

HB 263 -- MISSOURI LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

SPONSOR: Weter

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Retirement by a vote of 12 to 0.

Currently, any member of the Missouri Local Government Employees' Retirement System who retires and elects a partial lump-sum distribution will have his or her monthly retirement allowance reduced to 84% if the retiree is 60 years of age at the time of retirement. For each year the retiree's age at the time of retirement is more than 60, his or her monthly retirement allowance will be decreased by four-tenths of 1%; and for each year his or her age is less than 60, his or her monthly retirement allowance will be increased by four-tenths of 1%. This bill specifies that his or her monthly retirement allowance can only be increased to a maximum of 90%.

FISCAL NOTE: No impact on state funds in FY 2012, FY 2013, and FY 2014.

PROPOSERS: Supporters say that the bill makes a technical correction to the partial lump sum option of the system so that younger retirees must receive an actuarial reduction when electing this option.

Testifying for the bill were Representative Leara; and Keith Hughes, Missouri Local Government Employees' Retirement System.

OPPOSERS: There was no opposition voiced to the committee.