

HCS SCS SB 270 -- PUBLIC RETIREMENT SYSTEMS

SPONSOR: Nasheed (Dugger)

COMMITTEE ACTIONS: Voted "Do Pass with Amendments" by the Standing Committee on Pensions by a vote of 12 to 0. Voted "Do Pass" by the Select Committee on Financial Institutions and Taxation by a vote of 10 to 0.

This bill modifies provisions relating to public retirement systems.

ST. LOUIS POLICE RETIREMENT SYSTEM

The bill changes the laws regarding the disability determination process of the Police Retirement System of St. Louis. The bill eliminates the board of police commissioners and transfers its responsibilities to the chief of police. The definition of "medical board" is changed from the board of three physicians of different disciplines appointed by the trustees of the police retirement board and responsible for arranging and passing on all required medical examinations and investigations regarding an application for disability retirement to the health care organization appointed by the trustees with those responsibilities.

PUBLIC SCHOOL AND PUBLIC EDUCATION EMPLOYEES RETIREMENT SYSTEMS

The bill allows any individual receiving a retirement allowance from the Public School or Public Education Employees Retirement Systems who has elected a reduced retirement allowance with his or her spouse as the beneficiary to have the retirement allowance increased to the amount the retired member would be receiving had the retired member elected a non-reduced allowance if the marriage of the retired person and the nominated spouse is dissolved on or after September 1, 2015 and if the dissolution decree provides for sole retention by the retired person of all rights in the retirement allowance.

Any such increase in the retirement allowance will be effective upon the receipt of an application for the increase and a certified copy of the decree of dissolution that meets the requirements.

KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM

The bill reduces the number of trustees elected by the members of the retirement system from four to three beginning at the election in 2016. Beginning at the election in 2016, one member will be a teacher or administrator of a charter school located in the Kansas City School District. This trustee will be elected for a term of

four years by the members of the retirement system.

Currently, a retired teacher receiving an allowance from the Kansas City Public School Retirement System may work for a school district on a part-time or temporary-substitute basis for up to 600 hours in any one school year and earn up to 50% of the annual compensation the person was last paid by the employer before the person retired without a discontinuance of the person's retirement allowance.

The bill specifies that those provisions must apply to a person who is retired and currently receiving a retirement allowance under Sections 169.270 to 169.400, RSMo, other than for disability, who is employed by a third party or working as an independent contractor performing work in a district included in the retirement system as a temporary or long-term substitute teacher or in any other position that would normally require that person to be duly certificated under the laws governing the certification of teachers in Missouri if the person was employed by the district. The retirement system may require documentation from the parties involved showing compliance with this provision. If the documentation is not provided, the retirement system may deem the retiree to have exceeded the limitations.

PUBLIC SCHOOL RETIREMENT SYSTEM OF THE CITY OF ST. LOUIS

This bill modifies the composition of the board of trustees of the Public School Retirement System of the City of St. Louis and modifies the qualifications for the four trustees elected by and from the active members. At least two trustees will be teachers, not more than one trustee will be a nonteacher, and beginning in 2016, one trustee will be a teacher or administrator of a charter school located in the St. Louis City School District.

MISSOURI PUBLIC SCHOOL RETIREMENT SYSTEM

Currently, a retired teacher receiving an allowance from the Missouri Public School Retirement System may work for a school district on a part-time or temporary-substitute basis for up to 550 hours in any one school year and earn up to 50% of the annual compensation payable under the employing district's salary schedule for the position or positions filled by the retiree without a discontinuance of the person's retirement allowance.

The bill specifies that if a person is employed in any capacity by the district in excess of the limitation, he or she must not be eligible to receive his or her allowance for any month he or she is so employed, and he or she must contribute to the retirement system if he or she satisfies the retirement system's membership eligibility requirements.

These provisions must apply to any individual retired and currently receiving a retirement allowance under Sections 169.010 to 169.141, other than for disability, who is employed by a third party or is performing work as an independent contractor if he or she is performing work in a district included in the retirement system as a temporary or long-term substitute teacher or in any other position that would normally require that individual to be duly certificated under the laws governing the certification of teachers in Missouri if he or she was employed by the district.

The retirement system may require the district, the third-party employer, the independent contractor, and the retiree to provide documentation showing compliance with these provisions. If the documentation is not provided, the retirement system may deem the retiree to have exceeded the limitations.

PROPONENTS: Supporters say that the bill will add a teacher or administrator of a charter school to the board of trustees.

Testifying for the bill were Senator Nasheed and Tricia Workman Kansas City, Missouri School District.

OPPONENTS: There was no opposition voiced to the committee.