

SENATE AMENDMENT NO. _____

Offered by _____ Of _____

Amend SCS/Senate Bill No. 328, Page 1, Section A, Line 5,

2 by inserting after all of said line the following:

3 "104.1205. The board of trustees of the Missouri state
4 employees' retirement system shall:

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

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

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

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

19 (5) Establish the contribution rate for outside employees
20 which shall be equal to [one] six percent of payroll [less than
21 the normal cost contribution rate established pursuant to

1 subdivision (4) of this section; and];

2 (6) Require outside employees hired on or after July 1,
3 2018, to contribute two percent of the employee's pay to the
4 defined contribution plan which shall be credited to a separate
5 account within the outside employee's individual account. The
6 employing institution, pursuant to the provisions of 26 U.S.C.
7 Section 414(h) (2), shall pick up and pay such contributions. The
8 contributions so picked up shall be treated as employer
9 contributions for purposes of determining the outside employee's
10 pay that is includable in the outside employee's gross income for
11 federal income tax purposes. The outside employee's
12 contributions picked up by the employing institution shall be:

13 (a) Paid from the same source of funds used for the payment
14 of pay to an outside employee. A deduction shall be made from
15 each outside employee's pay equal to the amount of the outside
16 employee's contributions picked up by the employing institution;
17 and

18 (b) Paid by the employing institution in lieu of the
19 contributions by the outside employee, although designated as
20 employee contributions. The outside employee shall not have the
21 option of choosing to receive the contributed amounts directly
22 instead of having them paid by the employing institution to the
23 defined contribution plan;

24 (7) Establish such rules and regulations as may be
25 necessary to carry out the purposes of this section; and

26 (8) Allow outside employees to contribute two percent of
27 the employee's pay to a supplemental account established by the
28 employer. Such employees may elect to change the contribution
29 rate in accordance with the terms of the supplemental account,

1 but shall not contribute less than two percent of his or her
2 pay."; and

3 Further amend said bill, section 174.324, page 16, line 13,
4 by inserting after all of said line the following:

5 "Section B. Section 104.1205 of section A of this act shall
6 become effective July 1, 2018."; and

7 Further amend the title and enacting clause accordingly.