

HB 305 -- 2011 STATE EMPLOYEE RETIREMENT INCENTIVE PROGRAM  
(Gatschenberger)

COMMITTEE OF ORIGIN: Committee on Retirement

This bill establishes the 2011 State Employee Retirement Incentive Program which allows any employee who has not been a retiree of the Missouri State Employees' Retirement System (MOSERS), who is eligible to receive a normal or life annuity and terminates employment on or after December 31, 2010, after reaching normal eligibility and becomes a retiree within 60 days of the termination whose annuity commences on or after January 1, 2011, but no later than December 1, 2011, to be eligible to receive a years of service incentive benefit. Any employee terminated for cause will not be eligible to receive this incentive benefit.

For an eligible employee with at least 10 years of creditable service, the incentive benefit will be an amount equal to \$1,000 for each year of creditable service up to a maximum of 20 years. The state, through the Office of Administration, will pay the benefit to the retiree or the retiree's beneficiary in five equal installments beginning in January of 2012 and each January thereafter until all five equal installments have been paid. An employee electing to take this retirement incentive is prohibited from any future employment with a state department.

The Office of Administration must submit an interim report to the General Assembly by December 31, 2011, and an annual update for four years thereafter regarding the number of program participants, the cost of the program, the number of positions not filled under the program, and the number of vacated positions that have been filled. MOSERS must submit a report to the Commissioner of the Office of Administration by December 31, 2011, regarding the number of state employees eligible to retire and the actual number of retirements under this program. The commissioner must then report this information to the Governor and General Assembly by January 31, 2012, along with a cost and savings analysis, the payroll reduction amount, and the number of positions that are core cut as a result of these retirements.

The bill contains an emergency clause.

FISCAL NOTE: Estimated Net Income on General Revenue Fund of \$11,200,000 in FY 2012, FY 2013, and FY 2014. Estimated Net Income on Other State Funds of \$11,200,000 in FY 2012, FY 2013, and FY 2014.