

FIRST REGULAR SESSION

# HOUSE BILL NO. 540

## 93RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE JOHNSON (90).

Read 1<sup>st</sup> time February 15, 2005 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

1580L.011

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### AN ACT

To repeal section 33.103, RSMo, and to enact in lieu thereof one new section relating to cafeteria plans for state employees.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Section 33.103, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 33.103, to read as follows:

33.103. 1. Whenever the employees of any state department, division or agency establish any voluntary retirement plan, or participate in any group hospital service plan, group life insurance plan, medical service plan or other such plan, or if they are members of an employee collective bargaining organization, or if they participate in a group plan for uniform rental, the commissioner of administration may deduct from such employees' compensation warrants the amount necessary for each employee's participation in the plan or collective bargaining dues, provided that such dues deductions shall be made only from those individuals agreeing to such deductions. Before such deductions are made, the person in charge of the department, division or agency shall file with the commissioner of administration an authorization showing the names of participating employees, the amount to be deducted from each such employee's compensation, and the agent authorized to receive the deducted amounts. The amount deducted shall be paid to the authorized agent in the amount of the total deductions by a warrant issued as provided by law.

2. The commissioner of administration may, in the same manner, deduct from any state employee's compensation warrant:

(1) Any amount authorized by the employee for the purchase of shares in a state

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 employees' credit union in Missouri;

18 (2) Any amount authorized by the employee for contribution to a fund resulting from a  
19 united, joint community-wide solicitation or to a fund resulting from a nationwide solicitation  
20 by charities rendering services or otherwise fulfilling charitable purposes if the fund is  
21 administered in a manner requiring public accountability and public participation in policy  
22 decisions;

23 (3) Any amount authorized by the employee for the payment of dues in an employee  
24 association;

25 (4) Any amount determined to be owed by the employee to the state in accordance with  
26 guidelines established by the commissioner of administration which shall include notice to the  
27 employee and an appeal process;

28 (5) Any amount voluntarily assigned by the employee for payment of child support  
29 obligations determined pursuant to chapter 452 or 454, RSMo; and

30 (6) Any amount authorized by the employee for contributions to any "qualified state  
31 tuition program" pursuant to Section 529 of the Internal Revenue Code of 1986, as amended,  
32 sponsored by the state of Missouri.

33 3. The commissioner of administration may establish a cafeteria plan in accordance with  
34 Section 125 of Title 26 United States Code for state employees. The commissioner of  
35 administration must file a written plan document to be filed in accordance with chapter 536,  
36 RSMo. Employees must be furnished with a summary plan description one hundred twenty days  
37 prior to the effective date of the plan. In connection with such plans, the commissioner may:

38 (1) Include as an option in the plan any employee benefit, otherwise available to state  
39 employees, administered by a statutorily created retirement system;

40 (2) Provide and administer, or select companies on the basis of competitive bids or  
41 proposals to provide or administer, any group insurance, or other plan which may be included  
42 as part of a cafeteria plan, provided such plan is not duplicative of any other plan, otherwise  
43 available to state employees, administered by a statutorily created retirement system; [and]

44 (3) **Include products from vendors if the product is eligible under Section 125 of the**  
45 **United States Internal Revenue Code of 1986, as amended, the vendor is approved by the**  
46 **office of administration to provide benefits on a payroll-deduction basis, and the vendor**  
47 **is receiving in excess of five hundred thousand dollars annually from state employees**  
48 **through voluntary payroll deductions; and**

49 (4) Reduce each participating employee's compensation warrant by the amount necessary  
50 for each employee's participation in the cafeteria plan, provided that such salary reduction shall  
51 be made only with respect to those individuals agreeing to such reduction. No such reduction  
52 in salary for the purpose of participation in a cafeteria plan shall have the effect of reducing the

53 compensation amount used in calculating the state employee's retirement benefit under a  
54 statutorily created retirement system or reducing the compensation amount used in calculating  
55 the state employee's compensation or wages for purposes of any workers' compensation claim  
56 governed by chapter 287, RSMo.

57 4. Employees may authorize deductions as provided in this section in writing or by  
58 electronic enrollment.