

HB 2669 -- RETIREMENT FOR CERTAIN POLICE OFFICERS

SPONSOR: Black (7)

This bill modifies retirement benefits for members of the Police Retirement System of St. Louis who commence employment on or after October 1, 2020 as follows:

- (1) Members' final average compensation will be calculated based on the last three years of creditable service as a police officer whether or not they are participating in the Deferred Retirement Option Plan (DROP);
- (2) Members participating in the DROP, whose employment as a police officer terminates due to death or disability shall have their average final compensation calculated based on the last three years of creditable service;
- (3) Members may terminate employment as a police officer and actually retire after completing at least 10 years of service and attaining age 55;
- (4) Members may enter DROP after completing 20 years of creditable service;
- (5) Members in DROP shall earn interest at the rate of return earned by the 10-year United States Treasury bill plus 1% not to exceed 6%;
- (6) Members will not be eligible for the return of mandatory contributions upon retirement, but members terminating without being vested will receive the mandatory contributions back without interest;
- (7) Members will not be eligible for the additional benefits available under Section 86.254, RSMo; and
- (8) Members will not be 100% vested until completing 10 years of creditable service and attaining the age of 55.

The board is allowed to use the entry age normal actuarial cost method for determining the annual valuation of the assets and liabilities of the system when St. Louis City adopts an ordinance to allow them. The actuarial valuation method is outlined in the bill.

The contribution rate of each member not participating in the DROP will increase from 7% to 9%; however, these deductions will now be deducted prior to taxation.

This bill is similar to SB 999 (2020) and HB 2202 (2018).