

HCS HB 729 -- RETIREMENT OF STATE EMPLOYEES

SPONSOR: Bernskoetter

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Pensions by a vote of 11 to 1. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 12 to 1.

Beginning January 1, 2018, members of the Missouri State Employees Retirement System and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System who are not statewide elected officials or members of the General Assembly shall be eligible for retirement under the following conditions:

(1) A member's normal retirement eligibility will be based on the attainment of at least age 67 with the completion of five years of credited service or at age 55 with the member's age plus years of credited service equal to 90 (90 and out). In the case of a member who is serving as a uniformed member of the highway patrol and subject to the mandatory retirement provisions, such member's attainment of at least age 60 or the attainment of age 55 with five years of creditable service;

(2) A vested former member's normal retirement eligibility shall be based on the attainment of at least age 67;

(3) A temporary annuity shall be payable for members qualifying under 90 and out. For uniformed members of the highway patrol the temporary annuity shall be payable if the member has attained at least age 60, or at least age 55 with five years of credited service;

(4) Members will be eligible for an early retirement at age 62 with five years of credited service. A vested former member shall not be eligible for early retirement;

(5) Survivor benefits for vested former members covered by this section shall not be payable until the deceased member would have reached his or her normal retirement eligibility;

(6) The annual cost-of-living adjustment payable to a vested former member will not be payable until the second anniversary of a vested former member's annuity starting date; and

(7) The unused sick leave credit will only apply to members who terminate employment after reaching normal retirement eligibility or becoming eligible for an early retirement annuity.

PROPONENTS: Supporters say that this bill is needed to attract workers. Having to wait 10 years to be vested in your retirement is too long for recruitment purposes.

Testifying for the bill were Representative Bernskoetter and the Association of Active & Retired Missouri State Employees.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that the Missouri State Employees' Retirement System (MOSERS) is neither for or against the current legislation; they were asked to help draft legislation that was cost neutral and that would bring the vesting period back to 5 years from 10.

Testifying on the bill was MOSERS.