

HB 1467 -- LAGERS RETIREMENT

SPONSOR: Pike

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Pensions by a vote of 9 to 0. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 9 to 0.

This bill modifies the Missouri Local Government Employees Retirement system (LAGERS) member employer contribution elections for retirement benefit funding.

Currently, an employer can elect to cover the full cost of funding the retirement benefit of its eligible employees or require all eligible employees to contribute 4% of their gross wages to help pay for the retirement benefit. This bill expands the available contribution options by allowing employers to additionally elect a 2% or 6% contribution rate that all eligible employees would make to help pay for the retirement benefit.

The bill allows a political subdivision to elect one benefit program for members whose employment is concurrently covered by federal Social Security and a different benefit program for members whose employment is not concurrently covered by federal Social Security, as provided in Section 70.655, RSMo. The political subdivision is also allowed, by majority vote of the governing body, to make one election concerning member contributions for members concurrently covered by federal Social Security and one election concerning member contributions for members whose employment is not concurrently covered by federal Social Security.

PROPOSERS: Supporters say that this bill will allow employers who are members of the LAGERS system to have additional choices for developing a retirement plan for employees of the employer.

Testifying for the bill were Representative Pike and Missouri Local Government Employees Retirement System (LAGERS).

OPPOSERS: There was no opposition voiced to the committee.