

HCS SB 1242 -- KANSAS CITY PUBLIC SCHOOL RETIREMENT SYSTEM

SPONSOR: Wheeler (Wilson, 42)

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Retirement by a vote of 11 to 0.

This substitute changes the laws regarding the Kansas City Public School Retirement System. The substitute:

(1) Revises the definition of "break in service" to include when a regular employee ceases to be employed and then becomes re-employed after 60 consecutive calendar days have elapsed or after 15 consecutive school or work days have lapsed, whichever occurs later. This definition also applies when a regular employee retires under Section 169.280, RSMo, pertaining to the Kansas City Public School Retirement System, who later becomes re-employed after 15 consecutive school days or work days have elapsed;

(2) Revises the definition of "minimum normal retirement age" to the earlier of the date a member reaches 60 years of age or the date a member has a total of at least 75 credits, with each year of creditable service and each year of age equaling one credit. Both years of creditable service and age will be prorated for fractional years;

(3) Increases the number of members on the medical board of the retirement system to three or more physicians;

(4) Allows the board of trustees of the retirement system to employ one or more banks having fiduciary powers to assist the treasurer of the system in administering retirement funds;

(5) Revises provisions concerning the development of rules and regulations used to determine claims of creditable service by eligible members, the certification of a disability for eligible members, and the suspension and computation of a retirement allowance received by a member who earns additional income by becoming re-employed in the retirement system;

(6) Prohibits accumulated contributions from being paid to a member before incurring a break in service; and

(7) Deletes a section concerning the granting of prior service credit for a member who is employed by the Kansas City Public School District before January 1, 1944, and who becomes re-employed after January 1, 1944.

FISCAL NOTE: No impact on state funds in FY 2005, FY 2006, and

FY 2007.

PROPOSERS: Supporters say that the bill makes technical changes to the public school retirement system in Kansas City and will not impact state revenues.

Testifying for the bill were Senator Wheeler; and Kansas City Public School Retirement System.

OPPOSERS: There was no opposition voiced to the committee.

Joseph Deering, Legislative Analyst