

HCS HB 1139 -- 2012 STATE EMPLOYEE RETIREMENT INCENTIVE PROGRAM  
(Gatschenberger)

COMMITTEE OF ORIGIN: Committee on Retirement

This substitute establishes the 2012 State Employee Retirement Incentive Program which allows any employee who has not been a retiree of the Missouri State Employees' Retirement System (MOSERS), who is eligible to receive a normal or life annuity and terminates employment on or after December 1, 2012, after reaching normal eligibility whose annuity commences on or after January 1, 2013, but no later than March 1, 2013, to be eligible to receive a years of service incentive benefit. Any employee terminated for cause will not be eligible to receive this incentive benefit.

For an eligible employee with at least 10 years of creditable service, the incentive benefit will be an amount equal to \$1,000 for each year of creditable service up to a maximum of 20 years. The state, through the Office of Administration, must pay the benefit to the retiree or the retiree's beneficiary in five equal installments beginning in March 2013 and each March thereafter until all five installments have been paid. An employee electing to take this retirement incentive is prohibited from any future full-time or part-time employment with a state department.

MOSERS must submit a report to the Commissioner of the Office of Administration by July 31, 2013, regarding the number of state employees eligible to retire and the actual number of retirements under this program. The commissioner must then report this information to the Governor and General Assembly by August 31, 2013, along with a cost and savings analysis, the payroll reduction amount, and the number of positions that are core cut as a result of these retirements. The commissioner must also submit an annual update concerning the program for the next four years beginning August 31, 2014.

FISCAL NOTE: Estimated Net Income on General Revenue Fund of \$12,544,200 in FY 2013, FY 2014, and FY 2015. Estimated Net Income on Other State Funds of \$23,493,105 in FY 2013, FY 2014, and FY 2015.