

## CONFERENCE COMMITTEE SUBSTITUTE

FOR

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

HOUSE BILL NO. 1306

AN ACT

To repeal sections 32.040, 32.051, 50.1250, 67.200, 70.600, 70.615, 86.254, 86.330, 86.333, 86.337, 86.340, 86.590, 87.120, 87.325, 87.330, 87.335, 87.340, 87.345, 104.010, 104.040, 104.335, 104.342, 104.344, 104.352, 104.354, 104.378, 104.380, 104.395, 104.410, 104.450, 104.490, 104.601, 104.620, 104.621, 104.805, 104.1003, 104.1012, 104.1015, 104.1021, 104.1024, 104.1027, 104.1030, 104.1042, 104.1060, 104.1072, 104.1090, 104.1200, 104.1205, 104.1215, 105.268, 105.660, 105.665, 105.935, 320.320, and 476.682, RSMo, and to enact in lieu thereof fifty-eight new sections relating to state employee benefits, with penalty provisions.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,  
AS FOLLOWS:

Section A. Sections 32.040, 32.051, 50.1250, 67.200, 70.600, 70.615, 86.254, 86.330, 86.333, 86.337, 86.340, 86.590, 87.120, 87.325, 87.330, 87.335, 87.340, 87.345, 104.010, 104.040, 104.335, 104.342, 104.344, 104.352, 104.354, 104.378, 104.380, 104.395, 104.410, 104.450, 104.490, 104.601, 104.620, 104.621, 104.805, 104.1003, 104.1012, 104.1015, 104.1021, 104.1024, 104.1027, 104.1030, 104.1042, 104.1060, 104.1072, 104.1090,

1 104.1200, 104.1205, 104.1215, 105.268, 105.660, 105.665, 105.935,  
2 320.320, and 476.682, RSMo, are repealed and fifty-eight new  
3 sections enacted in lieu thereof, to be known as sections 32.040,  
4 50.1250, 70.600, 70.615, 86.254, 86.330, 86.333, 86.337, 86.590,  
5 87.120, 87.325, 87.330, 87.335, 87.340, 87.345, 104.010, 104.040,  
6 104.335, 104.342, 104.344, 104.352, 104.354, 104.378, 104.380,  
7 104.395, 104.410, 104.450, 104.490, 104.601, 104.606, 104.607,  
8 104.620, 104.805, 104.1003, 104.1012, 104.1015, 104.1021,  
9 104.1024, 104.1027, 104.1030, 104.1042, 104.1060, 104.1072,  
10 104.1090, 104.1095, 104.1200, 104.1205, 104.1215, 105.660,  
11 105.665, 105.666, 105.667, 105.684, 105.935, 320.320, 321.696,  
12 321.800, and 476.682, to read as follows:

13 32.040. The board of public buildings shall provide the  
14 director of revenue and the department of revenue with suitable  
15 quarters in the City of Jefferson. The director of revenue shall  
16 establish and maintain permanent branch offices in the [cities of  
17 St. Louis and] city of Kansas City, and may select additional  
18 places in the state for special full-time or temporary offices.

19 70.600. The following words and phrases as used in sections  
20 70.600 to 70.755, unless a different meaning is plainly required  
21 by the context, shall mean:

22 (1) "Accumulated contributions", the total of all amounts  
23 deducted from the compensations of a member and standing to the  
24 member's credit in his or her individual account in the members  
25 deposit fund, together with investment credits thereon;

26 (2) "Actuarial equivalent", a benefit of equal reserve  
27 value;

28 (3) "Allowance", the total of the annuity and the pension.

1 All allowances shall be paid not later than the tenth day of each  
2 calendar month;

3 (4) "Annuity", a monthly amount derived from the  
4 accumulated contributions of a member and payable by the system  
5 throughout the life of a person or for a temporary period;

6 (5) "Beneficiary", any person who is receiving or  
7 designated to receive a system benefit, except a retirant;

8 (6) "Benefit program", a schedule of benefits or benefit  
9 formulas from which the amounts of system benefits can be  
10 determined;

11 (7) "Board of trustees" or "board", the board of trustees  
12 of the system;

13 (8) "Compensation", the remuneration paid an employee by a  
14 political subdivision or by an elected fee official of the  
15 political subdivision for personal services rendered by the  
16 employee for the political subdivision or for the elected fee  
17 official in the employee's public capacity; provided, that for an  
18 elected fee official, "compensation" means that portion of his or  
19 her fees which is net after deduction of (a) compensation paid by  
20 such elected fee official to his or her office employees, if any,  
21 and (b) the ordinary and necessary expenses paid by such elected  
22 fee official and attributable to the operation of his or her  
23 office. In cases where an employee's compensation is not all  
24 paid in money, the political subdivision shall fix the reasonable  
25 value of the employee's compensation not paid in money. In  
26 determining compensation no consideration shall be given to:

27 (a) Any nonrecurring single sum payment paid by an  
28 employer;

1           (b) Employer contributions to any employee benefit plan or  
2 trust;

3           (c) Any other unusual or nonrecurring remuneration; or

4           (d) Compensation in excess of the limitations set forth in  
5 Internal Revenue Code Section 401(a)(17). The limitation on  
6 compensation for eligible employees shall not be less than the  
7 amount which was allowed to be taken into account under the  
8 system as in effect on July 1, 1993. For purposes of this  
9 paragraph, an "eligible employee" is an individual who was a  
10 member of the system before the first plan year beginning after  
11 December 31, 1995;

12          (9) "Credited service", the total of a member's prior  
13 service and membership service, to the extent such service is  
14 standing to the member's credit as provided in sections 70.600 to  
15 70.755;

16          (10) "Employee", any person regularly employed by a  
17 political subdivision who receives compensation from the  
18 political subdivision for personal services rendered the  
19 political subdivision, including any elected official of the  
20 political subdivision whose position requires his or her regular  
21 personal services and who is compensated wholly or in part on a  
22 fee basis, and including the employees of such elected fee  
23 officials who may be compensated by such elected fee officials.  
24 The term "employee" may include any elected county official. The  
25 term "employee" shall not include any person:

26          (a) Who is not an elected official of the political  
27 subdivision and who is included as an active member in any other  
28 plan similar in purpose to this system by reason of his or her

1 employment with his or her political subdivision, except the  
2 federal Social Security Old Age, Survivors, and Disability  
3 Insurance Program, as amended; or

4 (b) Who acts for the political subdivision under contract;  
5 or

6 (c) Who is paid wholly on a fee basis, except elected  
7 officials and their employees; or

8 (d) Who holds the position of mayor, presiding judge,  
9 president or chairman of the political subdivision or is a member  
10 of the governing body of the political subdivision; except that,  
11 such an official of a political subdivision having ten or more  
12 other employees may become a member if the official is covered  
13 under the federal Social Security Old Age, Survivors, and  
14 Disability Insurance Program, as amended, by reason of such  
15 official's employment with his or her political subdivision, by  
16 filing written application for membership with the board after  
17 the date the official qualifies for such position or within  
18 thirty days after the date his or her political subdivision  
19 becomes an employer, whichever date is later;

20 (11) "Employer", any political subdivision which has  
21 elected to have all its eligible employees covered by the system;

22 (12) "Final average salary", the monthly average of the  
23 compensations paid an employee during the period of sixty or, if  
24 an election has been made in accordance with section 70.656,  
25 thirty-six consecutive months of credited service producing the  
26 highest monthly average[, which period is contained within the  
27 period of one hundred twenty consecutive months of credited  
28 service immediately preceding his or her termination of

1 membership]. Should a member have less than sixty or, if an  
2 election has been made in accordance with section 70.656,  
3 thirty-six months of credited service, "final average salary"  
4 means the monthly average of compensation paid the member during  
5 his or her total months of credited service;

6 (13) "Fireman", any regular or permanent employee of the  
7 fire department of a political subdivision, including a  
8 probationary fireman. The term "fireman" shall not include:

9 (a) Any volunteer fireman; or

10 (b) Any civilian employee of a fire department; or

11 (c) Any person temporarily employed as a fireman for an  
12 emergency;

13 (14) "Member", any employee included in the membership of  
14 the system;

15 (15) "Membership service", employment as an employee with  
16 the political subdivision from and after the date such political  
17 subdivision becomes an employer, which employment is creditable  
18 as service hereunder;

19 (16) "Minimum service retirement age", age sixty for a  
20 member who is neither a policeman nor a fireman; "minimum service  
21 retirement age", age fifty-five for a member who is a policeman  
22 or a fireman;

23 (17) "Pension", a monthly amount derived from contributions  
24 of an employer and payable by the system throughout the life of a  
25 person or for a temporary period;

26 (18) "Policeman", any regular or permanent employee of the  
27 police department of a political subdivision, including a  
28 probationary policeman. The term "policeman" shall not include:

1           (a) Any civilian employee of a police department; or

2           (b) Any person temporarily employed as a policeman for an  
3 emergency;

4           (19) "Political subdivision", any governmental subdivision  
5 of this state created pursuant to the laws of this state, and  
6 having the power to tax, except public school districts; a board  
7 of utilities or a board of public works which is required by  
8 charter or ordinance to establish the compensation of employees  
9 of the utility separate from the compensation of other employees  
10 of the city may be considered a political subdivision for  
11 purposes of sections 70.600 to 70.755; a joint municipal utility  
12 commission may be considered a political subdivision for purposes  
13 of sections 70.600 to 70.755;

14           (20) "Prior service", employment as an employee with the  
15 political subdivision prior to the date such political  
16 subdivision becomes an employer, which employment is creditable  
17 as service hereunder;

18           (21) "Regular interest" or "investment credits", such  
19 reasonable rate or rates per annum, compounded annually, as the  
20 board shall adopt annually;

21           (22) "Reserve", the present value of all payments to be  
22 made on account of any system benefit based upon such tables of  
23 experience and regular interest as the board shall adopt from  
24 time to time;

25           (23) "Retirant", a former member receiving a system  
26 allowance by reason of having been a member;

27           (24) "Retirement system" or "system", the Missouri local  
28 government employees' retirement system.

1           50.1250. 1. If a member has less than five years of  
2     creditable service upon termination of employment, the member  
3     shall forfeit the portion of his or her defined contribution  
4     account attributable to board matching contributions or county  
5     matching contributions pursuant to section 50.1230. The proceeds  
6     of such forfeiture shall be applied towards matching  
7     contributions made by the board for the calendar year in which  
8     the forfeiture occurs. If the board does not approve a matching  
9     contribution, then forfeitures shall revert to the county  
10    employees' retirement fund. The proceeds of such forfeiture with  
11    respect to county matching contributions shall be applied toward  
12    matching contributions made by the respective county in  
13    accordance with rules prescribed by the board.

14           2. A member shall be eligible to receive a distribution of  
15    the member's defined contribution account in such form selected  
16    by the member as permitted under and in accordance with the rules  
17    and regulations formulated and adopted by the board from time to  
18    time, and commencing as soon as administratively feasible  
19    following separation from service, unless the member elects to  
20    receive the account balance at a later time, but no later than  
21    his or her required beginning date. Notwithstanding the  
22    foregoing, if the value of a member's defined contribution  
23    account balance is [five] one thousand dollars or less at the  
24    time of the member's separation from service, without respect to  
25    any board-matching contributions or employer-matching  
26    contribution which might be allocated following the member's  
27    separation from service, then his or her defined contribution  
28    account shall be distributed to the member in a single sum as



1 soon as administratively feasible following his or her separation  
2 from service. The amount of the distribution shall be the amount  
3 determined as of the valuation date described in section 50.1240,  
4 if the member has at least five years of creditable service. If  
5 the member has less than five years of creditable service upon  
6 his or her separation from service, then the amount of the  
7 distribution shall equal the portion of the member's defined  
8 contribution account attributable to the member's seed  
9 contributions pursuant to section 50.1220, if any, determined as  
10 of the valuation date.

11 3. If the member dies before receiving the member's account  
12 balance, the member's designated beneficiary shall receive the  
13 member's defined contribution account balance, as determined as  
14 of the immediately preceding valuation date, in a single sum.  
15 The member's beneficiary shall be his or her spouse, if married,  
16 or his or her estate, if not married, unless the member  
17 designates an alternative beneficiary in accordance with  
18 procedures established by the board.

19 70.615. After October 13, 1967, a political subdivision  
20 shall not commence coverage of its employees [who are neither  
21 policemen nor firemen] under another plan similar in purpose to  
22 this system, other than under this system, except the federal  
23 Social Security Old Age, Survivors, and Disability Insurance  
24 Program, as amended; except that, any political corporation or  
25 subdivision of this state, now having or which may hereafter have  
26 an assessed valuation of [one] five hundred million dollars or  
27 more, which does not now have a pension system for its officers  
28 and employees adopted pursuant to state law, may provide by

proper legislative action of its governing body for the pensioning of its officers and employees and the widows and minor children of deceased officers and employees under a plan separate and apart from that provided in sections 70.600 to 70.670 and appropriate and utilize its revenues and other available funds for such purposes, and except that the board of hospital trustees of any hospital which is owned by any political corporation or subdivision of this state, may provide for the pensioning of its employees and the widows and minor children of deceased employees under a plan separate and apart from that provided in sections 70.600 to 70.670, and utilize its revenues and other funds for such purposes.

86.254. 1. Beginning July 1, 1994, in addition to any other annuity, benefits, or retirement allowance provided pursuant to sections 86.200 to 86.366, each present and future retired member after attaining the age of sixty years shall, upon application to the board of trustees, be made, constituted, appointed and employed by the board of trustees as an advisor on the problems of retirement, aging and other matters, for the remainder of the retired member's life, and upon request of the board of trustees shall give opinions in writing or orally in response to such requests as may be required.

2. For the performance of duties required in subsection 1 of this section, each retired member employed as an advisor by the board of trustees shall be compensated monthly in an amount of ~~[ten]~~ fifteen dollars per month multiplied by the number of years the retired member is past the age of sixty years. The compensation provided by this subsection shall be adjusted

1 annually. No funding shall be required prior to the effective  
2 date of this benefit.

3 3. Beginning October 1, 1999, in addition to any other  
4 benefit provided to any surviving spouse pursuant to sections  
5 86.200 to 86.366, each present and future surviving spouse of a  
6 member after attaining the age of sixty years shall upon  
7 application to the board of trustees, be made, constituted,  
8 appointed and employed by the board of trustees as an advisor on  
9 the problems of retirement, aging and other matters for the  
10 remainder of the surviving spouse's life or until the surviving  
11 spouse remarries, whichever is earlier, and upon request of the  
12 board of trustees shall give opinions in writing or orally in  
13 response to such requests as may be required.

14 4. For the performance of duties required in subsection 3  
15 of this section, each surviving spouse of a member employed as an  
16 advisor by the board of trustees shall be compensated monthly in  
17 an amount of ten dollars per month multiplied by the number of  
18 years the surviving spouse is past the age of sixty years. The  
19 compensation provided by this subsection shall be adjusted  
20 annually.

21 86.330. 1. After each annual valuation for plan years  
22 beginning before October 1, 2006, the actuary engaged by the  
23 board to make the valuation required by sections 86.200 to  
24 86.366, shall determine the normal contribution rate. The normal  
25 contribution rate shall be the rate percent of the earnable  
26 compensation of all members obtained by deducting from the total  
27 liabilities of the retirement system the amount of the assets in  
28 hand to the credit of the retirement system and the present value

1 of expected future member contributions and dividing the  
2 remainder by one percent of the present value of the prospective  
3 future compensation of all members as computed on the basis of  
4 mortality and service tables and interest assumptions adopted by  
5 the board of trustees.

6 2. After each annual valuation for plan years beginning on  
7 or after October 1, 2006, the actuary engaged by the board to  
8 make the valuation required by sections 86.200 to 86.366 shall  
9 determine the normal cost for such year using the entry age  
10 normal actuarial cost method as defined in this subsection.  
11 Under the entry age normal actuarial cost method, the actuarial  
12 present value of the projected benefits of each individual  
13 included in an actuarial valuation is allocated on a level basis  
14 over the service of the individual between entry age and assumed  
15 exit ages. The portion of this actuarial present value allocated  
16 to a valuation year shall be called the normal cost.

17 86.333. [At the first valuation after the effective date of  
18 these amendments the actuary engaged by the board of trustees  
19 shall compute the rate percent of the total earnable compensation  
20 of all members which is equivalent to four percent of the amount  
21 of the total unfunded benefit liability on account of all members  
22 and beneficiaries which is not dischargeable by the aforesaid  
23 normal contribution made on account of such members during the  
24 remainder of their active service. The rate percent originally  
25 so determined shall be known as "the accrued liability  
26 contribution rate".] 1. After each annual valuation for plan  
27 years beginning on or after October 1, 2006, the actuary engaged  
28 by the board to make the valuation required by sections 86.200 to

1 86.366 shall determine the actuarial accrued liability under the  
2 entry age normal actuarial cost method. Under the entry age  
3 normal actuarial cost method, the actuarial present value of the  
4 projected benefits of each individual included in an actuarial  
5 valuation is allocated on a level basis over the service of the  
6 individual between entry age and assumed exit ages. The portion  
7 of this actuarial present value of future normal costs is called  
8 the actuarial accrued liability.

