions and academic positions.										
SD Ret. Sys.		X	X		X		Not at this time.	No	No	(See Comments)
Comments to: Q6: None at this time. Note: SD has indexed salary of inactive participants since 1985.										
TN Consolidated Ret. Sys.	X (See Comments)		X			X	Other: Overseas Dept. of Defense teaching	Yes (See Comments)	No	None
Comments to: Q1: Permits 401(k) and conduit IRA to purchase. Q5: As a "Consolidated" system, we have "Intrastate" automatically.										
TRS of TX		X	X			X	Nonqualified Svc.	Yes	No (See Q6 Comments)	(See Comments)
Comments to: Q6: Legislature has passed law effective 9/1/99 to allow the TRS Board to consider approving reciprocal agreements with other states.										
UT Ret. Sys.	X		X			X	Nonqualified Svc.	No	No	

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VA Ret. Sys.	X (See Comments)		X		X (See Comments)		Other (See Comments)	Yes (See Comments)	No	(See Comments)
Comments to: Q1: Conduit IRAs only. Q3: Started in May 1999. Q4: Other: Military, Department of Defense Schools, maternity leave, adoption leave. Q5: Currently have three agreements in place with two more in pipeline. Not very successful. Concept is good--few ever transfer time. Q6: Constant pressure to allow additional service purchase provisions.										
WV Consolidated Public Ret. Bd.		X	X			X	Par. or PScS*	Yes (See Comments)	No	None at this time, awaiting federal changes to enhance portability.
Comments to: Q5: Between TRS & PERS; between PERS & Judges Plan.										

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