

The **Association** report

from the **Capitol**

May 12, 2014

As the 2014 legislative session comes to a close, it's an appropriate place to review our progress. The Association's top priority, that of the resumption of a state match for employee deferred compensation, is in the books. It was a success - mark it down - it will resume July 1, 2014.

A tough economy led to the governor withholding it in 2010 and eliminating it in 2011. We began our campaign in the 2013 session to restart the state's contribution to the program. We rekindled the fire but couldn't push it over the finish line. I believe we built on last year's work and made it happen this year.

The \$25-dollar-a-month deferred comp match, as well as a 1% employee pay raise approved by the legislature are to take effect at the beginning of the 2015 fiscal year (July 1, 2015).

Also relating to state employee benefits, a bill to raise a potential deferred comp match from \$75 to \$100 a month, was moving in the final weeks of the legislative session. Rep. Mike Bernskoetter of Jefferson City sponsored HB2105 which was heard May 1 in the House Retirement Committee and voted "do pass" on that same day. The bill moved through the House Rules Committee on May 5.

HB1682, by Rep. Andrew Koenig, would create a "hybrid" retirement plan for state employees. It would reduce the multiplier used for calculating a final benefit from 1.7% to 1%. Also it would require the employer to contribute 3% and the participant to contribute 1% of the employee's salary. Vesting would revert from 10 years to five years. The bill was heard Mar. 13 in the House Retirement Committee but moved no further.

Left unfinished with less than a week in the session is the issue of increased funding for MoDOT. HJR68 in its most recent version proposes a three-quarter cent general sales tax for transportation. It must be taken up and passed by the house before 6 p.m. Friday (May 16). If the house approves this

senate version of the bill, the proposed tax would be placed before voters in the November 2014 General Election.

**From Harry Hill, Lobbyist
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