

HB 1467 -- PUBLIC EMPLOYMENT RETIREMENT SYSTEMS

LAGERS RETIREMENT (Section 70.705)

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.

STATE EMPLOYEE RETIREMENT SYSTEMS (Sections 104.010, 104.090, 104.395, and 104.1027)

Currently, if a member elected a joint and survivor benefit payment option at retirement, survivor benefits are paid out to the spouse designated, regardless of marital status of the member and spouse.

Under this bill, any member of the Missouri Department of Transportation and Highway Patrol Employees' Retirement System and the Missouri State Employees' Retirement System receiving a reduced annuity with his or her spouse as the designated beneficiary may cancel his or her election and receive a monthly benefit, with no survivor benefits, equal to the actuarial equivalent of the joint and survivor benefit payment if the marriage is dissolved on or after January 1, 2021, and the dissolution decree provides for the sole retention of the annuity and that the spouse shall not be entitled to survivor benefits. In no event shall the monthly benefit be more than the single life annuity amount entitled to the member as if his or her spouse had died on the date of the dissolution.

Additionally, a member who divorced their designated spouse before

January 1, 2021, may have their annuity adjusted if the dissolution decree provided for sole retention of the retirement benefits by the member and the member obtained an amended dissolution decree after January 1, 2021. If the dissolution decree did not provide for the sole retention by the member, the member may also adjust their retirement allowance if an amended dissolution decree providing for the member's sole retention is obtained.

Any increase shall be prospective and shall be effective the first of the month following the date of receipt by the system of a certified copy of the dissolution decree.

MISSOURI STATE EMPLOYEES RETIREMENT SYSTEM (Section 104.1089)

This bill allows vested members of the Missouri State Employees' Retirement System covered under the closed plan or Year 2000 plan who are no longer employees to elect to receive a lump sum payment equal to 60%, or a higher percentage chosen by the board, of the present value instead of a deferred annuity if the member is employed in a position covered by the judicial retirement plan. Any member making an election shall forfeit all creditable service, future rights in the annuity, and long-term disability benefits. If the member subsequently becomes an employee entitled to a benefit from the system, such a member shall be considered a new employee under the Missouri State Employees' Plan 2011.

PUBLIC SCHOOL RETIREMENT SYSTEM (Section 169.020)

This bill exempts information pertaining to the salaries and benefits of the executive director and employees of the Board of the Public School Retirement System of Missouri from being confidential.