



**NH Retirement System**  
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## **Frequently Asked Questions About Vesting**

Some of the changes to RSA 100-A contained in House Bill 2 (Chapter 224, Laws of 2011) differ among: (a) members in vested status prior to January 1, 2012, (b) members not in vested status prior to January 1, 2012, and (c) members hired on or after July 1, 2011.

### **What does it mean to be “vested”?**

A member who is eligible to receive an NHRS benefit upon retirement, death, disability or other termination of employment is considered vested.

### **When does a member become vested?**

In general, a member becomes vested for retirement benefits upon the earlier of: (1) completion of 10 years of NHRS creditable service, or (2) on and after attainment of the NHRS normal retirement age while in service, regardless of years of creditable service.

### **What is a member’s NHRS normal retirement age?**

#### Group I

1. Age 60, if the member commenced NHRS service prior to July 1, 2011;
2. Age 65, if the member commenced NHRS service on or after July 1, 2011.

#### Group II

The first to occur of:

1. Attainment of age 60, regardless of years of creditable service; or
- 2A. If the member commenced NHRS service prior to July 1, 2011, and is in vested status prior to January 1, 2012, the latter of age 45 or the date the member completes or would have completed at least 20 years of creditable service;

OR

- 2B. If the member commenced NHRS service prior to July 1, 2011, and is not in vested status prior to January 1, 2012, the attainment of both the minimum age and minimum service requirements contained in RSA 100-A:5, II (d) as set forth below:

Years of Creditable Service as of January 1, 2012	Minimum Age	Minimum Service
At least 8 but less than 10 years	46	21
At least 6 but less than 8 years	47	22
At least 4 but less than 6 years	48	23
Less than 4 years	49	24

OR

2C. If the member commenced NHRS service on or after July 1, 2011, the latter of age 52.5 or the date the member completes or would have completed at least 25 years of creditable service.

**What are some examples of members who are in vested status prior to January 1, 2012, for purposes of HB 2?**

- A Group I or Group II member who has at least 10 years of NHRS creditable service – including service credit purchases completed prior to January 1, 2012 – on or before December 31, 2011, is in vested status prior to January 1, 2012, based on years of creditable service.
- A Group I member in service who was both hired prior to July 1, 2011, and has attained or will attain age 60 on or before December 31, 2011, is in vested status prior to January 1, 2012, based on attainment of the NHRS normal retirement age
- A Group I member in service who was both hired on or after July 1, 2011, and has attained or will attain age 65 on or before December 31, 2011, is in vested status prior to January 1, 2012, based on attainment of the NHRS normal retirement age.
- A Group II member in service who has attained or will attain age 60 on or before December 31, 2011, is in vested status prior to January 1, 2012, based on attainment of the NHRS normal retirement age, regardless of date of hire or years of creditable service.

Note: Completed service credit purchases count toward years of creditable service. However, service credit purchases completed on or after January 1, 2012, cannot be used to retroactively “vest” a member with fewer than 10 years of creditable service prior to January 1, 2012.

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