

HB 1591 -- STATE EMPLOYEE RETIREMENT SYSTEMS

SPONSOR: Koenig

This bill creates a hybrid retirement plan under the Missouri State Employees' Retirement System and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System for each person first becoming an employee, a member of the General Assembly, or a statewide elected official on or after January 1, 2017, including any member who terminated employment and is not entitled to receive a benefit, excluding uniformed members of the highway patrol.

Reduces the multiplication factor for calculating retirement benefits under the defined benefit portion of the plan for state employees, from 1.7% to 1.0%; for General Assembly members and statewide elected officials from one twenty-fourth of his or her highest monthly pay in office to one forty-eighth. General Assembly members benefit can not exceed 50% of pay and statewide elected officials are limited to 25% of pay.

Reduces state employee vesting requirements from 10 years to five years the next plan year after the actuarial valuation of the retirement system reaches at least 90%.

All new members of the hybrid plan are required to participate in the deferred compensation plan established under Section 105.927, with the employer contributing 3% and the participant contributing 1% of the participant's salary.

This bill is similar to HB 485 (2015).