

FIRST REGULAR SESSION

SENATE BILL NO. 288

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LAMPING.

Read 1st time February 7, 2013, and ordered printed.

TERRY L. SPIELER, Secretary.

1441S.01I

AN ACT

To repeal sections 104.1205 and 104.1215, RSMo, and to enact in lieu thereof two new sections relating to retirement of higher education employees.

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

Section A. Sections 104.1205 and 104.1215, RSMo, are repealed and two
2 new sections enacted in lieu thereof, to be known as sections 104.1205 and
3 104.1215, to read as follows:

104.1205. The board of trustees of the Missouri state employees'
2 retirement system shall:

3 (1) Establish a defined contribution plan for outside employees which,
4 among other things, provides for immediate vesting;

5 (2) Select a third-party administrator to provide such services as the
6 board determines to be necessary for the proper administration of the defined
7 contribution plan;

8 (3) Select the investment products which shall be made available to the
9 participants in the defined contribution plan;

10 (4) Annually establish the contribution rate used for purposes of
11 subsection 3 of section 104.1066 for employees of institutions who are other than
12 outside employees, which shall be done by considering all such employees to be
13 part of the general employee population within the Missouri state employees'
14 retirement system;

15 (5) Establish the contribution rate **to be used by institutions for**
16 **purposes of making employer contributions** for outside employees which
17 shall be equal to one percent of payroll less than the normal cost contribution
18 rate established pursuant to subdivision (4) of this section; **provided that on**
19 **and after July 1, 2014:**

20 **(a) The contribution rate to be used by institutions for purposes**
21 **of making employer contributions for outside employees shall be equal**
22 **to seven percent of payroll;**

23 **(b) Each institution may, by resolution of its governing body,**
24 **prospectively require its outside employees hired on or after July 1,**
25 **2014, to contribute an additional amount up to four percent of pay; and**

26 **(c) Each institution requiring employee contributions shall pick**
27 **up and pay such contributions pursuant to 26 U.S.C. Section 414(h)(2);**
28 **and**

29 **(6) Establish such rules and regulations as may be necessary to carry out**
30 **the purposes of this section.**

104.1215. 1. Any outside employee who has participated in the defined
2 contribution plan established pursuant to sections 104.1200 to 104.1215 for at
3 least six years may elect to become a member of the Missouri state employees'
4 retirement system. Such employee shall:

5 (1) Make such election while actively employed in a position that would
6 otherwise be eligible for membership in the Missouri state employees' retirement
7 system except for the provisions of sections 104.1200 to 104.1215;

8 (2) Participate in the year 2000 plan;

9 (3) Be considered to have met the service requirements contained in
10 section 104.1018;

11 (4) Not receive any credited service for service rendered while a
12 participant in such defined contribution plan;

13 (5) Forfeit any right to future participation in the defined contribution
14 plan after such election; and

15 (6) Not be eligible to receive credited service pursuant to section 104.1090
16 based on service rendered while a participant in such defined contribution plan.

17 **2. The provisions of subsection 1 of this section shall not apply**
18 **to any outside employee who first becomes an outside employee on or**
19 **after July 1, 2014.**

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