

# The **Association** report

from the **Capitol**

April 21, 2010

State employees would lose two holidays if the house of representatives agrees to a senate amendment to a house consent bill. The Truman and Lincoln birthday holidays would be repealed if the house accepts the senate-amended version of HB1677. That bill in its original version would designate a day in March as “Dress in blue for colon cancer awareness day.” It is recommended that you contact your state representative to urge them to reject the senate amendment to HB1677.

A dramatically changed retirement plan for most state workers has passed the senate this week and is headed to the Missouri House of Representatives. SB714 which cleared the senate on Tuesday (Apr. 20) would affect “new hires” in the MPERS and MOSERS retirement plans.

If the proposal were to be enacted, most new state employees would have to contribute to their pension funds and be required to delay their retirement until the age of 67.

The bill’s sponsor, Sen. Jason Crowell of Cape Girardeau, called the bill a “18-month work in progress” that is intended to save money for the state during difficult economic times.

“These aren’t things we want to do,” Sen. Crowell said. “These aren’t things that make us happy. These are things we have to do to balance our budget.”

During discussions of SB714, questions were asked about a single board created by the bill to manage the investments for both MPERS and MOSERS. Sen. Crowell said the intention is to take advantage of the expertise and strong performance record of the MOSERS investment staff. The senator said that MOSERS has out performed MPERS by an average of 1.4 per cent per year over the past 15 years.

“This is a consideration of investment function only,” Sen. Crowell said. “We are not merging and baling out the funds. MOSERS is the No. 1 ranked pension fund in the country. Why wouldn’t we want it to invest for MPERS?”

The retirement board in question would consist of seven members including the executive directors of MPERS and MOSERS, the commissioner of the office of administration plus four members appointed by the governor subject to confirmation by the senate.

The bill is expected to have a committee hearing next week in the house.

**From Harry Hill, Lobbyist  
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