



The HR Connection

We work better, when we work together....

September 2014

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HB1217 – Work-Related Felonies

In last month's edition, we discussed the "Protection Against Pension Advances" aspect of HB1217. Another key piece of this legislation is the forfeiture of benefits to anyone convicted of a felony related to their employment.

Finding of guilt for any of the following offenses or a substantially similar offense provided under federal law will result in the ineligibility for retirement benefits:

- Felony of stealing under Section 570.030 when the offense involves money, property, or services valued at \$5,000 or more
- Felony of receiving stolen property under Section 570.080 when the offense involves money, property, or services valued at \$5,000 or more
- Forgery under Section 570.090
- Counterfeiting under Section 570.103
- Bribery of a public servant under Section 576.010
- Acceding to corruption under Section 576.020

This legislation became effective August 28, 2014 and applies to all retirement plans (Closed Plan & Year 2000 Plan, including 2011 Tier). A benefit accrual period straddling the effective date of August 28, 2014, will not cause the **vested** employee to lose all of their benefits. Any benefits accrued after August 28, 2014 for a felony conviction after August 28, 2014, will be forfeited, while those vested benefits that accrued prior to August 28, 2014 will remain in place and payable. For anyone who has not vested prior to August 28, 2014, all benefits will be forfeited. However, they may still request a refund of their employee contributions, including any interest credited to their account.

We hope to work out some exchange with the courts, as stipulated in the bill, that will notify us of circumstances that fall under this legislation. However, until a reliable process is in place, we are reaching out to you for some assistance. We would imagine that any employee fitting this description will be terminated so you would be notifying us as a normal protocol. With that in mind, we are changing our *Termination of Employment* to include the option "Employee Terminated-Potential Work Related Felony". A copy of the new form is attached, and can also be found on our website. Please start using this new form immediately and discard any old versions you have. We would also appreciate any notice you can give us if there is even a possibility that this will be an issue, so we can keep an eye on the situation and do not send out false information to the member (i.e. benefit estimates & letters when the member terminates).

Upcoming Seminars

Below is a listing of Pre-Retirement Seminars scheduled for September:

- September 10, 2014 St. Louis
- September 11, 2014 St. Louis
- September 19, 2014 Jefferson City
 - o *This will be the final pre-retirement seminar of the year*

Please let us know of anyone that needs to be added to/removed from this distribution listing. If you have topics you would like for us to address, please send them to us and we will do our best to incorporate them in future connections. As always, please feel free to contact us with any questions or concerns you may have!