9 2. As of October 1, 2006, the actuary shall determine the  
10 initial unfunded actuarial accrued liability as the amount by  
11 which the actuarial accrued liability exceeds the actuarial value  
12 of the assets of the retirement system. The amortization payment  
13 for the initial unfunded actuarial accrued liability shall be  
14 determined using a thirty-year period beginning on October 1,  
15 2006.

16 86.337. 1. The total amount payable to the retirement  
17 system for each fiscal year ended before October 1, 2006, shall  
18 be not less than the normal contribution rate of the total  
19 compensation earnable by all members during the year; provided,  
20 however, that the aggregate payment by the said cities shall be  
21 sufficient when combined with the assets of the retirement system  
22 to provide the pensions and other benefits payable during the  
23 then current year.

24 2. The total amount payable to the retirement system for  
25 each plan year beginning on or after October 1, 2006, shall be  
26 not less than the greater of the following:

27 (1) The sum of the normal cost determined under section  
28 86.330 and the accrued liability contribution determined under

1 section 86.333; and

2 (2) The amount, when combined with the assets of the  
3 retirement system, required to provide the pensions and other  
4 benefits payable during the then-current plan year.

5 86.590. The board of trustees of police and firemen's  
6 pension systems, established under the provisions of section  
7 86.583, may invest and reinvest the moneys of the system, and may  
8 hold, purchase, sell, assign, transfer or dispose of any of the  
9 securities and investments in which such moneys shall have been  
10 invested, as well as the proceeds of such investments and such  
11 moneys[; except that such investment and reinvestments shall be  
12 subject to all the terms, conditions, limitations, and  
13 restrictions imposed by law upon life insurance or casualty  
14 companies in the state of Missouri in making and disposing of  
15 their investments, except that the percentage limitations of  
16 subsection 2 of section 376.305, RSMo, shall not apply]. The  
17 board of trustees of police and firemen's pension systems,  
18 established under the provisions of section 86.583, shall comply  
19 with the prudent investor standard for investment fiduciaries as  
20 provided in section 105.688, RSMo, when investing the assets of  
21 the system.

22 87.120. The following words and phrases as used in sections  
23 87.120 to 87.370, unless a different meaning is plainly required  
24 by the context, have the following meanings:

25 (1) "Accumulated contributions", the sum of all amounts  
26 deducted from the compensation of a member and credited to his or  
27 her individual account in the members' savings fund together with  
28 interest thereon;

1           (2) "Actuarial equivalent", a benefit of equal value when  
2       computed upon the basis of such mortality tables and interest  
3       rate as shall be adopted by the board of trustees;

4           (3) "Average final compensation", the average earnable  
5       compensation of the member during his or her last two years of  
6       service as a firefighter, or if the firefighter has less than two  
7       years of service, then the average earnable compensation of his  
8       or her entire period of service;

9           (4) "Beneficiary", any person in receipt of a retirement  
10      allowance or other benefit as provided by sections 87.120 to  
11      87.370;

12          (5) "Benefit reserve", the present value of all payments to  
13      be made on account of any retirement allowance or benefit in lieu  
14      of a retirement allowance upon the basis of such mortality tables  
15      and interest rate as shall be adopted by the board of trustees;

16          (6) "Board of trustees", the board provided for in section  
17      87.140 to administer the retirement system;

18          (7) "City", any city not within a county and adopting the  
19      retirement system provided by sections 87.120 to 87.370;

20          (8) "Creditable service", prior service plus membership  
21      service as provided in section 87.135;

22          (9) "DROP", the deferred retirement option plan provided in  
23      section 87.182;

24          (10) "Earnable compensation", the regular compensation  
25      which a member would earn during one year on the basis of the  
26      stated compensation for his or her rank or position;

27          (11) "Entry age normal funding method", a method under  
28      which the actuarial present value of each active member's

projected pension and death benefits is allocated as a level percentage of the earnings of the individual between entry age and assumed exit ages. The portion of the funding requirement allocated to a valuation year is called the normal cost. The actuarial accrued liability is the portion of the actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs;

(12) "Firefighter", any officer or employee of the fire department of the city employed by the city for the duty of fighting fires, but does not include anyone employed in a clerical or other capacity not involving fire- fighting duties. In case of doubt as to whether any person is a firefighter within the meaning of sections 87.120 to 87.370, the decision of the board of trustees shall be final;

~~[(12)]~~ (13) "Medical board", the board of physicians provided for in section 87.160;

~~[(13)]~~ (14) "Member", a member of the retirement system as defined by section 87.130;

~~[(14)]~~ (15) "Membership service", service as a firefighter rendered since last becoming a member;

~~[(15)]~~ (16) "Prior service", all service as a firefighter rendered prior to the date the system becomes operative which is creditable in accordance with the provisions of section 87.135;

~~[(16)]~~ (17) "Retirement allowance", annual payments for life which shall be payable in equal monthly installments or any benefits in lieu thereof granted to a member upon retirement or to a beneficiary;

~~[(17)]~~ (18) "Retirement system", the firefighter's



1 retirement system of any city as defined in section 87.125.

2 87.325. [Contributions to and payments from the general  
3 reserve fund shall be as follows: On account of each member  
4 there shall be paid annually into the fund by the city an amount  
5 equal to a certain percentage of the earnable compensation of the  
6 member to be known as "the normal contribution" and an additional  
7 amount equal to a percentage of his earnable compensation to be  
8 known as "the accrued liability contribution". The rates percent  
9 of the contributions shall be fixed on the basis of the  
10 liabilities of the retirement system as shown by actuarial  
11 valuations.] Effective October 1, 2006, the city shall  
12 contribute an amount determined as follows: each year, as of the  
13 first day of the system's fiscal year, the actuary shall perform  
14 an actuarial valuation under the entry age normal funding method  
15 and utilizing such mortality and other tables as shall be adopted  
16 by the board of trustees. On the basis of each valuation, there  
17 shall be paid annually into the fund by the city an amount equal  
18 to the "normal contribution" and an additional amount to be known  
19 as "the accrued liability contribution".

20 87.330. [On the basis of the interest rate and of such  
21 mortality and other tables as shall be adopted by the board of  
22 trustees, the actuary shall determine the uniform and constant  
23 percentage of the earnable compensation of the average new  
24 entrant, which, if contributed throughout his entire period of  
25 active service, would be sufficient to provide for the payment of  
26 any death benefit or pension payable on his account. The rate  
27 percent so determined shall be known as "the normal contribution  
28 rate". After the accrued liability contribution has ceased to be

1 payable the normal contribution rate shall be the rate percent of  
2 the earnable compensation of all members obtained by deducting  
3 from the total liabilities of the fund the amount of the funds in  
4 hand to the credit of the fund and dividing the remainder by one  
5 percent of the present value of the prospective future  
6 compensation of all members as computed on the basis of the  
7 interest rate and the mortality and service tables adopted by the  
8 board of trustees. The normal rate of contribution shall be  
9 determined by the actuary after each valuation.] On the basis of  
10 each annual actuarial valuation, as provided for in section  
11 87.325, the "normal contribution" shall be determined as the  
12 normal cost under the entry age normal funding method.

13 87.335. [At the first valuation after the effective date of  
14 these amendments (in 1959) the actuary engaged by the board of  
15 trustees shall compute the rate percent of the total earnable  
16 compensation of all members which is equivalent to three and  
17 one-half percent of the amount of the total unfunded benefit  
18 liability on account of all members and beneficiaries which is  
19 not dischargeable by the aforesaid normal contribution made on  
20 account of such members during the remainder of their active  
21 service. The rate percent originally so determined shall be  
22 known as "the accrued liability contribution rate".] On October  
23 1, 2006, the actuary engaged by the board of trustees shall  
24 compute the level rate percent of the total earnable compensation  
25 of current and future earnings of active members that will be  
26 required to amortize the unfunded actuarial accrued liability, as  
27 determined under the entry age normal funding method, over a  
28 thirty-year period commencing October 1, 2006. Any future

1 increase or decrease in the unfunded actuarial accrued liability  
2 resulting from statutory changes shall be amortized as a level  
3 percentage of earnable compensation over a thirty-year period  
4 commencing with the beginning of the fiscal year coincident with  
5 or next following the effective date of the statutory change.  
6 All other changes in the unfunded actuarial accrued liability  
7 subsequent to October 1, 2006, including from experience gains  
8 and losses and from changes in actuarial assumptions and methods,  
9 shall be aggregated at each actuarial valuation subsequent to  
10 October 1, 2006, and shall be amortized as a level percentage of  
11 earnable compensation over a thirty-year period commencing at  
12 that valuation date. The thirty-year amortization period for the  
13 aggregated unfunded liability changes from experience gains and  
14 losses and from assumption and method changes shall be  
15 reestablished at each valuation date. The amount so determined  
16 shall be known as "the accrued liability contribution".

17 87.340. [The total amount payable in each year to the  
18 general reserve fund shall be not less than the sum of the rates  
19 percent known as the normal contribution rate and the accrued  
20 liability contribution rate of the total compensation earnable by  
21 all members during the year, and the aggregate payment by the  
22 city shall be sufficient when combined with the amount in the  
23 fund to provide the retirement allowances and other benefits  
24 payable out of the fund during the then current year. The city  
25 may contribute at any time from bond issue or other available  
26 funds an amount equal to the unfunded accrued liability as  
27 certified by the actuary in which event no further accrued  
28 liability contribution will be required or may contribute any

1     lesser amount which will be used to proportionately reduce future  
2     accrued liability contributions.] The total amount payable in  
3     each year to the general reserve fund shall not be less than the  
4     sum of the normal contribution and the accrued liability  
5     contribution, and the aggregate payment by the city shall be  
6     sufficient when combined with the amount in the fund to provide  
7     the retirement allowances and other benefits payable out of the  
8     fund during the current year. The city may contribute at any  
9     time from bond issue or other available funds an amount equal to  
10    the unfunded accrued liability as certified by the actuary in  
11    which event no further accrued liability contribution will be  
12    required, except as determined at subsequent actuarial valuations  
13    under section 87.335, or the city may contribute any lesser  
14    amount which will be used to proportionately reduce future  
15    accrued liability contributions.

16           87.345. [The accrued liability contribution should be  
17     discontinued as soon as the accumulated reserve in the general  
18     reserve fund shall equal the present value as actuarially  
19     computed and approved by the board of trustees, of the total  
20     liability of the fund, less the present value computed on the  
21     basis of the normal contribution rate then in force of the  
22     prospective normal contributions to be received on account of  
23     persons who are at that time members. The accrued liability  
24     contribution rate may be decreased by the board of trustees  
25     provided the reduced level rate does not require an amortization  
26     period extending beyond the year 2010 for any accrued liability  
27     as of August 31, 1980. Subsequent to that date, any changes in  
28     the accrued liability by reason of changes in the benefits

1 payable under the retirement system, changes in the actuarial  
2 assumptions, or changes in the actuarial funding method are to be  
3 amortized over a period not exceeding thirty years from the date  
4 in which the additional accrued liabilities are recognized in the  
5 annual actuarial valuation of the system.] The accrued liability  
6 contributions should be suspended for years in which the  
7 accumulated reserve in the general reserve fund equals or exceeds  
8 the actuarial accrued liability as determined by an actuarial  
9 valuation provided for under section 87.325. For each year in  
10 which the accumulated reserve is equal to or greater than the  
11 actuarial accrued liability, as determined under the entry age  
12 normal funding method, the city shall contribute the normal  
13 contribution.

14 104.010. 1. The following words and phrases as used in  
15 sections 104.010 to 104.800, unless a different meaning is  
16 plainly required by the context, shall mean:

17 (1) "Accumulated contributions", the sum of all deductions  
18 for retirement benefit purposes from a member's compensation  
19 which shall be credited to the member's individual account and  
20 interest allowed thereon;

21 (2) "Active armed warfare", any declared war, or the Korean  
22 or Vietnamese Conflict;

23 (3) "Actuarial equivalent", a benefit which, when computed  
24 upon the basis of actuarial tables and interest, is equal in  
25 value to a certain amount or other benefit;

26 (4) "Actuarial tables", the actuarial tables approved and  
27 in use by a board at any given time;

28 (5) "Actuary", the actuary who is a member of the American

1 Academy of Actuaries or who is an enrolled actuary under the  
2 Employee Retirement Income Security Act of 1974 and who is  
3 employed by a board at any given time;

4 (6) "Annuity", annual payments, made in equal monthly  
5 installments, to a retired member from funds provided for in, or  
6 authorized by, this chapter;

7 (7) "Average compensation", the average compensation of a  
8 member for the thirty-six consecutive months of service prior to  
9 retirement when the member's compensation was greatest; or if the  
10 member is on workers' compensation leave of absence or a medical  
11 leave of absence due to an employee illness, the amount of  
12 compensation the member would have received may be used, as  
13 reported and verified by the employing department; or if the  
14 member had less than thirty-six months of service, the average  
15 annual compensation paid to the member during the period up to  
16 thirty-six months for which the member received creditable  
17 service when the member's compensation was the greatest; or if  
18 the member is on military leave, the amount of compensation the  
19 member would have received may be used as reported and verified  
20 by the employing department or, if such amount is not  
21 determinable, the amount of the employee's average rate of  
22 compensation during the twelve-month period immediately preceding  
23 such period of leave, or if shorter, the period of employment  
24 immediately preceding such period of leave. The board of each  
25 system may promulgate rules for purposes of calculating average  
26 compensation and other retirement provisions to accommodate for  
27 any state payroll system in which compensation is received on a  
28 monthly, semimonthly, biweekly, or other basis;

1           (8) "Beneficiary", any person entitled to or nominated by a  
2 member or retiree who may be legally entitled to receive benefits  
3 pursuant to this chapter;

4           (9) "Biennial assembly", the completion of no less than two  
5 years of creditable service or creditable prior service by a  
6 member of the general assembly;

7           (10) "Board of trustees", "board", or "trustees", a board  
8 of trustees as established for the applicable system pursuant to  
9 this chapter;

10          (11) "Chapter", sections 104.010 to 104.800;

11          (12) "Compensation":

12          (a) All salary and wages payable out of any state, federal,  
13 trust, or other funds to an employee for personal services  
14 performed for a department; but including only amounts for which  
15 contributions have been made in accordance with section 104.436,  
16 or section 104.070, whichever is applicable, and excluding any  
17 nonrecurring single sum payments or amounts paid after the  
18 member's termination of employment unless such amounts paid after  
19 such termination are a final installment of salary or wages at  
20 the same rate as in effect immediately prior to termination of  
21 employment in accordance with a state payroll system adopted on  
22 or after January 1, 2000, or any other one-time payments made as  
23 a result of such payroll system;

24          (b) All salary and wages which would have been payable out  
25 of any state, federal, trust or other funds to an employee on  
26 workers' compensation leave of absence during the period the  
27 employee is receiving a weekly workers' compensation benefit, as  
28 reported and verified by the employing department;

1           (c) Effective December 31, 1995, compensation in excess of  
2           the limitations set forth in Internal Revenue Code Section  
3           401(a)(17) shall be disregarded. The limitation on compensation  
4           for eligible employees shall not be less than the amount which  
5           was allowed to be taken into account under the system as in  
6           effect on July 1, 1993. For this purpose, an "eligible employee"  
7           is an individual who was a member of the system before the first  
8           plan year beginning after December 31, 1995;

9           (13) "Consumer price index", the Consumer Price Index for  
10          All Urban Consumers for the United States, or its successor  
11          index, as approved by a board, as such index is defined and  
12          officially reported by the United States Department of Labor, or  
13          its successor agency;

14          (14) "Creditable prior service", the service of an employee  
15          which was either rendered prior to the establishment of a system,  
16          or prior to the date the employee last became a member of a  
17          system, and which is recognized in determining the member's  
18          eligibility and for the amount of the member's benefits under a  
19          system;

20          (15) "Creditable service", the sum of membership service  
21          and creditable prior service, to the extent such service is  
22          standing to a member's credit as provided in this chapter; except  
23          that in no case shall more than one day of creditable service or  
24          creditable prior service be credited any member for any one  
25          calendar day of eligible service credit as provided by law;

26          (16) "Deferred normal annuity", the annuity payable to any  
27          former employee who terminated employment as an employee or  
28          otherwise withdrew from service with a vested right to a normal



1 annuity, payable at a future date;

2 (17) "Department", any department or agency of the  
3 executive, legislative or judicial branch of the state of  
4 Missouri receiving state appropriations, including allocated  
5 funds from the federal government but not including any body  
6 corporate or politic unless its employees are eligible for  
7 retirement coverage from a system pursuant to this chapter as  
8 otherwise provided by law;

9 (18) "Disability benefits", benefits paid to any employee  
10 while totally disabled as provided in this chapter;

11 (19) "Early retirement age", a member's attainment of  
12 fifty-five years of age and the completion of ten or more years  
13 of creditable service, except for uniformed members of the water  
14 patrol;

15 (20) "Employee":

16 (a) Any elective or appointive officer or person employed  
17 by the state who is employed, promoted or transferred by a  
18 department into a new or existing position and earns a salary or  
19 wage in a position normally requiring the performance by the  
20 person of duties during not less than one thousand forty hours  
21 per year, including each member of the general assembly but not  
22 including any patient or inmate of any state, charitable, penal  
23 or correctional institution. Beginning September 1, 2001, the  
24 term "year" as used in this subdivision shall mean the  
25 twelve-month period beginning on the first day of employment.  
26 However, persons who are members of the public school retirement  
27 system and who are employed by a state agency other than an  
28 institution of higher learning shall be deemed employees for

1 purposes of participating in all insurance programs administered  
2 by a board established pursuant to section 104.450. This  
3 definition shall not exclude any employee as defined in this  
4 subdivision who is covered only under the federal Old Age and  
5 Survivors' Insurance Act, as amended. As used in this chapter,  
6 the term "employee" shall include:

7 a. Persons who are currently receiving annuities or other  
8 retirement benefits from some other retirement or benefit fund,  
9 so long as they are not simultaneously accumulating creditable  
10 service in another retirement or benefit system which will be  
11 used to determine eligibility for or the amount of a future  
12 retirement benefit;

13 b. Persons who have elected to become or who have been made  
14 members of a system pursuant to section 104.342;

15 (b) Any person who is not a retiree and has performed  
16 services in the employ of the general assembly or either house  
17 thereof, or any employee of any member of the general assembly  
18 while acting in the person's official capacity as a member, and  
19 whose position does not normally require the person to perform  
20 duties during at least one thousand forty hours per year, with a  
21 month of service being any monthly pay period in which the  
22 employee was paid for full-time employment for that monthly  
23 period; except that, persons described in this paragraph shall  
24 not include any such persons who are employed on or after August  
25 28, 2006, and who have not previously been employed in such  
26 positions;

27 (c) "Employee" does not include special consultants  
28 employed pursuant to section 104.610;

1           (d) [As used in this chapter, the hours governing the  
2 definition of employee shall be applied only from August 13,  
3 1988, forward;

4           (e)] The system shall consider a person who is employed in  
5 multiple positions simultaneously within a single agency to be  
6 working in a single position for purposes of determining whether  
7 the person is an employee as defined in this subdivision;

8           (21) "Employer", a department of the state;

9           (22) "Executive director", the executive director employed  
10 by a board established pursuant to the provisions of this  
11 chapter;

12           (23) "Fiscal year", the period beginning July first in any  
13 year and ending June thirtieth the following year;

14           (24) "Full biennial assembly", the period of time beginning  
15 on the first day the general assembly convenes for a first  
16 regular session until the last day of the following year;

17           (25) "Fund", the benefit fund of a system established  
18 pursuant to this chapter;

19           (26) "Interest", interest at such rate as shall be  
20 determined and prescribed from time to time by a board;

21           (27) "Member", as used in sections 104.010 to 104.272 or  
22 104.601 to 104.800 shall mean a member of the highways and  
23 transportation employees' and highway patrol retirement system  
24 without regard to whether or not the member has been retired.

