

HB 353 -- Certain Higher Education Employees' Retirement

Sponsor: Leara

Beginning July 1, 2014, this bill changes the laws regarding the defined contribution retirement plan for employees of certain higher education institutions. The employer contribution rate for institutions will no longer correspond to the rates used by the Missouri State Employees' Retirement System. The employer contribution rate will be equal to 7% of payroll and an institution can require a new employee to contribute up to 4% of his or her salary. The employee contributions will be considered deferred compensation under the United States tax code. A person who becomes an employee on or after July 1, 2014, will not be able to transfer into the Missouri State Employees' Retirement System after six years as a person is currently able to do.