

SECOND REGULAR SESSION

# HOUSE BILL NO. 2906

## 102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE STEINHOFF.

5981H.011

DANA RADEMAN MILLER, Chief Clerk

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### AN ACT

To repeal sections 169.560 and 169.660, RSMo, and to enact in lieu thereof two new sections relating to public school retirement systems.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 169.560 and 169.660, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 169.560 and 169.660, to read as follows:

169.560. 1. Any person retired and currently receiving a retirement allowance  
2 pursuant to sections 169.010 to 169.141 [~~other than for disability,~~] may be employed in any  
3 capacity for an employer included in the retirement system created by those sections on either  
4 a part-time or temporary-substitute basis not to exceed a total of five hundred fifty hours in  
5 any one school year, and through such employment may earn up to fifty percent of the annual  
6 compensation payable under the employer's salary schedule for the position or positions filled  
7 by the retiree, given such person's level of experience and education, without a  
8 discontinuance of the person's retirement allowance. If the employer does not utilize a  
9 salary schedule, or if the position in question is not subject to the employer's salary schedule,  
10 a retiree employed in accordance with the provisions of this subsection may earn up to fifty  
11 percent of the annual compensation paid to the person or persons who last held such position  
12 or positions, **or may earn up to fifty percent of the limit set for the position by the school**  
13 **board of the employer.** If the position or positions did not previously exist, the  
14 compensation limit shall be determined in accordance with rules duly adopted by the board of  
15 trustees of the retirement system; provided that, it shall not exceed fifty percent of the annual  
16 compensation payable for the position by the employer that is most comparable to the  
17 position filled by the retiree. In any case where a retiree fills more than one position during

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 the school year, the fifty-percent limit on permitted earning shall be based solely on the  
19 annual compensation of the highest paid position occupied by the retiree for at least one-fifth  
20 of the total hours worked during the year. Such a person shall not contribute to the retirement  
21 system or to the public education employee retirement system established by sections 169.600  
22 to 169.715 because of earnings during such period of employment. If such a person is  
23 employed in any capacity by such an employer in excess of the limitations set forth in this  
24 subsection, the person shall not be eligible to receive the person's retirement allowance for  
25 any month during which the person is so employed **or the retirement system shall recover**  
26 **the amount the person earned in excess of the limitations, whichever is less.** In addition,  
27 such person shall contribute to the retirement system if the person satisfies the retirement  
28 system's membership eligibility requirements. In addition to the conditions set forth above,  
29 this subsection shall apply to any person retired and currently receiving a retirement  
30 allowance under sections 169.010 to 169.141 [~~other than for disability,~~] who is employed by  
31 a third party or is performing work as an independent contractor, if such person is performing  
32 work for an employer included in the retirement system as a temporary or long-term  
33 substitute teacher or in any other position that would normally require that person to be duly  
34 certificated under the laws governing the certification of teachers in Missouri if such person  
35 was employed by the district. The retirement system may require the employer, the third-  
36 party employer, the independent contractor, and the retiree subject to this subsection to  
37 provide documentation showing compliance with this subsection. If such documentation is  
38 not provided, the retirement system may deem the retiree to have exceeded the limitations  
39 provided in this subsection.

40 2. Notwithstanding any other provision of this section, any person retired and  
41 currently receiving a retirement allowance in accordance with sections 169.010 to 169.141 [~~;~~  
42 ~~other than for disability,~~] may be employed by an employer included in the retirement system  
43 created by those sections in a position that does not normally require a person employed in  
44 that position to be duly certificated under the laws governing the certification of teachers in  
45 Missouri, and through such employment may earn, beginning on August 28, 2023, and ending  
46 on June 30, 2028, up to one hundred thirty-three percent of the annual earnings exemption  
47 amount applicable to a Social Security recipient before the calendar year of attainment of full  
48 retirement age under 20 CFR 404.430, and, after June 30, 2028, up to the annual earnings  
49 exemption amount applicable to a Social Security recipient before the calendar year of  
50 attainment of full retirement age under 20 CFR 404.430, without a discontinuance of the  
51 person's retirement allowance from the retirement system. The Social Security annual  
52 earnings exemption amount applied shall be the exemption amount in effect for the calendar  
53 year in which the school year begins. Such person shall not contribute to the retirement  
54 system or to the public education employee retirement system established by sections 169.600

55 to 169.715 because of earnings during such period of employment, and such person shall not  
56 earn membership service for such employment. The employer's contribution rate shall be  
57 paid by the hiring employer into the public education employee retirement system established  
58 by sections 169.600 to 169.715. If such a person is employed in any capacity by an employer  
59 in excess of the limitations set forth in this subsection, the person shall not be eligible to  
60 receive the person's retirement allowance for any month during which the person is so  
61 employed **or the retirement system shall recover the amount the person earned in excess**  
62 **of the limitations, whichever is less.** In addition, such person shall become a member of and  
63 contribute to any retirement system described in this subsection if the person satisfies the  
64 retirement system's membership eligibility requirements. The provisions of this subsection  
65 shall not apply to any person retired and currently receiving a retirement allowance in  
66 accordance with sections 169.010 to 169.141 employed by a public community college or  
67 employer under subsection 4 of section 169.130.

169.660. 1. On and after the first day of July next following the operative date, any  
2 member who is sixty or more years of age and who has at least five years of creditable  
3 service, or who has attained age fifty-five and has at least twenty-five years of creditable  
4 service, or who has at least thirty years of creditable service regardless of age may retire and  
5 receive the full retirement benefits based on the member's creditable service. A member  
6 whose creditable service at retirement is less than five years shall not be entitled to a  
7 retirement allowance but shall be entitled to receive the member's contributions.

8 2. Any person retired and currently receiving a retirement allowance pursuant to  
9 sections 169.600 to 169.715~~[, other than for disability,]~~ may be employed on either a part-  
10 time or temporary-substitute basis by a district included in the retirement system not to  
11 exceed a total of five hundred fifty hours in any one school year, without a discontinuance of  
12 the person's retirement allowance. Such a person shall not contribute to the retirement  
13 system, or to the public school retirement system established by sections 169.010 to 169.141,  
14 because of earnings during such period of employment. If such a person is employed in any  
15 capacity by such a district on a regular, full-time basis, or the person's part-time or temporary-  
16 substitute service in any capacity exceeds five hundred fifty hours in any one school year, the  
17 person shall not be eligible to receive the person's retirement allowance for any month during  
18 which the person is so employed **or the retirement system shall recover the amount the**  
19 **person earned in excess of the limitations, whichever is less.**

20 3. The system shall pay a monthly retirement allowance for the month in which a  
21 retired member or beneficiary receiving a retirement allowance dies.

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