25 "Member", as used in this section and sections 104.312 to  
26 104.800, shall mean a member of the Missouri state employees'  
27 retirement system without regard to whether or not the member has  
28 been retired;

1           (28) "Membership service", the service after becoming a  
2 member that is recognized in determining a member's eligibility  
3 for and the amount of a member's benefits under a system;

4           (29) "Military service", all active service performed in  
5 the United States Army, Air Force, Navy, Marine Corps, Coast  
6 Guard, and members of the United States Public Health Service or  
7 any women's auxiliary thereof; and service in the Army national  
8 guard and Air national guard when engaged in active duty for  
9 training, inactive duty training or full-time national guard  
10 duty, and service by any other category of persons designated by  
11 the President in time of war or emergency;

12           (30) "Normal annuity", the annuity provided to a member  
13 upon retirement at or after the member's normal retirement age;

14           (31) "Normal retirement age", an employee's attainment of  
15 sixty-five years of age and the completion of four years of  
16 creditable service or the attainment of age sixty-five years of  
17 age and the completion of five years of creditable service by a  
18 member who has terminated employment and is entitled to a  
19 deferred normal annuity or the member's attainment of age sixty  
20 and the completion of fifteen years of creditable service, except  
21 that normal retirement age for uniformed members of the highway  
22 patrol shall be fifty-five years of age and the completion of  
23 four years of creditable service and uniformed employees of the  
24 water patrol shall be fifty-five years of age and the completion  
25 of four years of creditable service or the attainment of age  
26 fifty-five and the completion of five years of creditable service  
27 by a member of the water patrol who has terminated employment and  
28 is entitled to a deferred normal annuity and members of the

1 general assembly shall be fifty-five years of age and the  
2 completion of three full biennial assemblies. Notwithstanding  
3 any other provision of law to the contrary, a member of the  
4 highways and transportation employees' and highway patrol  
5 retirement system or a member of the Missouri state employees'  
6 retirement system shall be entitled to retire with a normal  
7 annuity and shall be entitled to elect any of the survivor  
8 benefit options and shall also be entitled to any other  
9 provisions of this chapter that relate to retirement with a  
10 normal annuity if the sum of the member's age and creditable  
11 service equals eighty years or more and if the member is at least  
12 forty-eight years of age;

13 (32) "Payroll deduction", deductions made from an  
14 employee's compensation;

15 (33) "Prior service credit", the service of an employee  
16 rendered prior to the date the employee became a member which  
17 service is recognized in determining the member's eligibility for  
18 benefits from a system but not in determining the amount of the  
19 member's benefit;

20 (34) "Reduced annuity", an actuarial equivalent of a normal  
21 annuity;

22 (35) "Retiree", a member who is not an employee and who is  
23 receiving an annuity from a system pursuant to this chapter;

24 (36) "System" or "retirement system", the [highways and  
25 transportation employees' and highway patrol retirement system]  
26 Missouri department of transportation and highway patrol  
27 employees' retirement system, as created by sections 104.010 to  
28 104.270, or sections 104.601 to 104.800, or the Missouri state

employees' retirement system as created by sections 104.320 to 104.800;

(37) "Uniformed members of the highway patrol", the superintendent, lieutenant colonel, majors, captains, director of radio, lieutenants, sergeants, corporals, and patrolmen of the Missouri state highway patrol who normally appear in uniform;

(38) "Uniformed members of the water patrol", employees of the Missouri state water patrol of the department of public safety who are classified as water patrol officers who have taken the oath of office prescribed by the provisions of chapter 306, RSMo, and who have those peace officer powers given by the provisions of chapter 306, RSMo;

(39) "Vesting service", the sum of a member's prior service credit and creditable service which is recognized in determining the member's eligibility for benefits under the system.

2. Benefits paid pursuant to the provisions of this chapter shall not exceed the limitations of Internal Revenue Code Section 415, the provisions of which are hereby incorporated by reference.

104.040. 1. Any member shall be entitled to creditable prior service within the meaning of sections 104.010 to [104.270] 104.272 for all service in the United States Army, Navy, or other armed services of the United States, or any women's auxiliary thereof in time of active armed warfare, if such member was a state employee immediately prior to his or her entry into the armed services and became an employee of the state within ninety days after termination of such service by an honorable discharge or release to inactive status; the requirement of section 104.010

1 of duties during not less than one thousand hours for status as  
2 an "employee" shall not apply to persons who apply for creditable  
3 prior service pursuant to the provisions of this section.

4 2. Any member of the system who served as an employee prior  
5 to the original effective date of sections 104.010 to [104.270]  
6 104.272, but was not an employee on that date, shall be entitled  
7 to creditable prior service that such member would have been  
8 entitled to had such member become a member of the retirement  
9 system on the date of its inception if such member has, or  
10 hereafter attains, one year of continuous membership service.

11 3. Any employee who completes one continuous year of  
12 creditable service in the system shall receive credit for service  
13 with a state department, if such service has not otherwise been  
14 credited.

15 4. Any member who had served in the armed forces of the  
16 United States prior to becoming a member, or who is otherwise  
17 ineligible pursuant to subsection 1 of this section or other  
18 provisions of this chapter, and who became a member after his or  
19 her discharge under honorable conditions may elect, prior to  
20 retirement, to purchase all of his or her creditable prior  
21 service equivalent to such service in the armed forces, but not  
22 to exceed four years, if the member is not receiving and is not  
23 eligible to receive retirement credits or benefits from any other  
24 public or private retirement plan for the service to be  
25 purchased, and an affidavit so stating shall be filed by the  
26 member with the retirement system. However, if the member is  
27 eligible to receive retirement credits in a United States  
28 military service retirement system, the member shall be permitted

1 to purchase creditable prior service equivalent to his or her  
2 service in the armed services, but not to exceed four years, any  
3 other provision of law to the contrary notwithstanding. The  
4 purchase shall be effected by the member's paying to the  
5 retirement system an amount equal to what would have been  
6 contributed by the state in his or her behalf had the member been  
7 a member for the period for which the member is electing to  
8 purchase credit and had his or her compensation during such  
9 period of membership been the same as the annual salary rate at  
10 which the member was initially employed as a member, with the  
11 calculations based on the contribution rate in effect on the date  
12 of his or her employment with simple interest calculated from  
13 date of employment from which the member could first receive  
14 creditable service to the date of election pursuant to this  
15 subsection. The payment shall be made over a period of not  
16 longer than two years, measured from the date of election, and  
17 with simple interest on the unpaid balance. Payments made for  
18 such creditable prior service pursuant to this subsection shall  
19 be treated by the retirement system as would contributions made  
20 by the state and shall not be subject to any prohibition on  
21 member contributions or refund provisions in effect at the time  
22 of enactment of this subsection.

23 5. Any uniformed member of the highway patrol who served as  
24 a certified police officer prior to becoming a member may elect,  
25 prior to retirement, to purchase all of his or her creditable  
26 prior service equivalent to such service in the police force, but  
27 not to exceed four years, if he or she is not receiving and is  
28 not eligible to receive credits or benefits from any other public



1 or private retirement plan for the service to be purchased, and  
2 an affidavit so stating shall be filed by the member with the  
3 retirement system. The purchase shall be effected by the  
4 member's paying to the retirement system an amount equal to what  
5 would have been contributed by the state in his or her behalf had  
6 he or she been a member of the system for the period for which  
7 the member is electing to purchase credit and had his  
8 compensation during such period been the same as the annual  
9 salary rate at which the member was initially employed as a  
10 member, with the calculations based on the contribution rate in  
11 effect on the date of his or her employment with simple interest  
12 calculated from the date of employment from which the member  
13 could first receive creditable service to the date of election  
14 pursuant to the provisions of this section. The payment shall be  
15 made over a period of not longer than two years, measured from  
16 the date of election, and with simple interest on the unpaid  
17 balance. Payments made for such creditable prior service  
18 pursuant to the provisions of this section shall be treated by  
19 the retirement system as would contributions made by the state  
20 and shall not be subject to any prohibition on member  
21 contributions or refund provisions in effect at the time of  
22 enactment of this section.

23 6. Any [uniformed] member of the [highway patrol] system  
24 under section 104.030 or section 104.170 who is an active  
25 employee and who served as a nonfederal full-time public employee  
26 in this state prior to becoming a member may elect, prior to  
27 retirement, to purchase all of his or her creditable prior  
28 service equivalent to such service, but not to exceed four years,

1 if he or she is not receiving and is not eligible to receive  
2 credits or benefits from any other public plan for the service to  
3 be purchased[, and an affidavit so stating shall be filed by the  
4 member with the retirement system]. The purchase shall be  
5 effected by the member's paying to the retirement system an  
6 amount equal to what would have been contributed by the state in  
7 his or her behalf had he or she been a member of the system for  
8 the period for which the member is electing to purchase credit  
9 and had his compensation during such period been the same as the  
10 annual salary rate at which the member was initially employed as  
11 a member, with the calculations based on the contribution rate in  
12 effect on the date of his or her employment with simple interest  
13 calculated from the date of employment from which the member  
14 could first receive creditable service to the date of election  
15 pursuant to the provisions of this section. The payment shall be  
16 made over a period of not longer than two years, measured from  
17 the date of election, and with simple interest on the unpaid  
18 balance. Payments made for such creditable prior service  
19 pursuant to the provisions of this section shall be treated by  
20 the retirement system as would contributions made by the state  
21 and shall not be subject to any prohibition on member  
22 contributions or refund provisions in effect at the time of  
23 enactment of this section. All purchase payments under this  
24 subsection shall be completed prior to retirement or prior to  
25 termination of employment. If a member who purchased creditable  
26 service under this subsection dies prior to retirement, the  
27 surviving spouse may, upon written request, receive a refund of  
28 the amount contributed for such purchase of such creditable

1 service, provided the surviving spouse is not entitled to  
2 survivorship benefits payable under section 104.140 or who are  
3 entitled to a deferred annuity under section 104.035 are not  
4 eligible to purchase service under this subsection.

5 104.335. 1. Any member whose employment terminated prior  
6 to September 1, 1972, and (a) who had served at least three full  
7 biennial assemblies as a member of the general assembly, or (b)  
8 who was other than a member of the general assembly and who had  
9 fifteen or more years of vesting service shall be entitled to a  
10 deferred normal annuity based on the member's creditable service,  
11 average compensation and the law in effect at the time the  
12 member's employment was terminated.

13 2. (1) Any member whose employment terminated on or after  
14 September 1, 1972, and prior to July 1, 1981, and (a) who had  
15 served at least three full biennial assemblies as a member of the  
16 general assembly, or (b) who was other than a member of the  
17 general assembly and who had fifteen or more years of vesting  
18 service or who had ten or more years of vesting service and was  
19 at least thirty-five years of age at the date of termination of  
20 employment shall be entitled to a deferred normal annuity based  
21 on the member's creditable service, average compensation and the  
22 law in effect at the time the member's employment was terminated.

23 (2) Any member whose employment terminated on or after July  
24 1, 1981, and (a) who had served at least three full biennial  
25 assemblies as a member of the general assembly, or (b) who was  
26 other than a member of the general assembly and who had ten or  
27 more years of vesting service at the date of termination of  
28 employment shall be entitled to a deferred normal annuity based

1 on the member's creditable service, average compensation and the  
2 law in effect at the time the member's employment was terminated.

3 (3) Any member whose employment terminated on or after  
4 September 1, 1972, and who had four or more years of vesting  
5 service as governor, lieutenant governor, secretary of state,  
6 auditor, treasurer, or attorney general of this state shall be  
7 entitled to a deferred normal annuity based on the member's  
8 creditable service, average compensation and the law in effect at  
9 the time the member's employment was terminated.

10 (4) Any member whose employment terminated on or after  
11 September 28, 1985, and who (a) had served less than three full  
12 biennial assemblies as a member of the general assembly, and (b)  
13 has less than ten years of vesting service as an employee other  
14 than a member of the general assembly shall be entitled to two  
15 years of vesting service for each full biennial assembly in which  
16 the member served plus an additional amount of vesting service  
17 for each partial biennial assembly served, which amount shall be  
18 equal to the pro rata portion of the biennial assembly so served.  
19 The total amount of vesting service provided for in this  
20 subdivision shall be used to calculate the deferred normal  
21 annuity or deferred partial annuity to which such member is  
22 entitled based on the member's creditable service, which includes  
23 all service designated as vesting service under this subdivision,  
24 the member's average compensation, and the law in effect at the  
25 time the member's employment was terminated.

26 3. Any member whose employment terminated on or after  
27 October 1, 1984, but before September 28, 1992, and who was other  
28 than a member of the general assembly and who has five or more

1 years of vesting service as an employee at the date of  
2 termination of employment shall be entitled to a deferred partial  
3 annuity based on the member's creditable service, average  
4 compensation, and the law in effect at the time the member's  
5 employment was terminated, in the following amounts:

6 (1) An employee with at least five years of vesting  
7 service, but less than six years, is entitled to fifty percent of  
8 the amount payable as a deferred normal annuity;

9 (2) An employee with six years of vesting service, but less  
10 than seven years, is entitled to sixty percent of the amount  
11 payable as a deferred normal annuity;

12 (3) An employee with seven years of vesting service, but  
13 less than eight years, is entitled to seventy percent of the  
14 amount payable as a deferred normal annuity;

15 (4) An employee with eight years of vesting service, but  
16 less than nine years, is entitled to eighty percent of the amount  
17 payable as a deferred normal annuity;

18 (5) An employee with nine years of vesting service, but  
19 less than ten years, is entitled to ninety percent of the amount  
20 payable as a deferred normal annuity.

21 4. Any member whose employment terminated on or after  
22 September 28, 1992, and who was other than a member of the  
23 general assembly and who has five or more years of vesting  
24 service as an employee at the date of termination of employment  
25 shall be entitled to a deferred normal annuity based on the  
26 member's creditable service, average compensation, and the law in  
27 effect at the time the member's employment was terminated.

28 5. Any member who is entitled to a deferred normal annuity

1 as provided in subsection 1, 2, 3, or 4 of this section and who  
2 reenters the service of a department and again becomes a member  
3 of the system shall have the member's prior period of vesting  
4 service combined with the member's current membership service, so  
5 that any benefits that may become payable under this system by  
6 reason of the member's retirement or subsequent withdrawal will  
7 recognize such prior period of vesting service.

8 6. [(1) A vested member, an administrative law judge or  
9 legal advisor as defined in section 287.812, RSMo, or a judge as  
10 defined in section 476.515, RSMo, who has terminated all  
11 employment with the state of Missouri for a period of six months  
12 or longer, may make a one-time election for the system to pay the  
13 present value of a deferred annuity or a benefit as defined in  
14 section 287.812, RSMo, or section 476.515, RSMo, if the amount of  
15 such terminated member's or person's creditable service is less  
16 than ten years, and if such terminated member or person is not  
17 within five years of eligibility for receiving an annuity or  
18 benefit. Any such member, administrative law judge, legal  
19 advisor or judge who terminates employment on or after August 28,  
20 1997, shall be eligible for the one-time election provided for in  
21 this subsection only if the present value of the deferred annuity  
22 does not exceed ten thousand dollars. The present value shall be  
23 actuarially determined by the system. Except as provided in  
24 subdivision (2) of this subsection, any payment so made shall be  
25 a complete discharge of the existing liability of the system with  
26 respect to such terminated member or person.

