

CCS SCS SB 892 -- PUBLIC EMPLOYEE RETIREMENT SYSTEMS

This bill modifies provisions of public employee retirement plans.

PROSECUTING AND CIRCUIT ATTORNEYS RETIREMENT SYSTEM

This bill changes provisions regarding the retirement system for prosecuting and circuit attorneys.

When a county votes to make the Office of Prosecuting Attorney a full-time position then the position will qualify for the same retirement benefits as a full-time prosecutor of a first class county. Contributions to the Prosecuting Attorneys' and Circuit Attorneys' Retirement Fund (PACARS) will be paid the same as first class counties (Section 56.363, RSMo).

Beginning January 1, 2019, all members who are eligible to receive an annuity equal to 50% of the final average compensation upon retirement will contribute 2% of their salary to the fund, and beginning in the year 2020, such members shall contribute 4% of salary to the fund. Upon retirement and at the discretion of the board of trustees, a member can receive a lump sum of his or her total contribution not to exceed 25% of average pay, in addition to any retirement benefits (Section 56.807).

A person who becomes a member on or after January 1, 2019, may retire with a normal annuity with 12 or more years of service and reaching the age of 65. Upon termination of employment such member is entitled to a deferred normal annuity payable at age 60 (Section 56.814).

Currently, a former member who has forfeited creditable service may have the service restored again, in addition to requirements, by becoming an employee within 10 years of termination and contributing an amount to the retirement fund equal to any lump sum payment of contributions received upon termination of service (Section 56.833).

All members serving in a county that has elected to make the position of prosecuting attorney a full-time position shall receive one year of creditable vesting service for each year served as a part-time or full-time prosecuting attorney. However, a member serving as a part-time prosecuting attorney shall receive six-tenths of a year of creditable benefit service for each year served. Any member who has less than 12 years of creditable benefit service upon retirement shall receive a reduced full-time benefit.

A member who vested as a part-time prosecuting attorney and ceased

being a member for more than six months before returning as a full-time prosecuting attorney shall be entitled only to part-time benefits, and any creditable service earned as a full-time prosecutor shall begin a new vesting period. A member cannot receive benefits while employed as a prosecuting attorney (Section 56.840).

#### LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM

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).

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 preceeding 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).

#### PUBLIC SCHOOL RETIREMENT SYSTEM

This bill allows any teachers retired from the Public School Retirement System of Missouri to be employed in a position covered under the Public Education Employee Retirement System (PEERS) without stopping their retirement benefit. Such teachers may earn up to 60% of the minimum teacher's salary as set forth in Section 163.172 and will not contribute to the retirement system or earn creditable service.

The employer's contribution rate will be paid by the hiring employer. If such person is employed in excess of these limitations, the person will not be eligible to receive their retirement allowance for any month the person is employed and such person shall contribute to the retirement system if he or she is in an eligible position (Section 169.560).