

Bills filed to make TRS actuarially sound

House Bill 9 (HB9) and Senate Bill 12 (SB12) are bills to make TRS actuarially sound by raising the base rates of contributions. Retirees cannot receive an annuity increase until TRS is actuarially sound. It appears that these bills are similar enough to be resolved. Both amend the same current law.

Item	House Bill 9	Senate Bill 12
Rate of member contributions	Remain at 7.7%	Sept. 1, 2021, 8.00% Sept. 1, 2023, 8.25%
Rate of school district's contributions	Remain at 1.7%	Sept. 2020, 1.6% Sept. 2021, 1.7% Sept. 2022, 1.8% Sept. 2023, 1.9% Sept. 2024, 2.0% and subsequent
State contributions current 6.25%	Sept. 2019, 6.25% Sept. 2020, 6.80% Sept. 2021, 7.80% Sept. 2022, 7.05% Sept. 2023, 8.40% Sept. 2024, 8.55% Sept. 2025, 8.80% and subsequent years	Sept. 2019, 7.25% Sept. 2020, 7.50% Sept. 2021, 7.75% Sept. 2022, 8.00% Sept. 2023, 8.24% and subsequent years
	The House bill takes a longer and more gradual approach, relying solely on increases in the state contribution rate.	The Senate bill takes a more aggressive approach, raising the contribution rates of active members, school districts and the state. This bill might enable actuarial soundness a little sooner. These contribution rates may not be as bad as they look, considering that members and districts are not paying into Social Security.

