

## HCS HB 348 & 347 -- LOCAL GOVERNMENT EMPLOYEES' RETIREMENT

This bill revises the optional retirement allowance and beneficiary election provision of the Local Government Employees' Retirement System (LAGERS).

The bill allows retirees to elect to receive their allowance with or without a lump-sum distribution. The partial lump-sum distribution will equal 24 times the amount of the retiree's monthly allowance, excluding any temporary allowance which may be payable. The period for applying for the lump-sum distribution is contained in the bill.

If a retiree elects the partial lump-sum distribution, a retiree's monthly allowance will be adjusted according to age at retirement. The bill also requires that the adjustment in the monthly allowance be applied before additional reductions are calculated based on the selection of a beneficiary option contained in the bill.

The bill also requires that if a beneficiary dies before a retiree, the optional plan selected by the retiree at the time of retirement will terminate.

In addition, if a retiree of LAGERS becomes reemployed in a covered position, the retiree is subject to a monthly allowance forfeiture for each calendar month employed. A retiree must also continue to make contributions to LAGERS and is considered a reemployed member.

Retirees can continue to receive their retirement allowance from LAGERS if they are not currently receiving a retirement benefit from a political subdivision resulting from employment in a position covered by LAGERS.

The bill requires reemployed members with one or more years of credited service who later retire to receive an additional allowance based on certain criteria.