

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1139
96TH GENERAL ASSEMBLY

4093H.06C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 104, RSMo, by adding thereto two new sections relating to Missouri state employees retirement incentives.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 104, RSMo, is amended by adding thereto two new sections, to be
2 known as sections 104.405, and 104.406, to read as follows:

**104.405. 1. This section shall be known and may be cited as the "2012 State
2 Employee Retirement Incentive Program".**

**3 2. As used in this section, "years of service incentive benefit" means for employees
4 eligible to retire under section 104.406, with at least ten years of creditable service, an
5 amount equal to one thousand dollars for each year of creditable service up to a maximum
6 of twenty years of creditable service.**

**7 3. Any employee retiring under section 104.406 shall be eligible to receive the years
8 of service incentive benefit.**

**9 4. The state, through the office of administration, shall pay the years of service
10 incentive benefit to the member or the member's beneficiary in five equal installments
11 beginning in March of 2013 and each March thereafter until all five equal installments
12 have been paid.**

**13 5. (1) The office of administration shall administer the program and shall adopt
14 administrative rules to administer the program. The office of administration may adopt
15 rules on an emergency basis to implement this section and the rules shall be effective
16 immediately upon filing unless a later date is specified in the rules.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 **(2) Records of the Missouri state employees' retirement system necessary for**
18 **implementation of this program shall be released to the office of administration for the**
19 **purposes of administering and monitoring the program.**

104.406. 1. Any employee covered under the Missouri state employees' retirement
2 **system whose employment has not been terminated for cause and who has not been a**
3 **retiree of the system, who is eligible to receive a normal annuity under section 104.080,**
4 **104.090, 104.100, 104.271, or 104.400, or a life annuity under section 104.1024 and**
5 **terminates employment on or after December 1, 2012, after reaching normal eligibility**
6 **whose annuity commences on or after January 1, 2013, but no later than March 1, 2013,**
7 **shall be eligible to receive the years of service incentive benefit described in section 104.405.**
8 **This subsection shall not apply to any employee whose eligibility to retire is based solely**
9 **on early retirement eligibility. In no event shall any years of service incentive benefit**
10 **described in section 104.405 be provided to any individual retiring outside the dates**
11 **outlined in this section.**

12 **2. The state may hire employees to replace those employees retiring under this**
13 **section and section 104.405, except that departments shall not fill those positions vacated**
14 **using more than fifty percent of the personal service funds of the positions vacated.**
15 **Exceptions to the fifty percent restriction may be made for positions which are entirely**
16 **federally funded. Such determination shall be made by rule and regulation promulgated**
17 **by the office of administration.**

18 **3. An employee making an election to retire under the provisions of this section and**
19 **section 104.405 shall be prohibited from any full-time or part-time employment with any**
20 **department as defined in this chapter.**

21 **4. The governing boards of Truman State University, Lincoln University, the**
22 **educational institutions described in section 174.020, the highway commission of the**
23 **Missouri department of transportation and the Missouri state highway patrol, and the**
24 **conservation commission of the department of conservation may elect to provide its**
25 **employees or retirees who retire under this section the same benefits as described in this**
26 **section and section 104.405.**

27 **5. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
28 **created under the authority delegated in this section shall become effective only if it**
29 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
30 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
31 **vested with the general assembly under chapter 536 to review, to delay the effective date,**
32 **or to disapprove and annul a rule are subsequently held unconstitutional, then the grant**

33 of rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be
34 invalid and void.

35 6. The Missouri state employees' retirement system shall make a report in writing
36 to the commissioner of administration by July 31, 2013, regarding the number of state
37 employees eligible to retire under this section and the number of actual retirements under
38 this section. The commissioner of administration shall report in writing by August 31,
39 2013, to the governor and the general assembly regarding the information provided by the
40 Missouri state employees' retirement system and the years of service incentive benefit
41 payments, including an analysis of the costs and savings as a result of such retirements, the
42 amount of payroll reduced, and the number of positions that are core cut as a result of such
43 retirements. The commissioner of administration shall also submit an annual update
44 concerning the program by August 31 of each year for four years, commencing on
45 August 31, 2014.

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