

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 246

## 92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES BISHOP, JOHNSON (47), SKAGGS, LeVOTA, YOUNG, WILSON (42), MEINERS, JOLLY, CURLS, ERVIN, DUSENBERG (Co-sponsors), CAMPBELL, LOWE, WALKER, WILLOUGHBY, BURNETT, BLAND, SAGER, YATES, PRATT AND SANDERS BROOKS.

Read 1<sup>st</sup> time January 22, 2003, and copies ordered printed.

Read 2<sup>nd</sup> time January 23, 2003, and referred to the Committee on Retirement January 27, 2003.

Reported from the Committee on Retirement March 6, 2003, with recommendation that the bill Do Pass by Consent.

Perfectured by Consent March 14, 2003.

STEPHEN S. DAVIS, Chief Clerk

0559L.01P

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### AN ACT

To repeal section 86.690, RSMo, and to enact in lieu thereof four new sections relating to police relief and pension systems.

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

Section A. Section 86.690, RSMo, is repealed and four new sections enacted in lieu thereof, to be known as sections 86.394, 86.445, 86.676, and 86.690, to read as follows:

**86.394. Each member of the retirement board who is in active service with the police department of a city as either a police officer, as defined in section 86.370, or as an employee, as defined in section 86.600, shall be granted authorized leave with pay by such police department to attend any and all educational seminars and like functions that have been authorized by the retirement board, including travel time to and from such functions, not to exceed ten days in any calendar year. Leave granted under this section shall not reduce vacation or other authorized leave time to which such member may be entitled without reference to this section.**

**86.445. If a city and the police department of such city adopt any program of incentives to authorize or encourage early retirements, whether for employees not yet eligible for regular retirement or for employees who are eligible but have not yet chosen**

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

4 to retire or for both, the retirement board shall be authorized to administer and pay such  
5 incentives for retirees who accept such incentives and are members of this retirement  
6 system under sections 86.370 to 86.497, in addition to such other benefits as such members  
7 or their beneficiaries are entitled to receive under sections 86.370 to 86.497 provided such  
8 city shall so request and shall agree to increase the city's contribution under section 86.477  
9 sufficiently to provide the full actuarial cost of any such incentives in addition to the  
10 contribution required of such city necessary, in conjunction with members' contributions  
11 under section 86.470, to provide all other benefits provided under sections 86.370 to 86.497.

86.676. If a city and the police department of such city adopt any program of  
2 incentives to authorize or encourage early retirements, whether for employees not yet  
3 eligible for regular retirement or for employees who are eligible but have not yet chosen  
4 to retire or for both, the retirement board shall be authorized to administer and pay such  
5 incentives for retirees who accept such incentives and are members of this retirement  
6 system under sections 86.600 to 86.790, in addition to such other benefits as such members  
7 or their beneficiaries are entitled to receive under sections 86.600 to 86.790, provided such  
8 city shall so request and shall agree to increase said city's contribution under section 86.760  
9 sufficiently to provide the full actuarial cost of any such incentives in addition to the  
10 contribution required of such city necessary, in conjunction with members' contribution  
11 under section 86.760, to provide all other benefits provided under sections 86.600 to 86.790.

86.690. 1. Upon death after August 28, 2001, of a member for any cause prior to  
2 retirement, the following amounts shall be payable subject to subsection 5 of this section, as full  
3 and final settlement of any and all claims for benefits under this retirement system:

4 (1) If the member has less than five years of creditable service, the member's surviving  
5 spouse shall be paid, in a lump sum, the amount of accumulated contributions and interest. If  
6 there be no surviving spouse, payment shall be made to the member's designated beneficiary, or  
7 if none, to the executor or administrator of the member's estate.

8 (2) If the member has at least five, but less than twenty years of creditable service, the  
9 member's surviving spouse may elect, in lieu of the lump sum settlement in subdivision (1) of  
10 this subsection, an annuity. Such annuity shall be one-half of the member's accrued annuity at  
11 date of death as computed in section 86.650. The effective date of the election shall be the latter  
12 of the first day of the month after the member's death or attainment of what would have been the  
13 member's early retirement date as provided in section 86.660.

