

HCS HB 233 -- STATE EMPLOYEE BENEFITS (Leara)

COMMITTEE OF ORIGIN: Committee on Retirement

This substitute changes the laws regarding the Missouri State Employee Retirement System (MOSERS) and the Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS) so that they are consistent for both systems. In its main provisions, the substitute:

- (1) Revises the definition of "beneficiary" to include more than one person or entity;
- (2) Specifies that the definition of an "employee", effective August 28, 2007, is a person who works at least 1,040 hours a year; and makes it consistent in the provisions regarding all plans;
- (3) Changes the term "guardian" to "conservator" in the provisions regarding surviving children benefits to clarify that a conservator is authorized to control the finances of minor children and a guardian controls other life decisions;
- (4) Specifies that in all cases in which an error in any records has been made regarding a member's or beneficiary's benefit under MPERS, no correction can be made unless the system discovers or is notified of the error within 10 years after the initial date of the error to make it consistent with the provisions regarding MOSERS;
- (5) Removes the requirement that the Social Security number of the member and the alternate payee be included on a division of benefits order and requires their date of births to be included to make the provisions consistent with those regarding MSEP 2000;
- (6) Specifies that a retirement system cannot be required to continue payments to an alternative payee if the member's retirement benefit is suspended or waived but must resume when the retiree begins to receive retirement benefits in the future;
- (7) Specifies that no cost-of-living adjustment (COLA) can accrue while a retiree is reemployed and no in-service COLAs will accrue based on any additional service due to reemployment;
- (8) Clarifies that the unused accumulated sick leave as reported by the last department that employed a person prior to retirement will be the only sick leave used in the calculation of the creditable service of a retiree who is employed by a department other than an institution of higher learning;
- (9) Allows a member's, survivor's or beneficiary's final benefit

payment to be made electronically to his or her financial institution if the institution will accept it and removes the descendant of surviving children from those who may be paid any final payment due after the death of a member, survivor, or beneficiary;

(10) Specifies that the transfer of service between systems will be effective at the time the person files written notification of his or her election with the retirement boards affected by the service transfer. Currently, the transfer becomes effective on the first day of the second month following the month in which the person files the written notification;

(11) Specifies that if a person elects the Year 2000 Plan but dies before the annuity starting date, the death before retirement benefits will be paid under the closed plan if the member had service prior to July 1, 2000; and

(12) Specifies that a minor child as it applies to the Judicial Plan under MOSERS means any child under 21 years of age to make the provisions consistent with the provisions of the other plans administered by MOSERS.