

Members with creditable service in both Group I (Employee and Teacher) and Group II (Police and Fire) may be eligible for a Split Benefit Retirement pension.

#### **Eligibility**

- Members who get a new job which results in a change in group classification (Group I versus Group II) will become contributing members of their new group classification. Upon eligibility, they will be entitled to a Split Benefit Retirement pension (Service, Early, Disability, or Vested Deferred), based on their service in each group classification.
- If the position that a member occupies is reclassified from one group to another by a governing authority, then the member will become a contributing member of the new group classification, and upon eligibility the member will be entitled to Split Benefits. (Note: If a member occupies a Group II position which is reclassified to Group I, and the member had held the Group II position for at least five years, then the member will continue Group II membership as long as the member holds that same position or a related position reached through normal career-path promotion.

#### **Creditable Service**

Members' creditable service is based on their service in each group. For example, if a member worked as a teacher (Group I) for 10 years and as a police officer (Group II) for 11 years, that member will have 10 years of creditable service in Group I and 11 years in Group II. The member's combined creditable service will be 21 years.

#### **Average Final Compensation (AFC)**

Members' average final compensation is based on their entire period of NHRS service.

#### **Unreduced Split Benefit Retirement Pension**

##### **Minimum Age for Unreduced Pension**

The minimum age at which a member is eligible to receive an unreduced Split Benefit Retirement pension is age 60, or:

Members vested prior to January 1, 2012:

- For a member who has completed at least 20 years combined Group I and Group II creditable service: Age 60 minus one year for each year of the member's Group II creditable service, but not less than age 45.

Members in service prior to July 1, 2011, and not vested prior to January 1, 2012:

- For a member with less than 4 years of Group II creditable service prior to January 1, 2012, who has completed at least 24 years combined Group I and Group II creditable service: Age 60 minus one year for each year of the member's Group II creditable service, but not less than age 49.
- For a member with at least 4 but less than 6 years of Group II creditable service prior to January 1, 2012, who has completed at least 23 years combined Group I and Group II creditable service: Age 60 minus one year for each year of the member's Group II creditable service, but not less than age 48.
- For a member with at least 6 but less than 8 years of Group II creditable service prior to January 1, 2012, who has completed at least 22 years combined Group I and Group II creditable service: Age 60 minus one year for each year of the member's Group II creditable service, but not less than age 47.
- For a member with at least 8 but less than 10 years of Group II creditable service prior to January 1, 2012, who has completed at least 21 years combined Group I and Group II creditable service: Age 60 minus one year for each year of the member's Group II creditable service, but not less than age 46.

Members hired on or after July 1, 2011:

- For a member who has completed at least 25 years combined Group I and Group II creditable service: Age 60 minus one year for each year of the member's Group II creditable service, but not less than age 50, and provided that the member shall not be eligible to receive a retirement allowance until attaining the age of 52.5.

#### **Early Reduced Split Benefit Retirement Pension**

With at least 10 years of combined creditable service, members may receive an early reduced Split Benefit Retirement pension.

For members **vested prior to January 1, 2012**, the pension may commence at age 45 or within 10 years prior to attaining the minimum age for an unreduced Split Benefit Service Retirement pension, whichever is later.

For members **in service prior to July 1, 2011, and not vested prior to January 1, 2012:**

- For a member with less than 4 years of Group II creditable service prior to January 1, 2012, the pension may commence at age 49 or within 10 years prior to attaining the minimum age for an unreduced Split Benefit Service Retirement pension, whichever is later.
- For a member with at least 4 but less than 6 years of Group II creditable service prior to January 1, 2012, the pension may commence at age 48 or within 10 years prior to attaining the minimum age for an unreduced Split Benefit Service Retirement pension, whichever is later.
- For a member with at least 6 but less than 8 years of Group II creditable service prior to January 1, 2012, the pension may commence at age 47 or within 10 years prior to attaining the minimum age for an unreduced Split Benefit Service Retirement pension, whichever is later.
- For a member with at least 8 but less than 10 years of Group II creditable service prior to January 1, 2012, the pension may commence at age 46 or within 10 years prior to attaining the minimum age for an unreduced Split Benefit Service Retirement pension, whichever is later.

For members **hired on or after July 1, 2011**, the pension may commence at age 50 or within 10 years prior to attaining the minimum age for an unreduced Split Benefit Service Retirement pension, whichever is later.

In all cases, there will be a permanent reduction in the entire pension based on the member's years of combined creditable service and the number of years before the minimum age the member retires. The permanent reduction applied to a member's entire Split Benefit Retirement pension is determined using percentages based on the member's combined years of creditable service. The applicable percentage is applied for each year, or fraction of a year, that the member's benefit commencement date precedes the first day of the month following the member's minimum age.

### Pension Calculation

Because Split Benefit Retirement pensions are based on members' creditable service in each group classification, NHRS will determine members' unreduced annual benefits in two "parts". The Group I part will be based on the Group I formula for Service Retirement, the Group II part will be based on the Group II formula for Service Retirement. The parts will be added together to give members their total annual pension amount.

Members eligible for split benefits who are approaching retirement may contact NHRS to request a pension estimate.

### Termination of Employment

Members with at least 10 years of creditable service who terminate their NHRS-covered employment before they are eligible to receive their Split Benefit Retirement pension and do not withdraw their accumulated contributions will be eligible for a Vested Deferred Retirement pension at their minimum age, or earlier as an early reduced Split Benefit. (A member's accumulated contributions are equal to the sum of all mandatory NHRS contributions deducted from a member's compensation, any additional contributions, and any contributions made by a member for purchases of service credit, plus credited interest.)

For more information on terminating employment prior to retirement, including options for members with less than 10 years of combined creditable service, [click here](#).

**Note:** Members who terminate their employment may not choose to take a refund of their accumulated contributions from one group classification and receive the pension that applies to the other group classification. Their contributions to the two groups may not be separated for benefit purposes.

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