

SCS HCS HB 443 -- PUBLIC SCHOOL RETIREMENT SYSTEM OF MISSOURI

This bill changes the laws regarding the Public School Retirement System of Missouri (PSRS). In its main provisions, the bill:

- (1) Changes the name of the Nonteacher School Employee Retirement System (NTRS) to the Public Education Employee Retirement System;
- (2) Excludes from the definition of "salary" employer-paid premiums for medical insurance for a spouse and children and employer contributions to deferred compensation plans;
- (3) Requires the cost of the remaining credit not paid by the member purchasing prior service credit by June 30 of each year to be recalculated each July 1 in lieu of charging interest. Members filing purchase applications prior to January 1, 2006, may elect to continue having the cost of their purchases based on the calculation in effect prior to January 1, 2006;
- (4) Allows certain information related to investment activities to be closed under Chapter 610, RSMo, in order to protect PSRS and NTRS investment returns;
- (5) Allows members who have prior nonfederal public employment or who, while being at least 18 years old, were employed in a position covered by Social Security and who worked at least 20 hours a week on a regular basis to purchase equivalent creditable service;
- (6) Adds a term-certain retirement option that upon a member's death prior to receiving all guaranteed monthly payments and the total of all guaranteed payments to the retired individual and their beneficiary are less than the member's accumulated contributions, the difference will be paid to the beneficiary in a lump sum;
- (7) Provides for the order of distribution on any benefits payable upon the death of a member or a deceased member's beneficiary;
- (8) Specifies that if a member of PSRS has received disability retirement, he or she is not eligible to elect a distribution under the partial lump sum option plan. This provision is already in the NTRS;
- (9) Allows a member's beneficiary, in lieu of receiving any benefit from the retirement system, to elect that the benefits be payable to the deceased member's children;

(10) Removes Section 169.555 dealing with contribution rates. This section is similar to Sections 169.030 and 169.620 and is being removed to prevent confusion; and

(11) Allows the NTRS to establish a qualified governmental excess benefit arrangement plan (QGEBA).