

HCS HB 1526 -- RETIREMENT CREDITED SERVICE

SPONSOR: Knight

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

The following is a summary of the House Committee Substitute for HB 1526.

This bill repeals the provisions that deal with member retirement eligibility for the Year 2000 plan, based upon age and years of credited service (Section 104.1091).

The bill includes a new provision where a juvenile court employee in a multicounty circuit receives creditable service for service rendered as a juvenile court employee in a multicounty circuit on or after July 1, 1999, in a position where the salary was paid in whole or in part by two or more counties so long as the juvenile court employee did not receive credit for such service in any retirement system or plan under section 105.691, if continuously employed in such position on or after July 1, 1999, and:

- a) The employee provides written notification of an election to receive credit in the state retirement plan, as mentioned in the bill;
- b) The state retirement plan is paid an amount equal to what an employer would have contributed by the employer on the employee's behalf for the period for which the service credit is elected to be received which is calculated based upon the payroll records reflecting the employee's or former employee's compensation for such period, including all salary and wages paid during such employment for personal services performed for the multicounty circuit and excluding any nonrecurring single sum payments;
- c) The state retirement plan receives payment in full before an individual receives credit for service;
- d) When the election to receive creditable service becomes effective, the employee forfeits and is not eligible to purchase creditable service under another retirement system or plan for the same time period of service being received;
- e) When the election to receive creditable service becomes effective, the employee's prospective benefit eligibility must be determined as if the individual had been a member of the state retirement plan on the first day of the period for which the service credit was received;

f) Any employee who receives creditable service under this new provision and whose employment continues can elect to request additional service credit prior to retirement, as indicated in the bill (Section 211.393).

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 there are 46 judicial circuits in Missouri with chief juvenile officers and staff. When the prior legislation was being drafted in the nineties, all the juvenile staff were to be included under the state's umbrella, but there was a significant cost in doing this, particularly for the larger single county circuits. So there was a carve out for multicounty circuit employees and those employees fell under the judicial branch, and this became effective in the late nineties. Further, the circuits have employees that are funded by a grant. If a state position opened up a grant funded employee who accepted the position, rolled into the state position, and was eligible for state retirement and given creditable years of service. But some employees fall through the cracks because they are multicounty circuit employees. There are approximately 50 such employees who are not eligible for state retirement benefits. This bill seeks to fix the problem for multicounty employees.

Testifying in person for the bill were Representative Knight; and Marcia Hazelhorst, Missouri Juvenile Justice Association; Tammi Nelson.

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.