27 (2) Upon subsequent employment in a position covered under  
28 a system administered by the Missouri state employees' retirement

1 system, the employee, administrative law judge or judge may  
2 elect, within one year of such employment, to purchase creditable  
3 service equal to the amount of creditable service surrendered due  
4 to a payment as specified in this subsection. The cost of such  
5 purchase shall be actuarially determined by the system, and shall  
6 be paid over a period of not longer than two years from the date  
7 of election, with interest on the unpaid balance.

8 (3) Persons described in subdivision (1) of this subsection  
9 who terminate employment on or after September 1, 2002, shall no  
10 longer be eligible to make the election described in subdivision  
11 (1) of this subsection.

12 7.] Any individual, covered by a retirement plan identified  
13 in this chapter, chapter 287 or chapter 476, RSMo, who terminated  
14 employment prior to August 28, 1993, shall, upon application to  
15 the board of trustees of the Missouri state employees' retirement  
16 system, be made, constituted and appointed and employed by the  
17 board as a special consultant on the problems of retirement,  
18 aging and other state matters for the remainder of the person's  
19 life. Upon request of the board or the court from which the  
20 person retired, the consultant shall give opinions or be  
21 available to give opinions in writing or orally in response to  
22 such requests. As compensation for such services, the consultant  
23 shall be eligible to purchase or transfer, prior to retirement,  
24 creditable service as set forth in section 105.691, RSMo.

25 104.342. 1. Any person hired by the state on or after  
26 August 13, 1986, in any of the positions described in this  
27 subsection shall be a member of the system from the date on which  
28 such employment begins. This subsection shall apply to any

1 person duly certified under the law governing the certification  
2 of teachers who is employed full time:

3 (1) As a teacher by the division of youth services;

4 (2) As a teacher by a division of the state department of  
5 social services and who renders services in a school whose  
6 standards of education are set and which is supervised by a  
7 public school officer of the county in which the school is  
8 located, by the department of elementary and secondary education  
9 or by the coordinating board for higher education;

10 (3) As a teacher by the section of inmate education of the  
11 department of corrections;

12 (4) In either a teaching or supervisory teaching capacity  
13 by the department of mental health, in which his or her duties  
14 include participation in the educational program of the  
15 department of mental health.

16 2. Any person employed in any of the positions described in  
17 subsection 1 of this section immediately prior to and on August  
18 13, 1986, may elect, in writing, to:

19 (1) Become a member of the Missouri state employees'  
20 retirement system effective January 1, 1987. Any person who, by  
21 virtue of an election made under this subdivision, becomes a  
22 member of the Missouri state employees' retirement system shall  
23 be entitled to creditable prior service credit for service  
24 rendered in any of the positions described in subsection 1 of  
25 this section. Members who so elect shall be eligible, upon  
26 written request filed with the public school retirement system,  
27 to receive a refund of their accumulated contributions including  
28 interest of six percent and upon payment of such refund, the



1 public school retirement systems shall pay to the state  
2 employees' retirement system before June 30, 1987, an amount  
3 equal to the amount paid the public school retirement system on  
4 behalf of each member so electing by the member's employer; or

5 (2) Remain a member of the public school retirement system  
6 of Missouri created under sections 169.010 to 169.140, RSMo. Any  
7 person entitled to make the election provided by this subsection  
8 who does not make such election, in writing, by January 1, 1987,  
9 shall be deemed to have elected to be governed by subdivision (1)  
10 of this subsection.

11 3. Any person who is employed on a full-time basis by  
12 Truman State University, Northwest Missouri State University,  
13 Central Missouri State University, Southeast Missouri State  
14 University, [Southwest] Missouri State University, Harris-Stowe  
15 State [College] University or Missouri Southern State [College]  
16 University and Missouri Western State [College] University shall  
17 be a member of the system; except that any person who is duly  
18 certified under the laws governing the certification of teachers  
19 and who is a full-time employee of such institution or  
20 institutions on June 14, 1989, and is contributing because of  
21 such employment to a retirement system established under sections  
22 169.010 to 169.140, RSMo, or sections 169.410 to 169.540, RSMo,  
23 may make an election to continue in that retirement system if  
24 such election is made on or before December 31, 1989. This  
25 election shall not apply to any such person who commenced  
26 receiving retirement benefits prior to January 1, 1990, from any  
27 state retirement system because of such service.

28 4. Effective January 1, 1990, only after an affirmative

1 referendum in accordance with section 105.353, RSMo, any person  
2 who is employed on a full-time basis by the department of  
3 elementary and secondary education shall be a member of the  
4 system; except that any person duly certified under the law  
5 governing the certification of teachers who is a full-time  
6 employee at any time during the period extending from June 14,  
7 1989, through December 31, 1989, and is contributing because of  
8 such employment to the retirement system established under  
9 sections 169.010 to 169.140, RSMo, may elect to continue in that  
10 retirement system if such election is made on or before December  
11 31, 1989. This election shall not apply to any such person who  
12 commenced receiving retirement benefits prior to January 1, 1990,  
13 from any state retirement system because of such service.

14 5. On June 14, 1989, all newly employed persons in the  
15 positions described in subsection 3 of this section shall become  
16 members of the Missouri state employees' retirement system.  
17 Effective January 1, 1990, and only after an affirmative  
18 referendum provided for in subsection 4 of this section, all  
19 newly employed persons in the positions described in subsection 4  
20 of this section shall become members of the Missouri state  
21 employees' retirement system.

22 6. Any employee actively employed on June 14, 1989, who,  
23 because of employment in a position described in subsection 1, 3  
24 or 4 of this section, has creditable service in this system for  
25 such employment which at the time the service was rendered was  
26 not covered by the federal Social Security Act, shall remain in  
27 this system and be entitled to the benefits provided under  
28 subdivision (1) of subsection 7 of this section; except that any

1 such employee who has creditable service in this system because  
2 of employment in a position described in subsection 4 of this  
3 section which is not covered by the federal Social Security Act  
4 on January 1, 1990, shall not be entitled to the benefits  
5 provided under subdivision (1) of subsection 7 of this section  
6 for such creditable service.

7 7. Any person entitled to make the election provided by  
8 subsection 3 or 4 of this section, who does not make such  
9 election, in writing, on or before December 31, 1989, shall be  
10 deemed to have elected to be governed by subdivision (1) of this  
11 subsection:

12 (1) Those persons described in subsections 3 and 4 of this  
13 section who elect or have elected by written request filed with  
14 the board to be members of this system, shall be entitled to  
15 creditable prior service for service rendered in any of the  
16 positions described in subsections 1, 3 and 4 of this section.  
17 Any person who so elects shall be eligible, upon written request  
18 filed with the board on or before March 31, 1990, with the  
19 retirement system established under sections 169.010 to 169.140,  
20 RSMo, or sections 169.410 to 169.540, RSMo, to receive a refund  
21 of the member's accumulated contributions for the creditable  
22 service in any of the positions described in subsections 1, 3 and  
23 4 of this section, plus interest at an annual rate of six percent  
24 computed on the refundable balance, if any, in the member's  
25 account in that retirement system as of June 30, 1989. Such  
26 refunds shall be made prior to June 1, 1990. If any creditable  
27 prior service transferred under subsection 1, 3 or 4 of this  
28 section, or subsection 3 of section 104.372, includes periods of

1 service not covered by the federal Social Security Act, as  
2 provided in sections 105.300 to 105.445, RSMo, then, in  
3 calculating the benefit amount payable to such member, the normal  
4 annuity shall be an amount equal to two and one-tenth percent of  
5 the average compensation of the member multiplied by the number  
6 of years of such creditable service for the positions described  
7 in subsections 1, 3 and 4 of this section not covered by the  
8 federal Social Security Act in addition to an amount payable  
9 under section 104.374 for all service covered by the federal  
10 Social Security Act. The normal annuity as described in this  
11 subdivision shall be adjusted for early retirement, if  
12 applicable;

13 (2) Any person described in subsections 3 and 4 of this  
14 section, who elects to remain in one of the retirement systems  
15 established under sections 169.010 to 169.140, RSMo, or sections  
16 169.410 to 169.540, RSMo, shall, notwithstanding any provision of  
17 chapter 169, RSMo, to the contrary, be a noncontributing member  
18 of such system and shall receive a refund of the member's  
19 accumulated contributions for the creditable service in any of  
20 the positions described in subsection 1, 3 or 4 of this section,  
21 plus interest at an annual rate of six percent computed on the  
22 refundable balance, if any, in the member's account in that  
23 retirement system as of June 30, 1989. Such refunds shall be  
24 made prior to June 1, 1990. At the time of retirement under the  
25 provisions of sections 169.010 to 169.140, RSMo, or sections  
26 169.410 to 169.540, RSMo, such person shall receive a retirement  
27 benefit computed under the then existing law of that retirement  
28 system; except that, for any person employed in a position

1 described in subsection 4 of this section, the benefit shall be  
2 the amount computed as though the position were not covered by  
3 the federal Social Security Act, reduced by the amount of any  
4 federal Social Security benefit the person may receive which is  
5 attributable to service rendered in the positions described in  
6 subsection 4 of this section after December 31, 1989.

7 8. Upon payment of the refunds provided in subdivision (1)  
8 of subsection 7 of this section, each refunding retirement system  
9 shall pay to the state employees' retirement system, by December  
10 31, 1990, an amount actuarially determined to equal the liability  
11 transferred from such retirement systems. At least ninety days  
12 before each regular session of the general assembly the board of  
13 trustees of the affected public school retirement system shall  
14 certify to the division of budget an actuarially determined  
15 estimate of the amount which will be necessary during the next  
16 appropriation period to pay all liabilities, including costs of  
17 administration, which shall exist or accrue under subsections 1  
18 through 7 of this section during such period. The estimate shall  
19 be computed as a level percentage of payroll compensation to  
20 cover the normal cost and to amortize the accrued liability over  
21 a period not to exceed forty years. The commissioner of  
22 administration shall request appropriation of the amount  
23 calculated under the provisions of this subsection. The  
24 commissioner of administration monthly shall requisition and  
25 certify the payment to the executive secretary of the appropriate  
26 school retirement system.

27 9. Notwithstanding any provisions of chapter 169, RSMo, to  
28 the contrary, any member who becomes a member under the

1 provisions of subsection 2, 5, or 7 of this section and who has  
2 creditable service with a public school retirement system under  
3 that chapter because of employment with any employer other than  
4 those defined in subsection 1, 3, or 4 of this section shall  
5 immediately vest in that public school retirement system and upon  
6 attainment of the minimum retirement age of that system shall be  
7 entitled to a monthly benefit based on such creditable service  
8 and the law in effect at that time, provided the person does not  
9 elect to withdraw the member's accumulated contributions for such  
10 creditable service from that public school retirement system.

11 10. Effective July 1, 1988, the Lincoln University board of  
12 curators shall terminate the Lincoln University retirement,  
13 disability and death benefit plan and shall purchase through  
14 competitive bids annuities adequate to cover the liability for  
15 all benefits presently being paid from such plan to former  
16 employees or their surviving beneficiaries upon the death of the  
17 employee as provided by such plan at the time of the commencement  
18 of benefits to such former employees or beneficiaries. Lincoln  
19 University shall pay to the Missouri state employees' retirement  
20 system on or before July 1, 1988, an amount equal to all funds  
21 and securities thereon contained in the Lincoln University  
22 retirement, disability and death benefit plan less the amount  
23 needed to purchase annuities for retiree and survivor benefits.

24 11. Effective July 1, 1988, the Lincoln University board of  
25 curators shall certify to the board of trustees of the Missouri  
26 state employees' retirement system all persons eligible to  
27 receive but not yet receiving benefits under the Lincoln  
28 University retirement, disability and death benefit plan, for

1 service prior to June 30, 1988, together with the amounts payable  
2 and supporting documentation as to the methods, plan provisions  
3 and data used to calculate such benefits, to the satisfaction of  
4 the board of trustees of the Missouri state employees' retirement  
5 system, and the Missouri state employees' retirement system shall  
6 assume responsibility for payment of such benefits in the future.

7 12. Any person employed on a full-time basis by Lincoln  
8 University on or after July 1, 1988, shall become a member of the  
9 Missouri state employees' retirement system, and may elect in  
10 writing to receive creditable prior service for all full-time  
11 service to Lincoln University if such service is not now credited  
12 the member under the Missouri state employees' retirement system,  
13 and provided the member elects in writing to forfeit all rights  
14 accrued under the Lincoln University retirement, disability and  
15 death benefit plan for such service.

16 13. (1) Any person who is employed by Harris-Stowe State  
17 College as a teacher or administrator on August 28, 1995, who was  
18 employed full time by Harris-Stowe College prior to September 1,  
19 1978, who became a member of the Missouri state employees'  
20 retirement system on or after September 1, 1978, and who has been  
21 continuously employed by the college, may purchase creditable  
22 prior service for any service rendered to Harris-Stowe College  
23 prior to September 1, 1978, which is not otherwise credited under  
24 the Missouri state employees' retirement system, not to exceed  
25 twelve years;

26 (2) Any person eligible to purchase creditable prior  
27 service under the provisions of subdivision (1) of this  
28 subsection may make written application to the board of trustees

1 of the Missouri state employees' retirement system prior to  
2 retirement, but not later than April 1, 1996. The purchase shall  
3 be effected by the member and the public school retirement system  
4 of which the member was previously a member paying to the  
5 Missouri state employees' retirement system the following  
6 amounts:

7 (a) The amount contributed by the employee to the St. Louis  
8 public school retirement system during the years of prior service  
9 with Harris-Stowe College for which the employee seeks to  
10 purchase creditable prior service in the Missouri state  
11 employees' retirement system, including interest which may have  
12 been credited to the member's individual account with the system,  
13 or which would have been credited to the account had it remained  
14 with the St. Louis public school retirement system; and

15 (b) An amount which shall not be less than zero and which  
16 shall equal the actuarial accrued liability of the St. Louis  
17 public school retirement system for the prior service, determined  
18 as of the transfer date as if the member were still in active  
19 service covered by the St. Louis public school retirement system,  
20 less the amount stipulated in paragraph (a) of this subdivision;

21 (c) If the member had received a refund of contributions  
22 related to service covered by the St. Louis public school  
23 retirement system, the amount stipulated in paragraph (a) of this  
24 subdivision shall be paid to the Missouri state employees'  
25 retirement system by the member, otherwise, such amount shall be  
26 paid to the Missouri state employees' retirement system by the  
27 St. Louis public school retirement system;

28 (3) Any amount payable to the Missouri state employees'



1 retirement system by the member may be paid in a lump sum or in  
2 monthly installments. If paid in monthly installments, the  
3 period over which payments are being made may not extend beyond  
4 the earlier of the member's retirement date or April 1, 1997, and  
5 shall include interest at a rate established by the board of  
6 trustees of the Missouri state employees' retirement system;

7 (4) Any amounts payable to the Missouri state employees'  
8 retirement system by the St. Louis public schools retirement  
9 system shall be paid in a lump sum and shall not be paid later  
10 than the earlier of the member's retirement date or April 1,  
11 1997, and shall include interest at a rate established by the  
12 board of trustees of the Missouri state employees' retirement  
13 system;

14 (5) Any person who elects to purchase creditable prior  
15 service under the provisions of this section shall file with the  
16 St. Louis public school retirement system an irrevocable waiver  
17 and release of any rights and benefits in that system for the  
18 creditable prior service being purchased. The member shall file  
19 with the Missouri state employees' retirement system a copy of  
20 the waiver and an affidavit stating that he or she is no longer  
21 eligible to receive benefits or credits in any other retirement  
22 system for the creditable prior service being purchased;

23 (6) All retirement plans defined under section 105.660,  
24 RSMo, shall develop a procurement action plan for utilization of  
25 minority and women money managers, brokers and investment  
26 counselors. Such retirement systems shall report their progress  
27 annually to [the joint committee on public employee retirement  
28 and] the governor's minority advocacy commission.

1           14. In no event shall any person receive service credit for  
2 the same period of service under more than one retirement system.

