

HB 261 -- MISSOURI LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

SPONSOR: Deeken

COMMITTEE ACTION: Voted "do pass by consent" by the Committee on Retirement by a vote of 10 to 0.

This bill creates two new benefit options in the Missouri Local Government Employees' Retirement System (LAGERS).

Members covered by the new benefit programs will receive a benefit equal to 1.75% of the member's final average salary multiplied by the number of years of creditable service. Certain members retiring due to early retirement, 80 and out, or mandatory retirement will receive a temporary allowance equal to .25% of the member's final average salary multiplied by the number of years of creditable service. This temporary benefit will terminate at the end of the calendar month in which the member dies or attains age 65.

After August 28, 2005, political subdivisions may not elect coverage under the two eliminated programs.

FISCAL NOTE: No impact on state funds in FY 2006, FY 2007, and FY 2008.

PROPOSERS: Supporters say that the bill adds two new benefit program options for local governments for their retirement plans. This will have no effect on state funds.

Testifying for the bill were Representative Deeken; and Missouri Local Government Employees' Retirement System.

OPPOSERS: There was no opposition voiced to the committee.

Marc Webb, Legislative Analyst