

HB 406 -- RETIREMENT BENEFITS FOR CERTAIN TEACHER RETIREMENT
SYSTEMS

SPONSOR: Clemens

This bill adds definitions for "funded ratio", "total actuarially required contribution" and "total actuarially required contribution rate" for the Public School Retirement System of Saint Louis.

Currently, for calendar years after 2018, the percentage rate of contribution payable by each employer decreases .5% annually until calendar year 2032, when the rate of contribution payable by each employer equals 9% of the total compensation of all members employed by that employer. For calendar years after 2032, the rate of contribution payable by each employer equals 9%.

Under the bill, the percentage rate of contribution decreases .5% annually until calendar year 2026 when the rate of contribution payable by each employer equals 14% of the total compensation of all members employed by that employer. For calendar year 2027 and thereafter, the rate of contribution payable by each employer will be determined by the System actuary as specified in the bill. The bill requires that the modifications to the rate not increase by more than 1% or decrease by more than .5% on a year-to-year basis.

This bill is the same as HB 2846 (2024).