3           104.344. Notwithstanding any other law to the contrary, any  
4 person who is actively employed by the state of Missouri in a  
5 position covered by a retirement plan administered by the  
6 Missouri state employees' retirement system and who had  
7 nonfederal full-time public employment in the state of Missouri  
8 [or who had provided full-time services for compensation to the  
9 state of Missouri under a contract], and who by virtue of such  
10 employment was a member of a retirement system or other  
11 employer-sponsored retirement plan other than the Missouri state  
12 employees' retirement system but is not vested in such other  
13 retirement system or plan, or was not a member of any retirement  
14 system or plan, may elect, prior to retirement, to purchase all  
15 of the member's creditable prior service but not to exceed four  
16 years for such service in any plan administered by the Missouri  
17 state employees' retirement system in which the person is  
18 receiving service credit for active employment or is eligible for  
19 a deferred annuity. The purchase shall be effected by the person  
20 paying to the Missouri state employees' retirement system an  
21 amount equal to what would have been contributed by the state in  
22 his or her behalf had the person been a member for the period for  
23 which he or she is electing to purchase credit and had the  
24 person's compensation during such period been the same as the  
25 annual salary rate at which the person was initially employed by  
26 a department in a position covered by a [plan administered by the  
27 Missouri state employees' retirement] system, with the  
28 calculations based on the contribution rate in effect on the date

1 of his or her employment under the provisions of the Missouri  
2 state employees' retirement system with simple interest  
3 calculated from the date of employment from which the person  
4 could first receive creditable service from the Missouri state  
5 employees' retirement system to the date of election to purchase  
6 such service. The payment shall be made over a period of not  
7 longer than two years, with simple interest on the unpaid  
8 balance. In no event shall any person receive credit or benefits  
9 under any other retirement plan as defined pursuant to section  
10 105.691, RSMo, for creditable service purchased pursuant to the  
11 provisions of this section. The contribution rate for any judge  
12 who elects to purchase service for a period prior to July 1,  
13 1998, shall be equal to a contribution rate which would be used  
14 if the judicial system were funded on an actuarial basis prior to  
15 that date.

16 104.352. 1. [Any employee or former employee described in  
17 paragraph (b) of subdivision (18) of section 104.010 is entitled  
18 to credit for all prior service and membership service as if he  
19 had been a member of the system on the date of its inception. Any  
20 such employee shall be considered a member of the system from the  
21 date of his or her employment and shall receive credit for each  
22 month of service for which he is employed with service being  
23 computed as if part-time employment with the general assembly  
24 were full-time employment for the period the member was so  
25 employed.

26 2.] Each employee described in paragraph (b) of subdivision  
27 [(18)] (20) of section 104.010 shall be entitled to the same  
28 insurance benefits provided under sections 103.003 to 103.175,

1 RSMo to employees described in paragraph (a) of subdivision  
2 [(18)] (20) of section 104.010 to cover the medical expenses of  
3 such employees and their spouses and children. Such insurance  
4 benefits shall be made available to employees described in  
5 paragraph (b) of subdivision [(18)] (20) of section 104.010 upon  
6 their initial employment as such employees in the same manner  
7 provided for employees described in paragraph (a) of subdivision  
8 [(18)] (20) of section 104.010, and shall be continued during any  
9 period of time, not to exceed one year, in which such employees  
10 are not paid for full-time employment, so long as such employees  
11 pay the same amount for such insurance benefits as is required of  
12 employees described in paragraph (a) of subdivision [(18)] (20)  
13 of section 104.010 who continue receiving such insurance benefits  
14 during a leave of absence without pay from their employment with  
15 the state. Any employee described in paragraph (b) of  
16 subdivision [(18)] (20) of section 104.010 who is reemployed by  
17 the general assembly or either house thereof, or by any member of  
18 the general assembly while acting in his official capacity as a  
19 member, by the thirteenth legislative day of the session of the  
20 general assembly immediately following the session of the general  
21 assembly in which such employee was last so employed, without  
22 having elected to discontinue the insurance benefits described in  
23 this subsection, shall be entitled to continue such insurance  
24 benefits without having to prove insurability for himself or any  
25 of his covered dependents for whom he has paid for such coverage  
26 continuously since last employed as an employee described in  
27 paragraph (b) of subdivision [(18)] (20) of section 104.010. Any  
28 employee described in paragraph (b) of subdivision [(18)] (20) of

1 section 104.010 who is not reemployed by the general assembly or  
2 either house thereof, or by any member of the general assembly  
3 while acting in his official capacity as a member, by the  
4 thirteenth legislative day of the session of the general assembly  
5 immediately following the session of the general assembly in  
6 which such employee was last so employed, shall be deemed  
7 terminated as an employee as of such thirteenth legislative day,  
8 and the insurance benefits provided for such employee under this  
9 subsection and sections 103.003 to 103.175, RSMo, shall be  
10 terminated as provided for employees described in paragraph (a)  
11 of subdivision [(18)] (20) of section 104.010 whose employment is  
12 terminated. During each month of service in which an employee  
13 described in paragraph (b) of subdivision [(18)] (20) of section  
14 104.010 is employed, the state shall make any contribution  
15 required by sections 103.003 to 103.175, RSMo, for such employee.

16 [3.] 2. Any employee described in paragraph (b) of  
17 subdivision [(18)] (20) of section 104.010 who is actively  
18 employed on or after September 28, 1992, shall be deemed vested  
19 for purposes of determining eligibility for benefits under  
20 sections 104.320 to 104.620 after being so employed for at least  
21 sixty months.

22 104.354. In each fiscal year in which retirement benefits  
23 are to be paid to retired employees described in paragraph (b) of  
24 subdivision [(18)] (20) of section 104.010 because of the  
25 provisions of section 104.352, funding for such benefits shall be  
26 provided as set forth in section 104.436. All benefits paid  
27 because of the provisions of section 104.352 shall be paid by the  
28 retirement system along with all other retirement benefits due

1 such retired employees under the retirement system.

2 104.378. Upon the death of a member who has not requested  
3 creditable prior service [pursuant to] under section 104.339,  
4 subsections 2, 6, 7, 8, and 9 of section 104.340, subsection 12  
5 of section 104.342, subsection 4 of section 104.345, subsection 4  
6 of section 104.372, section 104.800, section 178.639, RSMo, or  
7 section 211.393, RSMo, the survivor of such member who is or  
8 would be eligible to receive benefits pursuant to section 104.420  
9 may apply to the board of trustees and shall be made,  
10 constituted, appointed and employed by the board as a special  
11 consultant on the problems of retirement, aging and other state  
12 matters for the remainder of the surviving spouse's life, and  
13 upon request of the board shall give opinions, and be available  
14 to give opinions in writing, or orally, in response to such  
15 requests. As compensation for such services, such survivor may  
16 elect to have the member receive such creditable prior service or  
17 transfer such service. Upon making such election, all of the  
18 [provisions of subsection 4 of section 104.372] applicable law as  
19 provided in this section shall apply. Any survivor benefits  
20 payable shall be calculated as if such creditable prior service  
21 or transferred service had been received by such member on the  
22 date of the death of the member.

23 104.380. If a retired member is [elected to any state  
24 office or is appointed to any state office or is employed by a  
25 department in a position normally requiring the performance by  
26 the person of duties during not less than one thousand hours per  
27 year,] employed as an employee by a department, the member shall  
28 not receive an annuity for any month or part of a month for which

1 the member serves as an [officer or] employee, but the member  
2 shall be considered to be a new employee with no previous  
3 creditable service and must accrue creditable service in order to  
4 receive any additional annuity. Any retired member who again  
5 becomes an employee and who accrues additional creditable service  
6 and later retires shall receive an additional amount of monthly  
7 annuity calculated to include only the creditable service and the  
8 average compensation earned by the member since such employment  
9 or creditable service earned as a member of the general assembly.  
10 Years of membership service and twelfths of a year are to be used  
11 in calculating any additional annuity except for creditable  
12 service earned as a member of the general assembly, and such  
13 additional annuity shall be based on the type of service accrued.  
14 In either event, the original annuity and the additional annuity,  
15 if any, shall be paid commencing with the end of the first month  
16 after the month during which the member's term of office has been  
17 completed, or the member's employment terminated. [If a retired  
18 member is employed by a department in a position that does not  
19 normally require the person to perform duties during at least one  
20 thousand hours per year, the member shall not be considered an  
21 employee as defined pursuant to section 104.010.] A retired  
22 member who becomes reemployed as an employee on or after August  
23 28, 2001, in a position covered by the highways and  
24 transportation employees' and highway patrol retirement system  
25 shall not be eligible to receive retirement benefits or  
26 additional creditable service from the state employees'  
27 retirement system.

28 104.395. 1. In lieu of the normal annuity otherwise

1 payable to a member pursuant to section 104.335, 104.370,  
2 104.371, 104.374 or 104.400, and prior to the last business day  
3 of the month before the annuity starting date pursuant to section  
4 104.401, a member shall elect whether or not to have such  
5 member's normal annuity reduced as provided by the options set  
6 forth in this section; provided that if such election has not  
7 been made within such time, annuity payments due beginning on and  
8 after such annuity starting date shall be made the month  
9 following the receipt by the system of such election, and further  
10 provided, that if such person dies after such annuity starting  
11 date but before making such election, no benefits shall be paid  
12 except as required pursuant to section 104.420:

13       Option 1. An actuarial reduction approved by the board of  
14 the member's annuity in reduced monthly payments for life during  
15 retirement with the provision that upon the member's death the  
16 reduced annuity at the date of the member's death shall be  
17 continued throughout the life of, and be paid to, the member's  
18 spouse to whom the member was married at the date of retirement  
19 and who was nominated by the member to receive such payments in  
20 the member's application for retirement or as otherwise provided  
21 pursuant to subsection 5 of this section. Such annuity shall be  
22 reduced in the same manner as an annuity under option 2 as in  
23 effect immediately prior to August 28, 1997. The surviving  
24 spouse shall designate a beneficiary to receive any final monthly  
25 payment due after the death of the surviving spouse; or

26       Option 2. The member's normal annuity in regular monthly  
27 payments for life during the member's retirement with the  
28 provision that upon the member's death a survivor's benefit equal



1 to one-half the member's annuity at the date of the member's  
2 death shall be paid to the member's spouse to whom the member was  
3 married at the date of retirement and who was nominated by the  
4 member to receive such payments in the member's application for  
5 retirement or as otherwise provided pursuant to subsection 5 of  
6 this section, in regular monthly payments for life. The  
7 surviving spouse shall designate a beneficiary to receive any  
8 final monthly payment due after the death of the surviving  
9 spouse; or

10 Option 3. An actuarial reduction approved by the board of  
11 the member's normal annuity in reduced monthly payments for the  
12 member's life with the provision that if the member dies prior to  
13 the member having received one hundred twenty monthly payments of  
14 the member's reduced annuity, the member's reduced annuity to  
15 which the member would have been entitled had the member lived  
16 shall be paid for the remainder of the one hundred twenty months'  
17 period to such person as the member shall have nominated by  
18 written designation duly executed and filed with the board. If  
19 there is no such beneficiary surviving the retirant, the reserve  
20 for such annuity for the remainder of such one hundred twenty  
21 months' period shall be paid [to the retirant's estate] as  
22 provided under subsection 3 of section 104.620. If such  
23 beneficiary dies after the member's date of death but before  
24 having received the remainder of the one hundred twenty monthly  
25 payments of the retiree's reduced annuity, the reserve for such  
26 annuity for the remainder of such one hundred twenty-month period  
27 shall be paid [to the beneficiary's estate] as provided under  
28 subsection 3 of section 104.620; or

1           Option 4. An actuarial reduction approved by the board of  
2           the member's normal annuity in reduced monthly payments for the  
3           member's life with the provision that if the member dies prior to  
4           the member having received sixty monthly payments of the member's  
5           reduced annuity, the member's reduced annuity to which the member  
6           would have been entitled had the member lived shall be paid for  
7           the remainder of the sixty months' period to such person as the  
8           member shall have nominated by written designation duly executed  
9           and filed with the board. If there be no such beneficiary  
10          surviving the retirant, the reserve for such annuity for the  
11          remainder of such sixty months' period shall be paid [to the  
12          retirant's estate] as provided under subsection 3 of section  
13          104.620. If such beneficiary dies after the member's date of  
14          death but before having received the remainder of the sixty  
15          monthly payments of the retiree's reduced annuity, the reserve  
16          for such annuity for the remainder of the sixty-month period  
17          shall be paid [to the beneficiary's estate] as provided under  
18          subsection 3 of section 104.620.

19          2. Effective July 1, 2000, if a member is married as of the  
20          annuity starting date to a person who has been the member's  
21          spouse, the member's annuity shall be paid pursuant to the  
22          provisions of either option 1 or option 2 as set forth in  
23          subsection 1 of this section, at the member's choice, with the  
24          spouse as the member's designated beneficiary unless the spouse  
25          consents in writing to the member electing another available form  
26          of payment.

27          3. For members who retire on or after August 28, 1995, in  
28          the event such member elected a joint and survivor option

1 pursuant to the provisions of this section and the member's  
2 eligible spouse or eligible former spouse precedes the member in  
3 death, the member's annuity shall revert effective the first of  
4 the month following the death of the spouse or eligible former  
5 spouse [regardless of when the board receives the member's  
6 written application for the benefit provided in this subsection,  
7 to an amount equal to the member's normal annuity, as adjusted  
8 for early retirement if applicable] to a normal annuity, as  
9 adjusted for early retirement if applicable, if the member  
10 cancels the member's original joint and survivor election; such  
11 benefit shall include any increases the member would have  
12 received since the date of retirement had the member elected a  
13 normal annuity.

14 4. Effective on or after August 28, 1995, any retired  
15 member who had elected a joint and survivor option and whose  
16 spouse or eligible former spouse precedes or preceded the member  
17 in death shall upon application to the board be made,  
18 constituted, appointed and employed by the board as a special  
19 consultant on the problems of retirement, aging and other state  
20 matters. As a special consultant pursuant to the provisions of  
21 this section, the member's reduced annuity shall revert to a  
22 normal annuity as adjusted for early retirement, if applicable,  
23 effective the first of the month following the death of the  
24 spouse or eligible former spouse or August 28, 1995, whichever is  
25 later, [regardless of when the board receives the member's  
26 written application] if the member cancels the member's original  
27 joint and survivor election; such annuity shall include any  
28 increases the retired member would have received since the date

1 of retirement had the member elected a normal annuity.

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

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

10 (2) The member's annuity reverted to a normal annuity  
11 pursuant to subsection 3 or 4 of this section and the member  
12 remarried.

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

19 7. Effective September 1, 2001, the retirement application  
20 of any member who fails to make an election pursuant to  
21 subsection 1 of this section within ninety days of the annuity  
22 starting date contained in such retirement application shall be  
23 nullified. Any member whose retirement application is nullified  
24 shall not receive retirement benefits until the member files a  
25 new application for retirement pursuant to section 104.401 and  
26 makes the election pursuant to subsection 1 of this section. In  
27 no event shall any retroactive retirement benefits be paid.

28 8. A member may change a member's election made under this

1 section at any time prior to the system mailing or electronically  
2 transferring the first annuity payment to such member.

3 104.410. 1. Any uniformed member of the water patrol who  
4 shall be affirmatively found by the board to be wholly and  
5 permanently incapable of holding any position of gainful  
6 employment as a result of injuries or illness incurred in the  
7 performance of the member's duties shall be entitled to receive  
8 disability benefits in an amount equal to one-half of the  
9 compensation that the employee was receiving at the time of the  
10 occurrence of the injury entitling the employee to such  
11 disability benefits. Any disability benefit payable pursuant to  
12 this subsection shall be decreased by any amount paid to such  
13 uniformed member of the water patrol by reason of the workers'  
14 compensation laws of this state. After termination of payment  
15 under workers' compensation, however, any such reduction and  
16 disability benefits shall be restored.

17 2. The board of trustees may require a medical examination  
18 of any uniformed member of the water patrol who is receiving  
19 disability benefits pursuant to this section at any time by a  
20 designated physician, and disability benefits shall be  
21 discontinued if the board finds that such member is able to  
22 perform the duties of the member's former position, or if such  
23 member refuses to submit to such an examination.

24 3. The disability benefits described in this section shall  
25 not be paid to any uniformed member of the water patrol who has  
26 retained or regained more than fifty percent of the member's  
27 earning capacity. If any uniformed member of the water patrol  
28 who has been receiving disability benefits again becomes an

1 employee, the member's disability benefits shall be discontinued,  
2 the member's prior period of creditable service shall be  
3 restored, and any subsequent determination of benefits due the  
4 member or the member's survivors shall be based on the sum of the  
5 member's creditable service accrued to the date the member's  
6 disability benefits commenced and the period of creditable  
7 service after the member's return to employment.

8 4. Any uniformed member of the water patrol receiving  
9 benefits pursuant to the provisions of this section for five or  
10 more years immediately prior to attainment of age fifty-five  
11 shall be considered a normal retirant at age fifty-five, and may  
12 elect, within thirty days preceding the attainment of age  
13 fifty-five, option 1 of section 104.395, but only for the  
14 member's spouse who was the member's spouse for two or more years  
15 prior to the member's attainment of age fifty-five.

16 5. Any member who is receiving disability benefits as of  
17 December 31, 1985, or any member who is disabled on December 31,  
18 1985, and would have been entitled to receive disability benefits  
19 pursuant to this section as the provisions of this section  
20 existed immediately prior to September 28, 1985, shall be  
21 eligible to receive or shall continue to receive benefits in  
22 accordance with such prior provisions of this section until the  
23 member again becomes an employee; however, all employees of the  
24 department of conservation who are disabled shall receive  
25 benefits pursuant only to this section or section 104.518,  
26 whichever is applicable, and shall not be eligible for benefits  
27 under any other plan or program purchased or provided after  
28 September 28, 1985.

