

HB 701 -- STATE EMPLOYEE RETIREMENT SYSTEMS (Black (7))

COMMITTEE OF ORIGIN: Standing Committee on Pensions

The bill proposes cleanup language affecting the Missouri State Employees' Retirement System (MOSERS) and the MoDOT and Patrol Employees' Retirement System (MPERS).

MPERS

The bill makes the following modifications to MPERS:

- (1) Allows a terminated vested employee to restore service if they become a member, working for a department, for one day instead of one year (Section 104.035, RSMo);
- (2) Removes language requiring the election of the Chair and Vice Chair of the MPERS Board from being by secret ballot (Section 104.170);
- (3) Clarifies that the statute of limitations for correcting an error starts upon the member's annuity starting date or date of error, whichever is later. This change also adds language to exclude cases of fraud from the statute of limitations (Section 104.200); and
- (4) Specifies employees of the State Water Patrol that terminate employment and return to the same position are members of the system in which he or she was a member prior to termination and if the employee returns to any other job he or she is a member of the system that currently covers that position (Section 104.810).

MOSERS

The bill makes the following modifications to MOSERS:

- (1) Moves language from Section 104.625 related to division of benefit orders and backdrop payments to Section 104.312 where other division of benefit order language resides (Section 104.312);
- (2) Limits the amount of service a member of the General Assembly or statewide elected official can accrue while on long-term disability (Section 104.410);
- (3) Removes the requirement that the contributions for unfunded accrued liabilities be determined using the level percent-of-payroll amortization method (Section 104.436);
- (4) Clarifies that the statute of limitations for correcting an

error starts upon the member's annuity starting date or date of error, whichever is later. This change also adds language to exclude cases of fraud from the statute of limitations (Sections 104.490.1 and 104.1060);

(5) Allows members who terminate employment after reaching normal or early retirement age and become a retiree within 65 days of termination, instead of 60 days, to receive \$5,000 of life insurance coverage (Section 104.515);

(6) Removes the option for members to receive the lump sum backdrop payment in three equal installments (Sections 104.625 and 104.1024);

(7) Removes any service of a member accrued during the backdrop period from being considered creditable service when calculating the monthly amount under a division of benefit order pursuant to Section 104.312 (Section 104.625);

(8) Deletes the definition of year as used in the definition of employee. This language should have previously been removed when Section 104.1039 was modified to reflect requirements for reemployed members (Section 104.1003);

(9) Puts terminated non-vested members who become reemployed in a MOSERS covered position in the Year 2000 plan (Section 104.1015);

(10) Clarifies that members who terminate after reaching normal retirement eligibility are eligible to retire under the provisions of Section 104.1024 (Section 104.1018);

(11) Corrects a statutory citation (Section 104.1024);

(12) Clarifies that members who terminate after reaching normal eligibility are eligible to retire under the provisions of Section 104.1024 (Section 104.1024);

(13) Removes any service of a member accrued during the backdrop period from being considered creditable service when calculating the monthly amount under a division of benefit order (Section 104.1024);

(14) Excludes a member's sick leave accruals from the calculation of the monthly benefit amount subject to division under a division of benefit order (Section 104.1051);

(15) Moves language from Section 104.1024 related to division of benefit orders and backdrop payments to Section 104.1051 where other division of benefit order language resides (Section

104.1051):

(16) Removes the requirement that the contributions for unfunded accrued liabilities be determined using the level percent-of-payroll amortization method (Section 104.1066);

(17) Allows members who terminate employment after reaching normal or early retirement age and become a retiree within 65 days of termination, instead of 60 days, to receive \$5,000 of life insurance coverage (Section 104.1072);

(18) Limits the amount of service a member of the General Assembly or statewide elected official can accrue while on long-term disability (Section 104.1084);

(19) Clarifies that members who terminate employment after reaching early retirement eligibility remain eligible for early retirement (Section 104.1091);

(20) Clarifies when a member can receive a refund of their employee contributions after termination (Section 104.1091);

(21) Clarifies that members who terminate after reaching normal retirement eligibility are eligible to retire (Section 104.1091);

(22) Clarifies that members who terminate employment after reaching early retirement eligibility remain eligible for early retirement (Section 104.1091);

(23) Clarifies that the delayed survivor annuity provision applies to members who terminated employment prior to reaching early retirement eligibility (Section 104.1091);

(24) Clarifies that the delayed cost-of-living provision adjustment applies to members who terminated employment prior to reaching early retirement eligibility (Section 104.1091); and

(25) Makes the interest rate credited to a judge's employee contribution balance the 52 week treasury bill rate, instead of 4%. This change brings the Judicial 2011 plan in align with the MSEF 2011 plan (Section 476.521).

This bill is similar to HB No. 1999 (2020).