is going to save us, we should build into our system everything possible that encourages people to work longer and I don't think we should be building into our retirement systems incentives to work for a shorter period of time and that, in my opinion, is exactly what this one small portion of 219 does. Now I am not against state employee benefits. In fact I am very much for additional benefits of certain types but I think it is important how we structure those benefits and I think it is very important that we do not structure them to encourage people to retire early. And that is all the amendment does is just change back to current law to age sixty the retirement...the optional retirement age instead of allowing it to be reduced to age fifty-five. Thank you.

PRESIDENT: Senator Fowler.

SENATOR FOWLER: Mr. President, I guess I would address a couple of points Senator Beutler made. First of all, it is important I think to understand the nature of the way the state employee retirement system works to give you an idea of why, at least in the view of the Retirement Committee, this change from sixty to fifty-five was probably not a significant change notwithstanding any sort of philosophical statement. The state employee retirement system is one of these defined contributions where the employee puts in a certain amount of money and the employer matches that and it builds an account of a certain value. At the retirement date, that account, whatever its value is, $100,000, $200,000, or whatever, with Bankers Life we have a contract, so at that point that is turned into a monthly benefit. Now the amount of that monthly benefit depends upon a couple of things. It depends on the size of the volume of money that you have there, the value of that. It depends on the day that you choose to retire, the age, and until 210 passes it also depends on the sex. Now with the changes that we have talked about here, lowering this retirement age is different than other systems in that there is no extra cost to the state of retiring at an earlier age. The state makes its contributions prior to the retirement date. After the retirement date, the state contributes no extra. Now some other retirement plans promise a benefit, a certain benefit, and if you were to change the retirement age in that, there could be an extra cost to the employer, but in the state's system, all the contribution is made before the date of retirement. So what happens if somebody chooses for whatever reason to elect an early retirement date? They do so...in so doing they reduce their monthly benefit. They reduce it sizeably and it is no extra cost. So it is really an employee choice we are offering here. We can say you can retire at