

HB 1823 -- State Retirement System

Sponsor or Co-Sponsors: Franklin, Hagan-Harrell, O'Toole, Skaggs

Same as or similar to: Year:

Emergency Clause: or Effective Date of:

Use Summary For: Version:, Year:,

Verbatim:

Modify above as follows:

New summary as follows: This bill makes several changes to state retirement systems.

HIGHWAY AND TRANSPORTATION EMPLOYEES' AND HIGHWAY PATROL RETIREMENT SYSTEM (HTEHPRS)

The bill:

(1) Allows service credit to be given to an employee who has taken leave under the provisions of the Family and Medical Leave Act;

(2) Allows the HTEHPRS board to contract for disability benefits;

(3) Makes survivor benefits uniform with the Year 2000 Plan:

(4) Allows the collection of child support or spousal maintenance from any payment made from child support; and

(5) Clarifies that HTEHPRS may provide medical benefits for members of the Closed Plan and the Year 2000 Plan. HTEHPRS is allowed to contract with other organizations for benefits and may require reimbursement of any medical claims paid by the medical plan for which there is third-party liability.

MISSOURI STATE EMPLOYEES RETIREMENT SYSTEM (CLOSED PLAN AND YEAR
2000 PLAN)

The bill:

(1) Requires an employee who has forfeited creditable service to work continuously for one year before the forfeited credited service is restored. Currently, credit is restored after one day of employment;

(2) Allows service credit to be given to an employee who has taken leave under the provisions of the Family and Medical Leave Act;

(3) Requires benefit payments to be suspended for retirees returning to work as soon as the individual is hired in a position requiring at least 1000 hours a year rather than after 1000 hours of work have been rendered within a year. In addition, retirees who return to work would not be allowed to receive creditable service for such employment or life insurance, except for any retiree life insurance that may be in effect. Current retirees who are working for the state are allowed to continue to receive benefits;

(4) Clarifies that a member who is eligible for normal retirement, terminates employment, and retires within 60 days of such termination is eligible for \$5,000 of life insurance coverage;

(5) Allows a beneficiary to assign life insurance proceeds;

(6) Clarifies the process and amount of sick leave that is

reported to the retirement system;

(7) Adds language regarding rollover distributions. This language is necessary because of provisions signed into federal law as part of the Economic Growth and Tax Reconciliation Act of 2001; and

(8) Allows the designation of beneficiaries for final payment of a retirement benefit. The bill also allows the retirement system, in the event of a member's death, to refund to the survivor the difference between any purchase of service less any retirement benefit received, unless a survivor benefit is payable.

MISSOURI STATE EMPLOYEES RETIREMENT SYSTEM (CLOSED PLAN ONLY)

The bill:

(1) Removes the cash-out provision for those employees who terminate employment on or after September 1, 2002;

(2) Requires members who wish to purchase service credit for non-federal public employment in the state of Missouri to purchase all years of service, up to a maximum of 4 years;

(3) Clarifies that a member who has reached eligibility for a normal retirement annuity must terminate employment prior to receiving a benefit; and

(4) Clarifies language pertaining to the certification of contribution rates and the method of computing such level percentage of payroll.

MISSOURI STATE EMPLOYEES RETIREMENT SYSTEM (YEAR 2000 PLAN ONLY)

The bill:

(1) Defines the responsibilities, obligations, and liabilities of any insurer or service organization employed by the Missouri State Employees Retirement System board to administer disability benefits, and stipulates an appeals procedure for denial of benefits; and

(2) Clarifies that an employee cannot receive creditable service in the Closed Plan for any period in which the member participates in the defined contribution plan established for colleges and universities.

OTHER

The bill clarifies that any judge who is a commissioner or deputy commissioner of a circuit court who had creditable service in the Missouri State Employees' Retirement System and the Judicial Plan may elect to consolidate all of that service in either plan or draw separate retirement benefits from each plan.

Steve Bauer