

FIRST REGULAR SESSION

# HOUSE BILL NO. 353

97TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE LEARA.

1305L.011

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal sections 104.1205 and 104.1215, RSMo, and to enact in lieu thereof two new sections relating to the academic pension act.

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

Section A. Sections 104.1205 and 104.1215, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 104.1205 and 104.1215, to read as follows:

104.1205. The board of trustees of the Missouri state employees' retirement system shall:

(1) Establish a defined contribution plan for outside employees which, among other things, provides for immediate vesting;

(2) Select a third-party administrator to provide such services as the board determines to be necessary for the proper administration of the defined contribution plan;

(3) Select the investment products which shall be made available to the participants in the defined contribution plan;

(4) Annually establish the contribution rate used for purposes of subsection 3 of section 104.1066 for employees of institutions who are other than outside employees, which shall be done by considering all such employees to be part of the general employee population within the Missouri state employees' retirement system;

(5) Establish the contribution rate **to be used by institutions for purposes of making employer contributions** for outside employees which shall be equal to one percent of payroll less than the normal cost contribution rate established pursuant to subdivision (4) of this section; **provided that on and after July 1, 2014:**

(a) **The contribution rate to be used by institutions for purposes of making employer contributions for outside employees shall be equal to seven percent of payroll;**

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.

18           **(b) Each institution may, by resolution of its governing body, prospectively require**  
19 **its outside employees hired on or after July 1, 2014, to contribute an additional amount up**  
20 **to four percent of pay; and**

21           **(c) Each institution requiring employee contributions shall pick up and pay such**  
22 **contributions under 26 U.S.C. Section 414(h)(2); and**

23           (6) Establish such rules and regulations as may be necessary to carry out the purposes  
24 of this section.

104.1215. 1. Any outside employee who has participated in the defined contribution  
2 plan established pursuant to sections 104.1200 to 104.1215 for at least six years may elect to  
3 become a member of the Missouri state employees' retirement system. Such employee shall:

4           (1) Make such election while actively employed in a position that would otherwise be  
5 eligible for membership in the Missouri state employees' retirement system except for the  
6 provisions of sections 104.1200 to 104.1215;

7           (2) Participate in the year 2000 plan;

8           (3) Be considered to have met the service requirements contained in section 104.1018;

9           (4) Not receive any credited service for service rendered while a participant in such  
10 defined contribution plan;

11           (5) Forfeit any right to future participation in the defined contribution plan after such  
12 election; and

13           (6) Not be eligible to receive credited service pursuant to section 104.1090 based on  
14 service rendered while a participant in such defined contribution plan.

15           **2. The provisions of subsection 1 of this section shall not apply to any outside**  
16 **employee who first becomes an outside employee on or after July 1, 2014.**

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