

FIRST REGULAR SESSION

HOUSE BILL NO. 257

91ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WAGNER.

Read 1st time January 4, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

0876L.011

AN ACT

To repeal sections 104.090, 104.374 and 104.1024, RSMo 2000, relating to public retirement systems, and to enact in lieu thereof three new sections relating to the same subject.

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

Section A. Sections 104.090, 104.374 and 104.1024, RSMo 2000, are repealed and three
2 new sections enacted in lieu thereof, to be known as sections 104.090, 104.374 and 104.1024,
3 to read as follows:

104.090. 1. The normal annuity of a member shall equal one and [six-tenths] **three-**
2 **fourths** percent of the average compensation of the member multiplied by the number of years
3 of creditable service of such member. In addition, the normal annuity of a uniformed member
4 of the patrol shall be increased by thirty-three and one-third percent.

5 2. In addition, a uniformed member of the highway patrol who is retiring with a normal
6 annuity after attaining normal retirement age shall receive an additional sum of ninety dollars per
7 month as a contribution by the system until such member attains the age of sixty-five years, when
8 such contribution shall cease. To qualify for the contribution provided in this subsection by the
9 system, the retired uniformed member of the highway patrol is made, constituted, appointed and
10 employed by the board as a special consultant on the problems of retirement, aging and other
11 state matters. Such additional contribution shall be reduced each month by such amount earned
12 by the retired uniformed member of the highway patrol in gainful employment. In order to
13 qualify for the additional contribution provided in this subsection, the retired uniformed member
14 of the highway patrol shall have been:

15 (1) Hired by the Missouri state highway patrol prior to January 1, 1995; and

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

16 (2) Employed by the Missouri state highway patrol or receiving long-term disability or
17 work-related disability benefits on the day before the effective date of the member's retirement.

18 3. In lieu of the annuity payable to the member pursuant to section 104.100, a member
19 whose age at retirement is fifty or more may elect in the member's application for retirement to
20 receive either:

21 Option 1. An actuarial reduction approved by the board of the member's annuity in
22 reduced monthly payments for life during retirement with the provision that upon the member's
23 death the reduced annuity at date of death shall be continued throughout the life of, and be paid
24 to, the member's spouse; or

25 Option 2. The member's normal annuity in regular monthly payments for life during
26 retirement with the provision that upon the member's death a survivor's benefit equal to one-half
27 the member's normal annuity at date of death shall be paid to the member's spouse in regular
28 monthly payments for life; or

29 Option 3. An actuarial reduction approved by the board of normal annuity in reduced
30 monthly payments for the member's life with the provision that if the member dies prior to the
31 member's having received one hundred twenty monthly payments of the member's reduced
32 annuity, the member's reduced allowance to which the member would have been entitled had the
33 member lived shall be paid for the remainder of the one hundred twenty-month period to such
34 person as the member shall have nominated by written designation duly executed and filed with
35 the board. If there is no beneficiary surviving the retirant, the reserve for such allowance for the
36 remainder of such one hundred twenty-month period shall be paid to the retirant's estate; or

37 Option 4. An actuarial reduction approved by the board of the member's normal annuity
38 in reduced monthly payments for the member's life with the provision that if the member dies
39 prior to the member having received sixty monthly payments of the member's reduced annuity,
40 the member's reduced allowance to which the member would have been entitled had the member
41 lived shall be paid for the remainder of the sixty-month period to such person as the member
42 shall have nominated by written designation duly executed and filed with the board. If there is
43 no beneficiary surviving the retirant, the reserve for such allowance for the remainder of such
44 sixty-month period shall be paid to the retirant's estate.

45 4. The election may be made only in the application for retirement, and such application
46 shall be filed at least thirty days but not more than ninety days prior to the date on which the
47 retirement of the member is to be effective, provided that if either the member or the spouse
48 nominated to receive the survivorship payment dies before the effective date of retirement, the
49 election shall not be effective. If after the reduced annuity commences, the spouse predeceases
50 the retired member, the reduced annuity continues to the retired member during the member's
51 lifetime.