1           6. Any member who qualifies for disability benefits  
2 pursuant to subsection 1 of this section or pursuant to the  
3 provisions of section 104.518, or under a long-term disability  
4 program provided by the member's employing department as a  
5 consequence of employment by the department, shall continue to  
6 accrue creditable service based on the member's rate of pay  
7 immediately prior to the date the member became disabled in  
8 accordance with sections 104.370, 104.371, 104.374 and 104.615,  
9 until the date the member's retirement benefit goes into pay  
10 status, the disability benefits cease being paid to the member,  
11 or the member is no longer disabled, whichever comes first.  
12 Persons covered by the provisions of sections 476.515 to 476.565,  
13 RSMo, or sections 287.812 to 287.855, RSMo, who qualify for  
14 disability benefits pursuant to the provisions of section  
15 104.518, at the date the person becomes disabled, shall continue  
16 to accrue creditable service based on the person's rate of pay  
17 immediately prior to the date the person becomes disabled until  
18 the date the person's retirement benefit goes into pay status,  
19 the disability benefits cease being paid to the person or the  
20 person is no longer disabled, whichever comes first. [Members or  
21 persons continuing to accrue creditable service pursuant to this  
22 subsection shall be entitled to continue their life insurance  
23 coverage subject to the provisions of the life insurance plan  
24 administered by the board pursuant to section 104.517.] For the  
25 purposes of life insurance coverage under sections 104.515 and  
26 104.517, a person who is receiving disability benefits under this  
27 section shall be required to pay the cost of life insurance  
28 coverage provided under section 104.517 in order to receive such

coverage, unless such person is eligible to receive such  
insurance at no cost under any waiver of premium provision that  
may exist under the contract for life insurance. For purposes of  
eligibility to apply for retirement, persons receiving disability  
benefits under this section shall be treated as if they were  
active employees during their period of disability. The rate of  
pay for purposes of calculating retirement benefits for a member  
or person described in this subsection who becomes disabled and  
retires on or after August 28, 1999, shall be the member's or  
person's regular monthly compensation received at the time of  
disablement, increased thereafter for any increases in the  
consumer price index. Such increases in the member's monthly pay  
shall be made annually beginning twelve months after disablement  
and shall be equal to eighty percent of the increase in the  
consumer price index during the calendar year prior to the  
adjustment, but not more than five percent of the member's  
monthly pay immediately before the increase. Such accruals shall  
continue until the earliest of: receipt of an early retirement  
annuity, attainment of normal retirement eligibility or  
termination of disability benefits.

7. A member or person who continues to be disabled as  
provided in subsection 6 of this section until the member's  
normal retirement age shall be eligible to retire on the first  
day of the month next following the member's or person's final  
payment pursuant to section 104.518 or, if applicable, subsection  
1 of this section. A member or person who retires pursuant to  
this subsection shall receive the greater of the normal annuity  
or the minimum annuity, if applicable, determined pursuant to



1 sections 104.370, 104.371, 104.374 and 104.615, and section  
2 287.820, RSMo, and section 476.530, RSMo, as if the member or  
3 person had continued in the active employ of the employer until  
4 the member's or person's retirement benefit goes into pay status,  
5 the disability benefits cease being paid to the member or person,  
6 or the member or person is no longer disabled, whichever comes  
7 first and the member's or person's compensation for such period  
8 had been the member's or person's rate of pay immediately  
9 preceding the date the member or person became disabled.

10 8. If a member who has been disabled becomes an employee  
11 again and if the member was disabled during the entire period of  
12 the member's absence, then the member shall resume active  
13 participation as of the date of reemployment. Such a member  
14 shall receive creditable service for the entire period the member  
15 was disabled as provided in subsection 6 of this section.

16 9. If a member ceases to be disabled and if the member does  
17 not return to work as provided in subsection 8 of this section,  
18 the member's rights to further benefits shall be determined in  
19 accordance with sections 104.335, 104.380, 104.400, 104.420 and  
20 104.615 as though the member had withdrawn from service as of the  
21 date the member ceased to be disabled, as determined by the  
22 system.

23 104.450. 1. The board of trustees shall consist of the  
24 state treasurer, the commissioner of administration, two members  
25 of the senate appointed by the president pro tem of the senate,  
26 two members of the house of representatives appointed by the  
27 speaker of the house, two members appointed by the governor, and  
28 three elected members [who are members of the system, one of

1     whom] that shall each serve four-year terms. One elected member  
2     shall be a retiree elected by a plurality vote of [retired  
3     members] retirees and two of [whom] the elected members shall be  
4     employees, elected by a plurality vote of [the members of the  
5     system not retired for four-year terms] employees and former  
6     employees eligible for a deferred annuity and not retired. For  
7     purposes of this section, "retiree" shall include any retiree  
8     under this chapter, any judge as defined under section 476.515,  
9     RSMo, who is retired, and any administrative law judge or legal  
10    advisor as those terms are defined under section 287.812, RSMo,  
11    who is retired. For purposes of this section, "employees" shall  
12    include any employee under this chapter who is actively employed,  
13    any judge as defined under section 476.515, RSMo, who is actively  
14    employed, and any administrative law judge or legal advisor as  
15    those terms are defined under section 287.812, RSMo, who is  
16    actively employed. The board so constituted shall determine, by  
17    board rule, the procedures for nomination and election of the  
18    elective board members. The first two trustees designated above  
19    shall serve as trustees during their respective terms of office;  
20    the legislative members shall serve as trustees until such time  
21    as they resign, are no longer members of the general assembly, or  
22    are replaced by new appointments; and the members appointed by  
23    the governor shall serve as trustees until such time as they  
24    resign or are replaced by new appointments. Any vacancies  
25    occurring in the office of trustees shall be filled in the same  
26    manner as the office was filled previously except that vacancies  
27    occurring in the offices of the elected board members may be  
28    filled by the board of trustees until the next regularly

1 scheduled election.

2 2. The office of a trustee as described in subsection 1 of  
3 this section shall be deemed vacated in the event such trustee is  
4 convicted of a crime involving stealing, forgery, counterfeiting,  
5 passing bad checks, fraud, bribery, theft or misapplication of  
6 funds as described under chapter 570, RSMo, or a crime involving  
7 bribery, corruption, official misconduct, or misuse of official  
8 information as described under chapter 576, RSMo.

9 104.490. 1. Should any error result in any member or  
10 beneficiary receiving more or less than he or she would have been  
11 entitled to receive had the error not occurred, the board shall  
12 correct such error, and, as far as practicable, make future  
13 payments in such a manner that the actuarial equivalent of the  
14 benefit to which such member or beneficiary was entitled shall be  
15 paid, and to this end may recover any overpayments. In all cases  
16 in which an error has been made, no such error shall be corrected  
17 unless the system discovers or is notified of such error within  
18 ten years after the date benefits begin to be paid based on the  
19 error.

20 2. A person who knowingly makes a false statement, or  
21 falsifies or permits to be falsified a record of the system, in  
22 an attempt to defraud the system is subject to fine or  
23 imprisonment pursuant to the Missouri revised statutes.

24 3. The board of trustees of the Missouri state employees'  
25 retirement system shall cease paying benefits to any survivor or  
26 beneficiary who is charged with the intentional killing of a  
27 member without legal excuse or justification. A survivor or  
28 beneficiary who is convicted of such charge shall no longer be

1 entitled to receive benefits. If the survivor or beneficiary is  
2 not convicted of such charge, the board shall resume payment of  
3 benefits and shall pay the survivor or beneficiary any benefits  
4 that were suspended pending resolution of such charge.

5 104.601. 1. Any member retiring pursuant to the provisions  
6 of this chapter or any member retiring pursuant to provisions of  
7 chapter 169, RSMo, who is a member of the public school  
8 retirement system and who is employed by a state agency other  
9 than an institution of higher learning, after working  
10 continuously until reaching retirement age, shall be credited  
11 with all his or her unused sick leave as reported through the  
12 financial and human resources system maintained by the office of  
13 administration, or if a state agency's employees are not paid  
14 salaries or wages through such system, as reported directly by  
15 the state agency. When calculating years of service, each member  
16 shall be entitled to one-twelfth of a year of creditable service  
17 for each one hundred sixty-eight hours of unused accumulated sick  
18 leave earned by the member. The employing agency shall not  
19 certify unused sick leave unless such unused sick leave could  
20 have been used by the member for sickness or injury. The rate of  
21 accrual of sick leave for purposes of computing years of service  
22 pursuant to this section shall be no greater than ten hours per  
23 month regardless of whether or not the employee is employed in  
24 more than one position that qualifies the employee to receive  
25 retirement benefits under this chapter. Nothing under this  
26 section shall allow a member to vest in the retirement system by  
27 using such credited sick leave to reach the time of vesting.

28 2. Any system established pursuant to the provisions of

1 this chapter shall not consider unused sick leave in determining  
2 the member's average compensation, eligibility for deferred,  
3 early, or normal retirement, including retirement benefits based  
4 on a higher formula, or any lump sum payment.

5 104.606. Any member of either system who purchases  
6 creditable service or credited service under this chapter or  
7 chapter 105, RSMo, must apply and complete the purchase prior to  
8 applying to receive a retirement annuity in order to receive  
9 credit for such purchase.

10 104.607. 1. Either system may elect by a majority vote of  
11 its board of trustees to establish and administer an arrangement  
12 and fund to pay accrued benefits of its members to its member  
13 under this chapter to the extent that the accrued benefits paid  
14 out of the fund would not otherwise be payable under limitations  
15 in Section 415 of the Internal Revenue Code. An arrangement and  
16 fund established under this section shall be kept separate from  
17 the pension's fund assets.

18 2. If an arrangement and fund is established by a  
19 retirement system under subsection 1 of this section, the  
20 arrangement and fund shall be established and administered in  
21 accordance with Section 415(m) of the Internal Revenue Code. The  
22 board may establish and adopt policies and procedures for the  
23 arrangement and fund.

24 3. If an arrangement and fund is established by a  
25 retirement system under subsection 1 of this section, the  
26 benefits paid from the fund shall be paid out of employer  
27 contributions or other eligible assets. The board shall  
28 determine the amount of the employer contribution that shall be

1 allocated to the arrangement and fund. Employer contributions  
2 and other eligible assets that are contributed to the arrangement  
3 and fund shall be deposited in the arrangement and fund before  
4 deposits are made to the system.

5 4. Nothing in this section is intended to limit the amount  
6 of employer contributions that are contributed to a retirement  
7 fund for the accrued benefits that are allowed to be paid under  
8 Section 415 of the Internal Revenue Code.

9 104.620. 1. Any member who has not received a lump sum  
10 payment equal to the sum total of the contributions that the  
11 member paid into the retirement system, plus interest credited to  
12 his or her account, shall be entitled to such a lump sum payment.  
13 Lump sum payments made pursuant to this section shall not be  
14 reduced by any retirement benefits which a member is entitled to  
15 receive, but shall be paid in full out of appropriate funds  
16 pursuant to appropriations for this purpose.

17 2. In the event any accumulated contributions standing to a  
18 member of the Missouri state employees' retirement system's  
19 credit remains unclaimed by such member for a period of four  
20 years or more, such accumulated contributions shall automatically  
21 revert to the credit of the fund for the Missouri state  
22 employees' retirement system. If an application is made, after  
23 such reversion, for such accumulated contributions, the board  
24 shall pay such contributions from the fund for the Missouri state  
25 employees' retirement system; except that, no interest shall be  
26 paid on such funds after the date of the reversion to the fund  
27 for the Missouri state employees' retirement system.

28 3. In the event any amount is due a deceased member,

1 survivor, or beneficiary who dies after September 1, 2002, such  
2 amount shall be paid to the person or entity designated in  
3 writing as beneficiary to receive such amount by such member,  
4 survivor, or beneficiary. The member, survivor, or beneficiary  
5 may designate in writing a beneficiary to receive any final  
6 payment due after the death of a member, survivor, or beneficiary  
7 pursuant to this chapter. If no living person or entity so  
8 designated as beneficiary exists at the time of death, such  
9 amount shall be paid to the surviving spouse married to the  
10 deceased member, survivor, or beneficiary at the time of death.  
11 If no surviving spouse exists, such amount shall be paid to the  
12 surviving children or their descendants of such member, survivor,  
13 or beneficiary in equal parts. If no surviving children or any  
14 of their descendants exist, such amount shall be paid to the  
15 surviving parents of such member, survivor, or beneficiary in  
16 equal parts. If no surviving parents exist, such amount shall be  
17 paid to the surviving brothers, sisters, or their descendants of  
18 such member, survivor, or beneficiary in equal parts. If no  
19 surviving brothers, sisters, or their descendants exist, payment  
20 may be made as otherwise permitted by law. Notwithstanding this  
21 subsection, any amount due to a deceased member as payment of all  
22 or part of a lump sum pursuant to section 104.625 shall be paid  
23 to the member's surviving spouse married to the member at the  
24 time of death, and otherwise payment may be made as provided in  
25 this subsection. In the event any amount that is due to a member  
26 of either system remains unclaimed by such member for a period of  
27 four years or more, such amount shall automatically revert to the  
28 credit of the fund of the member's system. If an application is

1 made after such reversion for such amount, the board shall pay  
2 such amount from the board's fund to the member, except that no  
3 interest shall be paid on such funds after the date of the  
4 reversion to the fund.

5 4. The beneficiary of any member who purchased creditable  
6 service in the Missouri state employees' retirement system shall  
7 receive a refund upon the member's death equal to the amount of  
8 any purchase less any retirement benefits received by the member  
9 unless an annuity is payable to a survivor or beneficiary as a  
10 result of the member's death. In that event, the beneficiary of  
11 the survivor or beneficiary who received the annuity shall  
12 receive a refund upon the survivor's or beneficiary's death equal  
13 to the amount of the member's purchase of service less any  
14 annuity amounts received by the member and the survivor or  
15 beneficiary.

16 5. The provisions of this section shall apply to any  
17 administrative law judge, legal advisor or beneficiary as defined  
18 under section 287.812, RSMo, or any judge or beneficiary as  
19 defined under section 476.515, RSMo, or any special commissioner  
20 under section 476.450, RSMo.

21 104.805. 1. Employees who are earning creditable service  
22 in the closed plan of the Missouri state employees' retirement  
23 system and who are, as a result of the provisions of this section  
24 and sections 226.008, 389.005, 389.610, and 621.040, RSMo,  
25 transferred to the department of transportation will not become  
26 members of the closed plan of the [highways and transportation  
27 employees' and highway patrol] Missouri department of  
28 transportation and highway patrol employees' retirement system



1 unless they elect to transfer membership and creditable service  
2 to the closed plan of the [highways and transportation employees'  
3 and highway patrol] Missouri department of transportation and  
4 highway patrol employees' retirement system. The election must  
5 be in writing and must be made within ninety days of [July 11,  
6 2002] the effective date of such transfer. Any election to  
7 transfer membership and creditable service to the [highways and  
8 transportation employees' and highway patrol] Missouri department  
9 of transportation and highway patrol employees' retirement system  
10 shall result in the forfeiture of any rights or benefits in the  
11 Missouri state employees' retirement system. Any failure to  
12 elect to transfer membership and creditable service pursuant to  
13 this subsection will result in the employees remaining in the  
14 closed plan of the Missouri state employees' retirement system.  
15 If an election is made, the effective date for commencement of  
16 membership and transfer of such creditable service shall be  
17 January 1, [2003] 2007.

18 2. Employees who are earning credited service in the year  
19 2000 plan of the Missouri state employees' retirement system and  
20 who are, as a result of the provisions of this section and  
21 sections 226.008, 389.005, 389.610, and 621.040, RSMo,  
22 transferred to the department of transportation will remain in  
23 the year 2000 plan administered by the Missouri state employees'  
24 retirement system unless they elect to transfer membership and  
25 credited service to the year 2000 plan administered by the  
26 [highways and transportation employees' and highway patrol]  
27 Missouri department of transportation and highway patrol  
28 employees' retirement system. The election must be in writing

1 and must be made within ninety days of [July 11, 2002] the  
2 effective date of such transfer. Any election to transfer  
3 membership and credited service to the year 2000 plan  
4 administered by the [highways and transportation employees' and  
5 highway patrol] Missouri department of transportation and highway  
6 patrol employees' retirement system shall result in the  
7 forfeiture of any rights or benefits in the Missouri state  
8 employees' retirement system. Any failure to elect to transfer  
9 membership and credited service pursuant to this subsection will  
10 result in the employees remaining in the year 2000 plan  
11 administered by the Missouri state employees' retirement system.  
12 If an election is made, the effective date for commencement of  
13 membership and transfer of such creditable service shall be  
14 January 1, [2003] 2007.

15 3. For any employee who elects under subsection 1 or 2 of  
16 this section to transfer to the [highways and transportation  
17 employees' and highway patrol] Missouri department of  
18 transportation and highway patrol employees' retirement system,  
19 the Missouri state employees' retirement system shall pay to the  
20 [highways and transportation employees' and highway patrol]  
21 Missouri department of transportation and highway patrol  
22 employees' retirement system, by December 31, [2002] 2006, an  
23 amount actuarially determined to equal the liability transferred  
24 from the Missouri state employees' retirement system.

25 4. In no event shall any employee receive service credit  
26 for the same period of service under more than one retirement  
27 system as a result of the provisions of this section.

28 5. For any transferred employee who elects under subsection

1 1 or 2 of this section to transfer to the [highways and  
2 transportation employee's and highway patrol] Missouri department  
3 of transportation and highway patrol employees' retirement  
4 system, the only medical coverage available for the employee  
5 shall be the medical coverage provided in section 104.270. The  
6 effective date for commencement of medical coverage shall be  
7 January 1, [2003] 2007. However, this does not preclude medical  
8 coverage for the transferred employee as a dependent under any  
9 other health care plan.

