

HCS HB 976 -- MISSOURI RETIREMENT SYSTEMS

SPONSOR: Hovis

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Pensions by a vote of 15 to 0. Voted "Do Pass" by the Standing Committee on Rules-Legislative by a vote of 8 to 0.

The following is a summary of the House Committee Substitute for HB 976.

This bill repeals the provision prohibiting membership in LAGERS for employees where continuous employment to the time of retirement eligibility will leave the employee with less than the minimum required number of years of credited service (Section 70.630, RSMo).

The bill provides that the cost of living adjustment for LAGERS must be a measure of the Consumer Price Index as determined by the U.S. Department of Labor and adopted by the Board of LAGERS, instead of the Consumer Price Index for Urban Wage Earners and Clerical Workers (Section 70.655).

This bill repeals references to obsolete statutory provisions (Section 70.680).

Under this bill, if a member's membership terminates, any accumulated contributions unclaimed by the member within 10 years, instead of three years, must be transferred to the investment income-expense fund (Section 70.690).

The bill provides that the Board of LAGERS can deliberate or make decisions on investments or other financial matters in a closed meeting if the disclosure of such deliberations or decisions would jeopardize the ability to implement a decision or to achieve investment objectives. In addition, this bill repeals the provision providing that the investment counselor of the Board be registered as an investment advisor with the U.S. Securities and Exchange Commission. Further, this bill repeals the limitation that no more than one-tenth of the funds and moneys of the system be invested in real estate (Sections 70.745, 70.746 and 70.747).

The funds can be combined with funds of any retirement plan administered by LAGERS and any retirement plan established for providing benefits to employees of LAGERS, but the funds must be accounted for separately (Section 70.748).

This bill provides for an investment fiduciary to close records that relate to investments or financial transactions with business entities for investment purposes (Section 105.688).

This bill is similar to SB 514 (2025).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

**PROPONENTS:** Supporters say that this bill is a clean-up package to serve members of the retirement system. The updates are all aspects of good governance and a common sense approach to help modernize the current process.

Testifying in person for the bill were Representative Hovis and Missouri Local Government Employees Retirement System.

**OPPONENTS:** There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.