

HB 746 -- POLICE RETIREMENT SYSTEM OF ST. LOUIS

SPONSOR: Franz

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Retirement by a vote of 8 to 0.

This bill increases the supplemental benefit that retired members of the Police Retirement System of St. Louis receive from \$10 to \$15 per month multiplied by the number of years the member's age exceeds 60 years.

Beginning October 1, 2007, the aggregate method of calculating the actuarial value of retirement benefits will change to the entry age normal funding method. The actuarial valuation projection will be amortized over a 30-year period.

FISCAL NOTE: No impact on state funds in FY 2008, FY 2009, and FY 2010.

PROPONENTS: Supporters say that the bill changes the funding methodology on the recommendation of the Governmental Accounting Standards Board to save the system money. The bill also gives a moderate increase to those members whose benefits have been capped since 1976.

Testifying for the bill were Representative Franz; Police Retirement System of St. Louis; and Claire West, City of St. Louis Task Force on Pensions.

OPPONENTS: There was no opposition voiced to the committee.