14 (3) If the member has at least twenty years of creditable service, the member's surviving  
15 spouse may elect, in lieu of the lump sum settlement in subdivision (1) of this subsection, the  
16 larger of the annuity as computed in subdivision (2) of this subsection or an annuity determined  
17 on a joint and survivor's basis from the actuarial value of the member's accrued annuity at date

18 of death.

19 (4) Any death of a retired member occurring before the date of first payment of the  
20 retirement annuity shall be deemed to be a death before retirement.

21 (5) Benefits payable pursuant to this section shall continue for the lifetime of such  
22 surviving spouse without regard to remarriage.

23 (6) No surviving spouse of a member who dies in service after August 28, 2001, shall  
24 be entitled to receive any benefits pursuant to sections 86.600 to 86.790 unless such spouse was  
25 married to the member at the time of the member's death in service.

26 2. Upon death following retirement for any cause after August 28, 2001, of a member  
27 who has not elected the optional annuity pursuant to section 86.650, the member's surviving  
28 spouse shall receive a pension payable for life, equaling one-half of the member's normal  
29 retirement allowance, computed under section 86.650, as of the member's actual retirement date,  
30 subject to adjustments provided in subsection 5 of section 86.675, if any; provided, no surviving  
31 spouse of a member who retires after August 28, 2001, shall be entitled to receive any benefits  
32 pursuant to sections 86.600 to 86.790 unless such spouse was married to the member at the time  
33 of the member's retirement. Any surviving spouse who was married to such a member at the  
34 time of the member's retirement shall be entitled to all benefits for surviving spouses pursuant  
35 to sections 86.600 to 86.790 for the life of such surviving spouse without regard to remarriage.  
36 If there be no surviving spouse, payment of the member's accumulated contributions less the  
37 amount of any prior payments from the retirement system to the member or to any beneficiary  
38 of the member shall be made to the member's designated beneficiary or, if none, to the personal  
39 representative of the member's estate.

40 3. Any surviving spouse of a member who dies in service or retired prior to August 28,  
41 2001, who otherwise qualifies for benefits pursuant to subsection 1 or 2 of this section and who  
42 has not remarried prior to August 28, 2001, but remarries thereafter, shall upon application to  
43 the retirement board be appointed by the retirement board as a special consultant on the problems  
44 of retirement, aging and other matters, and upon request of the retirement board shall give  
45 opinions in writing or orally in response to such requests, as may be required. For such services,  
46 such surviving spouse shall be compensated in an amount equal to the benefits such spouse  
47 would have received pursuant to sections 86.600 to 86.790 in the absence of such remarriage.

48 4. Should the total amount paid from the retirement system to a member, the member's  
49 surviving spouse [and], any other beneficiary of the member, **and the funeral benefit under**  
50 **subsection 6 of this section** be less than the member's accumulated contributions, an amount  
51 equal to such difference shall be paid to the member's designated beneficiary or, if none, to the  
52 personal representative of the member's estate, and such payment shall constitute full and final  
53 payment of any and all claims for benefits under the retirement system.

54           5. Any beneficiary of benefits pursuant to sections 86.600 to 86.790 who becomes the  
55 surviving spouse of more than one member shall be paid all benefits due a surviving spouse of  
56 that member whose entitlements produce the largest surviving spouse benefits for such  
57 beneficiary but shall not be paid surviving spouse benefits as the surviving spouse of more than  
58 one member, except that any surviving spouse for whom an election has been made for an  
59 optional annuity under subsection 2 of section 86.650 shall be entitled to every annuity for which  
60 such surviving spouse has so contracted.

61           **6. Upon receipt of the proper proof of death of a member in service after August**  
62 **28, 2003, or the death of a member in service on or after August 28, 2003, who dies after**  
63 **having been retired and pensioned, there shall be paid in addition to all other benefits a**  
64 **funeral benefit of one thousand dollars.**