

HB 1329 -- PUBLIC EMPLOYEE RETIREMENT BENEFITS (Remole)

COMMITTEE OF ORIGIN: Standing Committee on Pensions

This bill modifies provisions of public employee retirement plans.

LOCAL GOVERNMENT RETIREMENT

This bill will allow a metropolitan planning organization organized under 23 U.S.C. Section 134 and designated by the Governor to be considered a political subdivision of the state and allow them to be eligible for membership in the Missouri Local Government Employees' Retirement System (Section 70.227, RSMo).

This bill allows employees of soil and water conservation districts to become members of the Missouri Local Government Employees' Retirement System upon a majority vote of the district's land representatives voting to disestablish the district.

Prior to the disestablishment of a soil and water conservation district, the district must pay off all outstanding indebtedness owed including moneys owed to any retirement plan for unfunded accrued liabilities of past and current employees (Section 278.157).

PUBLIC SCHOOL RETIREMENT SYSTEM OF KANSAS CITY

This bill modifies provisions relating to the Public School Retirement System of Kansas City.

The retirement system's funded ratio as of January 1st of the year preceding the year of a proposed increase shall be at least 100% before adjusting for the effect of the proposed increase.

The member contribution rate for 2019 and subsequent periods shall be 9% of compensation unless a lower member contribution rate applies as set forth in the bill.

Currently, the actuary for the retirement system determines the rate of contribution payable by employers each year. For calendar year 2019, the employer contribution rate shall be 10.5%. From January 1, 2020, through June 30, 2021, the rate shall be 12%. For the 12-month period beginning July 1, 2021, and for each subsequent 12-month period beginning July 1 of each year, the employer contribution rate shall be determined as set forth in the bill.

The Board of Trustees shall certify to the employers the contribution rate to be effective for July 1, 2021, and for each following July 1st no later than six months prior to the date such

rate is to be effective.

Starting January 1, 2019, each employer shall transfer its employer contributions to the retirement system promptly following the end of each payroll period at the time the employer transfers member contributions (Sections 169.291, 19.324, 169.350, and 169.360).