10 104.1003. Unless a different meaning is plainly required by  
11 the context, the following words and phrases as used in sections  
12 104.1003 to 104.1093 shall mean:

13 (1) "Act", the "Year 2000 Plan" created by sections  
14 104.1003 to 104.1093;

15 (2) "Actuary", an actuary who is experienced in retirement  
16 plan financing and who is either a member of the American Academy  
17 of Actuaries or an enrolled actuary under the Employee Retirement  
18 Income Security Act of 1974;

19 (3) "Annuity", annual benefit amounts, paid in equal  
20 monthly installments, from funds provided for in, or authorized  
21 by, sections 104.1003 to 104.1093;

22 (4) "Annuity starting date" means the first day of the  
23 first month with respect to which an amount is paid as an annuity  
24 pursuant to sections 104.1003 to 104.1093;

25 (5) "Beneficiary", any person or entity entitled to receive  
26 an annuity or other benefit pursuant to sections 104.1003 to  
27 104.1093 based upon the employment record of another person;

28 (6) "Board of trustees", "board", or "trustees", a

1 governing body or bodies established for the year 2000 plan  
2 pursuant to sections 104.1003 to 104.1093;

3 (7) "Closed plan", a benefit plan created pursuant to this  
4 chapter and administered by a system prior to July 1, 2000. No  
5 person first employed on or after July 1, 2000, shall become a  
6 member of the closed plan, but the closed plan shall continue to  
7 function for the benefit of persons covered by and remaining in  
8 the closed plan and their beneficiaries;

9 (8) "Consumer price index", the Consumer Price Index for  
10 All Urban Consumers for the United States, or its successor  
11 index, as approved by the board, as such index is defined and  
12 officially reported by the United States Department of Labor, or  
13 its successor agency;

14 (9) "Credited service", the total credited service to a  
15 member's credit as provided in sections 104.1003 to 104.1093;  
16 except that in no case shall more than one day of credited  
17 service be credited any member or vested former member for any  
18 one calendar day of eligible service credit as provided by law;

19 (10) "Department", any department or agency of the  
20 executive, legislative, or judicial branch of the state of  
21 Missouri receiving state appropriations, including allocated  
22 funds from the federal government but not including any body  
23 corporate or politic unless its employees are eligible for  
24 retirement coverage from a system pursuant to this chapter as  
25 otherwise provided by law;

26 (11) "Early retirement eligibility", a member's attainment  
27 of fifty-seven years of age and the completion of at least five  
28 years of credited service;

1 (12) "Effective date", July 1, 2000;

2 (13) "Employee" shall be any person who is employed by a  
3 department and is paid a salary or wage by a department in a  
4 position normally requiring the performance of duties of not less  
5 than one thousand forty hours per year, provided:

6 (a) The term "employee" shall not include any patient or  
7 inmate of any state, charitable, penal or correctional  
8 institution, or any person who is employed by a department in a  
9 position that is covered by a state-sponsored defined benefit  
10 retirement plan not created by this chapter;

11 (b) The term "employee" shall be modified as provided by  
12 other provisions of sections 104.1003 to 104.1093;

13 (c) The system shall consider a person who is employed in  
14 multiple positions simultaneously within a single agency to be  
15 working in a single position for purposes of determining whether  
16 the person is an employee as defined in this subdivision;

17 (d) Beginning September 1, 2001, the term "year" as used in  
18 this subdivision shall mean the twelve-month period beginning on  
19 the first day of employment;

20 (e) The term "employee" shall include any person as defined  
21 under paragraph (b) of subdivision (20) of subsection 1 of  
22 section 104.010 who is first employed on or after July 1, 2000,  
23 but prior to August 28, 2006;

24 (14) "Employer", a department;

25 (15) "Executive director", the executive director employed  
26 by a board established pursuant to the provisions of sections  
27 104.1003 to 104.1093;

28 (16) "Final average pay", the average pay of a member for

1 the thirty-six full consecutive months of service before  
2 termination of employment when the member's pay was greatest; or  
3 if the member was on workers' compensation leave of absence or a  
4 medical leave of absence due to an employee illness, the amount  
5 of pay the member would have received but for such leave of  
6 absence as reported and verified by the employing department; or  
7 if the member was employed for less than thirty-six months, the  
8 average monthly pay of a member during the period for which the  
9 member was employed. The board of each system may promulgate  
10 rules for purposes of calculating final average pay and other  
11 retirement provisions to accommodate for any state payroll system  
12 in which pay is received on a monthly, semimonthly, biweekly, or  
13 other basis;

14 (17) "Fund", a fund of the year 2000 plan established  
15 pursuant to sections 104.1003 to 104.1093;

16 (18) "Investment return", or "interest", rates as shall be  
17 determined and prescribed from time to time by a board;

18 (19) "Member", a person who is included in the membership  
19 of the system, as set forth in section 104.1009;

20 (20) "Normal retirement eligibility", a member's attainment  
21 of at least sixty-two years of age and the completion of at least  
22 five or more years of credited service or, the attainment of at  
23 least forty-eight years of age with a total of years of age and  
24 years of credited service which is at least eighty or, in the  
25 case of a member of the highway patrol who shall be subject to  
26 the mandatory retirement provisions of section 104.080, the  
27 mandatory retirement age and completion of five years of credited  
28 service or, the attainment of at least forty-eight years of age

1 with a total of years of age and years of credited service which  
2 is at least eighty;

3 (21) "Pay" shall include:

4 (a) All salary and wages payable to an employee for  
5 personal services performed for a department; but excluding:

6 a. Any amounts paid after an employee's employment is  
7 terminated, unless the payment is made as a final installment of  
8 salary or wages at the same rate as in effect immediately prior  
9 to termination of employment in accordance with a state payroll  
10 system adopted on or after January 1, 2000;

11 b. Any amounts paid upon termination of employment for  
12 unused annual leave or unused sick leave;

13 c. Pay in excess of the limitations set forth in Section  
14 401(a)(17) of the Internal Revenue Code of 1986 as amended and  
15 other applicable federal laws or regulations; [and]

16 d. Any nonrecurring single sum payments; and

17 e. Any amounts for which contributions have not been made  
18 in accordance with section 104.1066;

19 (b) All salary and wages which would have been payable to  
20 an employee on workers' compensation leave of absence during the  
21 period the employee is receiving a weekly workers' compensation  
22 benefit, as reported and verified by the employing department;

23 (c) All salary and wages which would have been payable to  
24 an employee on a medical leave due to employee illness, as  
25 reported and verified by the employing department;

26 (d) For purposes of members of the general assembly, pay  
27 shall be the annual salary provided to each senator and  
28 representative pursuant to section 21.140, RSMo, plus any salary

adjustment pursuant to section 21.140, RSMo;

(22) "Retiree", a person receiving an annuity from the year 2000 plan based upon the person's employment record;

(23) "State", the state of Missouri;

(24) "System" or "retirement system", the Missouri state employees' retirement system or the [transportation department and highway patrol retirement system] Missouri department of transportation and highway patrol employees' retirement system, as the case may be;

(25) "Vested former member", a person entitled to receive a deferred annuity pursuant to section 104.1036;

(26) "Year 2000 plan", the benefit plan created by sections 104.1003 to 104.1093.

104.1012. 1. Any new state employee who would have become a member of the closed plan administered by the transportation department and highway patrol retirement system except for the creation of the year 2000 plan and persons covered by the closed plan administered by the highway and transportation employees' and highway patrol retirement system who elect year 2000 plan coverage as provided in section 104.1015 shall have their year 2000 plan coverage managed by that board.

2. Any new state employee who would have become a member of the closed plan administered by the Missouri state employees' retirement system except for the creation of the year 2000 plan or persons covered by the closed plan administered by the Missouri state employees' retirement system who elect year 2000 plan coverage as provided in section 104.1015 shall have their year 2000 plan coverage managed by that board.



1       3. In the event either board of trustees elects to provide  
2       employees, members, or vested former members under either the  
3       closed plan or the year 2000 plan with education or advice  
4       pertaining to any aspect of retirement planning, the board will  
5       not be liable for the retirement or investment decisions made or  
6       not made by employees, members, or vested former members so long  
7       as the board acts with the same care, skill, prudence, and  
8       diligence in the selection and monitoring of providers of  
9       education and advice, under the circumstances then prevailing  
10       that a prudent person acting in a similar capacity and familiar  
11       with those matters would use in the conduct of a similar  
12       enterprise with similar aims.

13       104.1015. 1. Persons covered by a closed plan on July 1,  
14       2000, shall elect whether or not to change to year 2000 plan  
15       coverage. Any such person who elects to be covered by the year  
16       2000 plan shall forfeit all rights to receive benefits under this  
17       chapter except as provided under the year 2000 plan and all  
18       creditable service of such person under the closed plan shall be  
19       credited under the year 2000 plan. Any such person who elects  
20       not to be covered by the year 2000 plan shall waive all rights to  
21       receive benefits under the year 2000 plan. In no event shall any  
22       retroactive annuity be paid to such persons pursuant to sections  
23       104.1003 to 104.1093 except as described in subsection 2 of this  
24       section.

25       2. Each retiree of the closed plan on July 1, 2000, shall  
26       be furnished by the appropriate system a written comparison of  
27       the retiree's closed plan coverage and the retiree's potential  
28       year 2000 plan coverage. A retiree shall elect whether or not to

1 change to year 2000 plan coverage by making a written election,  
2 on a form furnished by the appropriate board, and providing that  
3 form to the system by no later than twelve months after July 1,  
4 2000, and any retiree who fails to make such election within such  
5 time period shall be deemed to have elected to remain covered  
6 under the closed plan; provided the election must be after the  
7 retiree has received from the appropriate system such written  
8 comparison. The retirement option elected under the year 2000  
9 plan shall be the same as the retirement option elected under the  
10 closed plan, except any retiree who is receiving one of the  
11 options providing for a continuing lifetime annuity to a  
12 surviving spouse under the closed plan may elect to receive an  
13 annuity under option 1 or 2 of section 104.1027, or a life  
14 annuity under subsection 2 of section 104.1024, provided the  
15 person who was married to the member at the time of retirement,  
16 if any, consents in writing to such election made pursuant to  
17 section 104.1024, or to any election described in this section if  
18 the person was married to a member of the Missouri state  
19 employees' retirement system. The effective date of payment of  
20 an annuity under the year 2000 plan as provided in this  
21 subsection shall begin on July 1, 2000. No adjustment shall be  
22 made to retirement benefits paid to the retiree prior to July 1,  
23 2000. In order to calculate a new monthly annuity for retirees  
24 electing coverage under the year 2000 plan pursuant to this  
25 subsection, the following calculations shall be made:

26 (1) Except as otherwise provided in this subsection, the  
27 retiree's gross monthly retirement annuity in effect immediately  
28 prior to July 1, 2000, shall be multiplied by the percentage

1 increase in the life annuity formula between the closed plan and  
2 the year 2000 plan. This amount shall be added to the retiree's  
3 gross monthly retirement annuity in effect immediately prior to  
4 July 1, 2000, to arrive at the retiree's new monthly retirement  
5 annuity in the year 2000 plan on July 1, 2000. The age of  
6 eligibility and reduction factors applicable to the retiree's  
7 original annuity under the closed plan shall remain the same in  
8 the annuity payable under the year 2000 plan, except as provided  
9 in subdivision (2) of this subsection.

10 (2) If option 1 or 2 pursuant to section 104.1027 is chosen  
11 by the retiree under the year 2000 plan, the new monthly  
12 retirement annuity calculated pursuant to subdivision (1) of this  
13 subsection shall be recalculated using the reduction factors for  
14 the option chosen pursuant to section 104.1027.

15 (3) If a temporary annuity is payable pursuant to  
16 subsection 4 of section 104.1024 the additional temporary annuity  
17 shall be calculated by multiplying the retiree's credited service  
18 by the retiree's final average pay by eight-tenths of one  
19 percent.

20 (4) Cost-of-living adjustments paid pursuant to section  
21 104.1045 will commence on the anniversary of the retiree's  
22 annuity starting date coincident with or next following July 1,  
23 2000.

24 (5) Any retiree or other person described in this section  
25 who elects coverage under the year 2000 plan based on service  
26 rendered as a member of the general assembly or as a statewide  
27 elected official shall receive an annuity under the year 2000  
28 plan calculated pursuant to the provisions of section 104.1084

1 using the current monthly pay at the time of the election with  
2 future COLAs calculated pursuant to subsection 7 of section  
3 104.1084.

4 3. Each person who is an employee and covered by the closed  
5 plan and not a retiree of the closed plan on July 1, 2000, shall  
6 elect whether or not to change to year 2000 plan coverage prior  
7 to the last business day of the month before the person's annuity  
8 starting date, and if such election has not been made within such  
9 time, annuity payments due beginning on and after the month of  
10 the annuity starting date shall be made the month following the  
11 receipt by the appropriate system of such election and any other  
12 information required by the year 2000 plan created by sections  
13 104.1003 to 104.1093; provided, such election must be after the  
14 person has received from the year 2000 plan a written comparison  
15 of the person's closed plan coverage and the person's potential  
16 year 2000 plan coverage and the election must be made in writing  
17 on a form furnished by the appropriate board. If such person  
18 dies after the annuity starting date but before making such  
19 election and providing such other information, no benefits shall  
20 be paid except as required pursuant to section 104.420 or  
21 subsection 2 of section 104.372 for members of the general  
22 assembly.

23 4. Each person who is not an employee and not a retiree and  
24 is eligible for a deferred annuity from the closed plan on July  
25 1, 2000, shall elect whether or not to change to the year 2000  
26 plan coverage prior to the last business day of the month before  
27 the person's annuity starting date, and if such election has not  
28 been made within such time, annuity payments due beginning on and

1 after the month of the annuity starting date shall be made the  
2 month following the receipt by the appropriate system of such  
3 election and any other information required by the year 2000 plan  
4 created by sections 104.1003 to 104.1093; provided, the election  
5 must be after the person has received from the year 2000 plan a  
6 written comparison of the person's closed plan coverage and the  
7 person's potential year 2000 plan coverage and the election must  
8 be made in writing on a form furnished by the appropriate board.  
9 If such person dies after the annuity starting date but before  
10 making such election and providing such other information, no  
11 benefits shall be paid except as required pursuant to section  
12 104.420 or subsection 2 of section 104.372 for members of the  
13 general assembly.

14 5. Each person who is not an employee and not a retiree and  
15 is eligible for a deferred annuity from the closed plan and  
16 returns to covered employment on or after July 1, 2000, shall be  
17 covered under the closed plan; provided, such person shall elect  
18 whether or not to change to the year 2000 plan coverage prior to  
19 the last business day of the month before the person's annuity  
20 starting date, and if such election has not been made within such  
21 time, annuity payments due beginning on and after the month of  
22 the annuity starting date shall be made the month following the  
23 receipt by the appropriate system of such election and any other  
24 information required by the year 2000 plan created by sections  
25 104.1003 to 104.1093 and the election must be after the person  
26 has received from the year 2000 plan a written comparison of the  
27 person's closed plan coverage and the person's potential year  
28 2000 plan coverage and the election must be made in writing on a

1 form furnished by the appropriate board. If such person dies  
2 after the annuity starting date but before making such election  
3 and providing such other information, no benefits shall be paid  
4 except as required under section 104.420 or subsection 2 of  
5 section 104.372 for members of the general assembly.

6 6. Each person who is not an employee and not a retiree and  
7 not eligible for a deferred annuity from the closed plan but has  
8 forfeited creditable service with the closed plan and becomes an  
9 employee on or after August 28, 2002, shall be changed to year  
10 2000 plan coverage and upon receiving credited service  
11 continuously for one year shall receive credited service for all  
12 such forfeited creditable service under the closed plan.

13 7. Each person who was employed as a member of the general  
14 assembly through December 31, 2000, covered under the closed  
15 plan, and has served at least two full biennial assemblies as  
16 defined in subdivision (24) of subsection 1 of section 104.010  
17 but who is not eligible for a deferred annuity under the closed  
18 plan shall be eligible to receive benefits under the new plan  
19 pursuant to subdivision (5) of subsection 2 of this section upon  
20 meeting the age requirements under the new plan.

21 8. The retirees and persons described in subsections 2 and  
22 4 of this section shall be eligible for benefits under those  
23 subsections pursuant to subsection 8 of section 104.610.

24 9. A member may change a member's plan election made under  
25 this section at any time prior to the system mailing or  
26 electronically transferring the first annuity payment to such  
27 member.

28 104.1021. 1. The appropriate board shall determine how

1 much credited service shall be given each member consistent with  
2 this section.

3 2. If a member terminates employment and is eligible to  
4 receive an annuity pursuant to the year 2000 plan, or becomes a  
5 vested former member at the time of termination, the member's or  
6 former member's unused sick leave as reported through the  
7 financial and human resources system maintained by the office of  
8 administration, or if a department's employees are not paid  
9 salaries or wages through such system, as reported directly by  
10 the department, for which the member has not been paid will be  
11 converted to credited service at the time of application for  
12 retirement benefits. The member shall receive one-twelfth of a  
13 year of credited service for each one hundred and sixty-eight  
14 hours of such unused sick leave. The employing department shall  
15 not certify unused sick leave unless such unused sick leave could  
16 have been used by the member for sickness or injury. The rate of  
17 accrual of sick leave for purposes of computing years of service  
18 pursuant to this section shall be no greater than ten hours per  
19 month regardless of whether or not the employee is employed in  
20 more than one position that qualifies the employee to receive  
21 retirement benefits under this chapter. Such credited service  
22 shall not be used in determining the member's final average pay,  
23 eligibility for deferred, early, or normal retirement, including  
24 retirement benefits based on a higher formula, or any lump sum  
25 payment. Such credited service shall be added to the credited  
26 service in the last position of employment held as a member of  
27 the system.