52 5. Effective July 1, 2000, a member may make an election under option 1 or 2 after the
53 date retirement benefits are initiated if the member makes the election within one year from the
54 date of marriage or July 1, 2000, whichever is later, under any of the following circumstances:

55 (1) The member elected to receive a normal annuity and was not eligible to elect option
56 1 or 2 on the date retirement benefits were initiated; or

57 (2) The member's annuity reverted to a normal annuity pursuant to subsection 8 of
58 section 104.103 and the member remarried; or

59 (3) The member elected option 1 or 2 but the member's spouse at the time of retirement
60 has died and the member has remarried.

61 6. Any person who terminates employment or retires prior to July 1, 2000, shall be made,
62 constituted, appointed and employed by the board as a special consultant on the problems of
63 retirement, aging and other state matters, and for such services shall be eligible to elect to receive
64 the benefits described in subsection 5 of this section.

 104.374. 1. The normal annuity of a member, other than a member of the general
2 assembly or a member who served in an elective state office, shall be an amount equal to one and
3 [six-tenths] **three-fourths** percent of the average compensation of the member multiplied by the
4 number of years of creditable service of the member. Years of membership service and twelfths
5 of a year are to be used in calculating any annuity. Absences for sickness and injury of less than
6 twelve months or for military service or training under subsection 2 of section 104.330 shall be
7 counted as years of membership service.

8 2. In addition to the amount determined pursuant to subsection 1 of this section, the
9 normal annuity of a uniformed member of the water patrol shall be increased by thirty-three and
10 one-third percent of the benefit.

11 3. Employees who are fully vested at the age of sixty-five years and who continue to be
12 employed by an agency covered under the system or members of the general assembly who serve
13 in the general assembly after the age of sixty-five years shall have added to their normal annuity
14 when they retire or die an amount equal to the total of all annual cost-of-living increases that the
15 retired members of the system received during the years between when the employee or member
16 of the general assembly reached sixty-five years of age and the year that the employee or member
17 of the general assembly terminated employment or died. In no event shall the total increase in
18 compensation granted under this subsection and subsection 2 of section 104.612 exceed
19 sixty-five percent of the person's normal annuity calculated at the time of retirement or death.

 104.1024. 1. Any member who terminates employment may retire on or after attaining
2 normal retirement eligibility by making application in written form and manner approved by the
3 appropriate board. The written application shall set forth the annuity starting date which shall
4 be not less than thirty days nor more than ninety days subsequent to the execution and filing of

5 the member's application for retirement.

6 2. A member's annuity shall be paid in the form of a life annuity, except as provided in
7 section 104.1027, and shall be an amount for life equal to one and [seven-tenths] **eighty-five**
8 **hundredths** percent of the final average pay of the member multiplied by the member's years
9 of credited service.

10 3. The life annuity defined in subsection 2 of this section shall not be less than a monthly
11 amount equal to fifteen dollars multiplied by the member's full years of credited service.

12 4. If as of the annuity starting date of a member who has attained normal retirement
13 eligibility the sum of the member's years of age and years of credited service equals eighty or
14 more years and if the member's age is at least fifty years but less than sixty-two years, or, in the
15 case of a member of the highway patrol who shall be subject to the mandatory retirement
16 provision of section 104.080, the mandatory retirement age and completion of five years of
17 credited service, then in addition to the life annuity described in subsection 2 of this section, the
18 member shall receive a temporary annuity equal to eight-tenths of one percent of the member's
19 final average pay multiplied by the member's years of credited service. The temporary annuity
20 and any cost-of-living adjustments attributable to the temporary annuity pursuant to section
21 104.1045 shall terminate at the end of the calendar month in which the earlier of the following
22 events occurs: the member's death or the member's attainment of the earliest age of eligibility
23 for reduced Social Security retirement benefits.

24 5. The annuity described in subsection 2 of this section for any person who has credited
25 service not covered by the federal Social Security Act, as provided in sections 105.300 to
26 105.445, RSMo, shall be calculated as follows: the life annuity shall be an amount equal to two
27 and five-tenths percent of the final average pay of the member multiplied by the number of years
28 of service not covered by the federal Social Security Act in addition to one and [seven-tenths]
29 **eighty-five hundredths** percent of the final average pay of the member multiplied by the
30 member's years of credited service covered by the federal Social Security Act.