

HB 867 -- PUBLIC SCHOOL RETIREMENT SYSTEMS

SPONSOR: Gragg

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Pensions by a vote of 8 to 0.

For all school years beginning 2023-24 and ending on June 30, 2027, any person, regardless of having a certificate of license, who retired and is currently receiving a retirement allowance, other than for disability, may work for any employer included in any retirement system under Chapter 168, RSMo, regardless of the laws governing certification of teachers in Missouri and without discontinuation of the person's retirement allowance.

Similarly, a person who is currently receiving retirement allowance and who is employed by a third party or works as an independent contractor, may work for any employer included in any retirement system under Chapter 168, RSMo, regardless of the laws governing certification of teachers in Missouri and without discontinuation of the person's retirement allowance.

During the period of the school year beginning 2023-23 and ending on June 30, 2027, a person is not required to contribute to any retirement system because of earnings during such period of employment.

Beginning on June 30, 2022, and ending on June 30, 2027, any person who is retired and currently receiving a retirement allowance, other than for disability, may be employed to substitute teach on a part-time or temporary substitute basis by an employer who is in the retirement system, without a discontinuation of the person's retirement allowance.

PROPOSERS: Supporters say that the persons that retire from the school system can substitute but they cannot surpass 550 hours based upon the pension plans. This bill would allow them to return back into the school system without an hourly restriction thereby resolving under staffing issues, shortages of teachers in the classroom concerns and being at a competitive advantage with the private schools by offering more flexibility.

Testifying in person for the bill were Representative Gragg; Curtis Chesick, Ozark School District; Dean Wake, Ozark R-Vi School District; Dennis Faught, Ozark R-Vi Schools; and Arnie C. Dienoff.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: This Committee passed out House Bills 257 and 496 and SB 75. The bills have a change in the statute for the earnings limit from 15,000 up to 133% of the Social Security limit from 2023 to 2028 and then 100% of the limit thereafter. Further critical shortage addressed from 2 to 4 years. There were actuarial concerns noted last year that the longer you extend out temporary work after retirement limitation changes, the more the behavior of the folks set to retire early and the fiscal health of the system is impacted.

Others testifying on the bill say the bill suspends all working after retirement limits, beginning with the 2023-2024 school year until June 30, 2025

Testifying in person on the bill was Mike Moorefield, Psrs/Peers.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.