

North Carolina
Future of Retirement
 Study Commission

Recent Changes to Retirement Age

<u>System</u>	<u>Old Unreduced Age</u>	<u>New Unreduced Age</u>	<u>Applies To</u>
Arizona SRS	Rule of 80	Rule of 85	New hires
Illinois statewide plans	60	67	New hires
Kentucky TRS	55/5 or 60/27	55/10 or 60/27	New hires
Mississippi PERS	25 years of service	30 years of service	New hires
Nevada PERS	65/5, 60/10, any/30	65/5, 62/10, any/30	New hires
New York State TRS	55/30	57/30	New hires
Rhode Island	60/10 or any/28	62/10	Those not eligible to retire by 9/30/2009, although there is a phase-in
Texas ERS	60/5	65/10	New hires
Utah RS	65/4 or any/30	65/4 or any/35	New hires
Vermont TRS	62 or any/30	65 or Rule of 90	Current teachers 5 or more years from retirement
Virginia RS	65/5 or 50/30	Social Security NRA (up to 67) or Rule of 90	New hires

Setting a minimum unreduced age of 60 in North Carolina would reduce total employee plus employer normal contributions from 12.3% of pay to roughly 11.0% of pay. A minimum unreduced age of 60 would mean that employees could no longer receive an unreduced benefit at any age simply due to having 30 years of service.

Based on recent turnover and retirement experience, only about 4% of new hires in the NC TSERS will retire with unreduced benefits prior to age 60. Keep in mind that to retire unreduced prior to age 60, you need to have been hired prior to age 30 and then stay with the State for 30 years.

Information pulled from NASRA's *Selected Approved Changes to State Public Pensions to Restore or Preserve Plan Sustainability* and individual system websites.