

HB 2221 -- Public School Retirement System of Kansas City

Sponsor: Curls

This bill changes the laws regarding the Public School Retirement System of Kansas City. In its main provisions, the bill:

(1) Revises the definition of "actuarial equivalent" to require the formulas and tables in effect that are used to determine actuarial equivalents to be in a written document maintained at the system's office and treated for all purposes as part of the documents governing the system. The formulas and tables can be changed if recommended by the system's actuary and approved by the board of trustees (Section 169.270, RSMo);

(2) Specifies that the system is intended to be a qualified plan under federal law and requires the board of trustees of the system to interpret the statutes governing the system and administer the system consistently in all respects with that intent. System assets must be held in trust for the exclusive benefit of its members and their beneficiaries and for reasonable administrative costs (Section 169.280);

(3) Specifies that the rights of all members to benefits accrued to the date of termination or discontinuance, to the extent funded at that time, will be fully vested and nonforfeitable if the system is completely terminated or contributions are discontinued (Section 169.301);

(4) Specifies that any retired member of the system performing substitute, part-time, or temporary employment for an employer in the system cannot earn more than 50% of the annual salary or wages earned prior to retirement adjusted for inflation and continue to receive his or her retirement allowance. Anyone exceeding this limit will have his or her retirement allowance suspended for any month in which the limit was exceeded and each subsequent month he or she receives remuneration from any employer in the system (Section 169.324); and

(5) Allows any member or beneficiary who is entitled to receive an eligible rollover distribution under federal law to elect to have that distribution transferred to another eligible retirement plan (Section 169.328).