28 3. If a member is employed in a covered position and

1 simultaneously employed in one or more other covered or  
2 noncovered positions, credited service shall be determined as if  
3 all such employment were in one position, and covered pay shall  
4 be the total of pay for all such positions.

5 4. In calculating any annuity, "credited service" means a  
6 period expressed as whole years and any fraction of a year  
7 measured in twelfths that begins on the date an employee  
8 commences employment in a covered position and ends on the date  
9 such employee's membership terminates pursuant to section  
10 104.1018 plus any additional period for which the employee is  
11 credited with service pursuant to this section.

12 5. A member shall be credited for all military service  
13 after membership commences as required by state and federal law.

14 6. Any member who had active military service in the United  
15 States Army, Air Force, Navy, Marine Corps, Army or Air National  
16 Guard, Coast Guard, or any reserve component thereof prior to  
17 last becoming a member, or who is otherwise ineligible to receive  
18 credited service pursuant to subsection 1 or 5 of this section,  
19 and who became a member after the person's discharge from  
20 military service under honorable conditions may elect, prior to  
21 retirement, to purchase credited service for all such military  
22 service, but not to exceed four years, provided the person is not  
23 receiving and is not eligible to receive retirement credits or  
24 benefits from any other public or private retirement plan, other  
25 than a United States military service retirement system, for the  
26 military service to be purchased along with the submission of  
27 appropriate documentation verifying the member's dates of active  
28 service. The purchase shall be effected by the member paying to



1 the system an amount equal to the state's contributions that  
2 would have been made to the system on the member's behalf had the  
3 member been a member for the period for which the member is  
4 electing to purchase credit and had the member's pay during such  
5 period of membership been the same as the annual pay rate as of  
6 the date the member was initially employed as a member, with the  
7 calculations based on the contribution rate in effect on the date  
8 of such member's employment with simple interest calculated from  
9 the date of employment to the date of election pursuant to this  
10 subsection. The payment shall be made over a period of not  
11 longer than two years, measured from the date of election, and  
12 with simple interest on the unpaid balance. If a member who  
13 purchased credited service pursuant to this subsection dies prior  
14 to retirement, the surviving spouse may, upon written request,  
15 receive a refund of the amount contributed for such purchase of  
16 such credited service, provided the surviving spouse is not  
17 entitled to survivorship benefits payable pursuant to the  
18 provisions of section 104.1030.

19 7. Any member of the Missouri state employees' retirement  
20 system shall receive credited service for the creditable prior  
21 service that such employee would have been entitled to under the  
22 closed plan pursuant to section 104.339, subsections 2, and 6 to  
23 9 of section 104.340, subsection 12 of section 104.342, section  
24 104.344, subsection 4 of section 104.345, subsection 4 of section  
25 104.372, section 178.640, RSMo, and section 211.393, RSMo,  
26 provided such service has not been credited under the closed  
27 plan.

28 8. Any member who has service in both systems and dies or

1 terminates employment shall have the member's service in the  
2 other system transferred to the last system that covered such  
3 member and any annuity payable to such member shall be paid by  
4 that system. Any such member may elect to transfer service  
5 between systems prior to termination of employment, provided, any  
6 annuity payable to such member shall be paid by the last system  
7 that covered such member prior to the receipt of such annuity.

8 9. In no event shall any person or member receive credited  
9 service pursuant to the year 2000 plan if that same service is  
10 credited for retirement benefits under any defined benefit  
11 retirement system not created pursuant to this chapter.

12 10. Any additional credited service as described in  
13 subsections 5 to 7 of this section shall be added to the credited  
14 service in the first position of employment held as a member of  
15 the system. Any additional creditable service received pursuant  
16 to section 105.691, RSMo, shall be added to the credited service  
17 in the position of employment held at the time the member  
18 completes the purchase or transfer pursuant to such section.

19 11. A member may not purchase any credited service  
20 described in this section unless the member has met the five-year  
21 minimum service requirement as provided in subdivisions (11) and  
22 (20) of section 104.1003, the [two] three full biennial  
23 assemblies minimum service requirement as provided in section  
24 104.1084, or the four-year minimum service requirement as  
25 provided in section 104.1084.

26 12. Absences taken by an employee without compensation for  
27 sickness and injury of the employee of less than twelve months or  
28 for leave taken by such employee without compensation pursuant to

1 the provisions of the Family and Medical Leave Act of 1993 shall  
2 be counted as years of credited service.

3 13. Upon the death of a member who has not requested  
4 credited service under section 104.339, subsections 2, 6, 7, and  
5 9 of section 104.340, subsection 12 of section 104.342,  
6 subsection 4 of section 104.345, subsection 4 of section 104.372,  
7 section 178.639, RSMo, or section 211.393, RSMo, the survivor of  
8 such member who is or would be eligible to receive benefits under  
9 section 104.1030 may elect to have the member receive such  
10 credited service or transfer such service. Upon making such  
11 election, all of the provisions of applicable sections of law as  
12 provided in this section shall apply. Any survivor benefits  
13 shall be calculated as if such credited service or transferred  
14 service had been received by such member on a date of the death  
15 of the member.

16 104.1024. 1. Any member who terminates employment may  
17 retire on or after attaining normal retirement eligibility by  
18 making application in written form and manner approved by the  
19 appropriate board. The written application shall set forth the  
20 annuity starting date which shall not be earlier than the first  
21 day of the second month following the month of the execution and  
22 filing of the member's application for retirement nor later than  
23 the first day of the fourth month following the month of the  
24 execution and filing of the member's application for retirement.  
25 The payment of the annuity shall be made by the last day of each  
26 month, providing all documentation required under section  
27 104.1027 for the calculation and payment of the benefits is  
28 received by the board.

1           2. A member's annuity shall be paid in the form of a life  
2 annuity, except as provided in section 104.1027, and shall be an  
3 amount for life equal to one and seven-tenths percent of the  
4 final average pay of the member multiplied by the member's years  
5 of credited service.

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

9           4. If as of the annuity starting date of a member who has  
10 attained normal retirement eligibility the sum of the member's  
11 years of age and years of credited service equals eighty or more  
12 years and if the member's age is at least forty-eight years but  
13 less than sixty-two years, or, in the case of a member of the  
14 highway patrol who shall be subject to the mandatory retirement  
15 provision of section 104.080, the mandatory retirement age and  
16 completion of five years of credited service, then in addition to  
17 the life annuity described in subsection 2 of this section, the  
18 member shall receive a temporary annuity equal to eight-tenths of  
19 one percent of the member's final average pay multiplied by the  
20 member's years of credited service. The temporary annuity and  
21 any cost-of-living adjustments attributable to the temporary  
22 annuity pursuant to section 104.1045 shall terminate at the end  
23 of the calendar month in which the earlier of the following  
24 events occurs: the member's death or the member's attainment of  
25 the earliest age of eligibility for reduced Social Security  
26 retirement benefits, but no later than age sixty-two.

27           5. The annuity described in subsection 2 of this section  
28 for any person who has credited service not covered by the

1 federal Social Security Act, as provided in sections 105.300 to  
2 105.445, RSMo, shall be calculated as follows: the life annuity  
3 shall be an amount equal to two and five-tenths percent of the  
4 final average pay of the member multiplied by the number of years  
5 of service not covered by the federal Social Security Act in  
6 addition to one and seven-tenths percent of the final average pay  
7 of the member multiplied by the member's years of credited  
8 service covered by the federal Social Security Act.

9 6. Effective July 1, 2002, any member, except an elected  
10 official or a member of the general assembly, who has not been  
11 paid retirement benefits and continues employment for at least  
12 two years beyond the date of normal retirement eligibility, may  
13 elect to receive an annuity and lump sum payment or payments,  
14 determined as follows:

15 (1) A retroactive starting date shall be established which  
16 shall be a date selected by the member; provided, however, that  
17 the retroactive starting date selected by the member shall not be  
18 a date which is earlier than the date when a normal annuity would  
19 have first been payable. In addition, the retroactive starting  
20 date shall not be more than five years prior to the annuity  
21 starting date. The member's selection of a retroactive starting  
22 date shall be done in twelve-month increments, except this  
23 restriction shall not apply when the member selects the total  
24 available time between the retroactive starting date and the  
25 annuity starting date;

26 (2) The prospective annuity payable as of the annuity  
27 starting date shall be determined pursuant to the provisions of  
28 this section, with the exception that it shall be the amount

1       which would have been payable at the annuity starting date had  
2       the member actually retired on the retroactive starting date  
3       under the retirement plan selected by the member. Other than for  
4       the lump sum payment or payments specified in subdivision (3) of  
5       this subsection, no other amount shall be due for the period  
6       between the retroactive starting date and the annuity starting  
7       date;

8           (3) The lump sum payable shall be ninety percent of the  
9       annuity amounts which would have been paid to the member from the  
10      retroactive starting date to the annuity starting date had the  
11      member actually retired on the retroactive starting date and  
12      received a life annuity. The member shall elect to receive the  
13      lump sum amount either in its entirety at the same time as the  
14      initial annuity payment is made or in three equal annual  
15      installments with the first payment made at the same time as the  
16      initial annuity payment;

17          (4) Any annuity payable pursuant to this section that is  
18      subject to a division of benefit order pursuant to section  
19      104.1051 shall be calculated as follows:

20          (a) Any service of a member between the retroactive  
21      starting date and the annuity starting date shall not be  
22      considered credited service except for purposes of calculating  
23      the division of benefit; and

24          (b) The lump sum payment described in subdivision (3) of  
25      this section shall not be subject to any division of benefit  
26      order; and

27          (5) For purposes of determining annual benefit increases  
28      payable as part of the lump sum and annuity provided pursuant to

1 this section, the retroactive starting date shall be considered  
2 the member's date of retirement.

3 104.1027. 1. Prior to the last business day of the month  
4 before the annuity starting date, a member or a vested former  
5 member shall elect whether or not to have such member's or such  
6 vested former member's life annuity reduced, but not any  
7 temporary annuity which may be payable, and designate a  
8 beneficiary, as provided by the options set forth in this  
9 section; provided that if such election has not been made within  
10 such time, annuity payments due beginning on and after the month  
11 of the annuity starting date shall be made the month following  
12 the receipt by the appropriate system of such election and any  
13 other information required by the year 2000 plan created by  
14 sections 104.1003 to 104.1093, and further provided, that if such  
15 person dies after the annuity starting date but before making  
16 such election and providing such other information, no benefits  
17 shall be paid except as required pursuant to section 104.1030:

18 Option 1. A retiree's life annuity shall be reduced to a  
19 certain percent of the annuity otherwise payable. Such percent  
20 shall be ninety percent adjusted as follows: if the retiree's  
21 age on the annuity starting date is younger than sixty-two years,  
22 an increase of three-tenths of one percent for each year the  
23 retiree's age is younger than age sixty-two years, to a maximum  
24 increase of three and six-tenths percent; and if the  
25 beneficiary's age is younger than the retiree's age on the  
26 annuity starting date, a decrease of three-tenths of one percent  
27 for each year of age difference; and if the retiree's age is  
28 younger than the beneficiary's age on the annuity starting date,

1 an increase of three-tenths of one percent for each year of age  
2 difference; provided, after all adjustments the option 1 percent  
3 cannot exceed ninety-five percent. Upon the retiree's death,  
4 fifty percent of the retiree's reduced annuity shall be paid to  
5 such beneficiary who was the retiree's spouse on the annuity  
6 starting date or as otherwise provided by subsection 5 of this  
7 section.

8 Option 2. A retiree's life annuity shall be reduced to a  
9 certain percent of the annuity otherwise payable. Such percent  
10 shall be eighty-three percent adjusted as follows: if the  
11 retiree's age on the annuity starting date is younger than  
12 sixty-two years, an increase of four-tenths of one percent for  
13 each year the retiree's age is younger than sixty-two years, to a  
14 maximum increase of four and eight-tenths percent; and if the  
15 beneficiary's age is younger than the retiree's age on the  
16 annuity starting date, a decrease of five-tenths of one percent  
17 for each year of age difference; and if the retiree's age is  
18 younger than the beneficiary's age on the annuity starting date,  
19 an increase of five-tenths of one percent for each year of age  
20 difference; provided, after all adjustments the option 2 percent  
21 cannot exceed ninety percent. Upon the retiree's death one  
22 hundred percent of the retiree's reduced annuity shall be paid to  
23 such beneficiary who was the retiree's spouse on the annuity  
24 starting date or as otherwise provided by subsection 5 of this  
25 section.

26 Option 3. A retiree's life annuity shall be reduced to  
27 ninety-five percent of the annuity otherwise payable. If the  
28 retiree dies before having received one hundred twenty monthly



1 payments, the reduced annuity shall be continued for the  
2 remainder of the one hundred twenty-month period to the retiree's  
3 designated beneficiary provided that if there is no beneficiary  
4 surviving the retiree, the present value of the remaining annuity  
5 payments shall be paid [to the retiree's estate] as provided  
6 under subsection 4 of section 104.1054. If the beneficiary  
7 survives the retiree but dies before receiving the remainder of  
8 such one hundred twenty monthly payments, the present value of  
9 the remaining annuity payments shall be paid [to the  
10 beneficiary's estate] as provided under subsection 4 of section  
11 104.1054.

12 Option 4. A retiree's life annuity shall be reduced to  
13 ninety percent of the annuity otherwise payable. If the retiree  
14 dies before having received one hundred eighty monthly payments,  
15 the reduced annuity shall be continued for the remainder of the  
16 one hundred eighty-month period to the retiree's designated  
17 beneficiary provided that if there is no beneficiary surviving  
18 the retiree, the present value of the remaining annuity payments  
19 shall be paid [to the retiree's estate] as provided under  
20 subsection 4 of section 104.1054. If the beneficiary survives  
21 the retiree but dies before receiving the remainder of such one  
22 hundred eighty monthly payments, the present value of the  
23 remaining annuity payments shall be paid [to the beneficiary's  
24 estate] as provided under subsection 4 of section 104.1054.

25 2. If a member is married as of the annuity starting date,  
26 the member's annuity shall be paid under the provisions of either  
27 option 1 or option 2 as set forth in subsection 1 of this  
28 section, at the member's choice, with the spouse as the member's

1 designated beneficiary unless the spouse consents in writing to  
2 the member electing another available form of payment.

3 3. If a member has elected at the annuity starting date  
4 option 1 or 2 pursuant to this section and if the member's spouse  
5 or eligible former spouse dies after the annuity starting date  
6 but before the member dies, then the member may cancel the  
7 member's election and return to the life annuity form of payment  
8 and annuity amount, effective the first of the month following  
9 the date of such spouse's or eligible former spouse's death.

10 4. If a member designates a spouse as a beneficiary  
11 pursuant to this section and subsequently that marriage ends as a  
12 result of a dissolution of marriage, such dissolution shall not  
13 affect the option election pursuant to this section and the  
14 former spouse shall continue to be eligible to receive survivor  
15 benefits upon the death of the member.

16 5. Effective July 1, 2000, a member may make an election  
17 under option 1 or 2 after the annuity starting date as described  
18 in this section if the member makes such election within one year  
19 from the date of marriage or July 1, 2000, whichever is later,  
20 pursuant to any of the following circumstances:

21 (1) The member elected to receive a life annuity and was  
22 not eligible to elect option 1 or 2 on the annuity starting date;  
23 or

24 (2) The member's annuity reverted to a normal or early  
25 retirement annuity pursuant to subsection 3 of this section, and  
26 the member remarried.

27 6. Effective September 1, 2001, the retirement application  
28 of any member who fails to make an election pursuant to

1 subsection 1 of this section within ninety days of the annuity  
2 starting date contained in such retirement application shall be  
3 nullified. Any member whose retirement application is nullified  
4 shall not receive retirement benefits until the member files a  
5 new application for retirement pursuant to section 104.1024 and  
6 makes the election pursuant to subsection 1 of this section. In  
7 no event shall any retroactive retirement benefits be paid.

8 7. A member may change a member's election made under this  
9 section at any time prior to the system mailing or electronically  
10 transferring the first annuity payment to such member.

11 104.1030. 1. If a member with five or more years of  
12 credited service or a vested former member dies before such  
13 member's or such vested former member's annuity starting date,  
14 the applicable annuity provided in this section shall be paid.

15 2. The member's surviving spouse who was married to the  
16 member at the date of death shall receive an annuity computed as  
17 if such member had:

18 (1) Retired on the date of death with a normal retirement  
19 annuity based upon credited service and final average pay to the  
20 date of death, and without reduction if the member's age was  
21 younger than normal retirement eligibility;

22 (2) Elected option 2 provided for in section 104.1027; and

23 (3) Designated such spouse as beneficiary under such  
24 option.

25 3. If a spouse annuity is not payable pursuant to the  
26 provisions of subsection 2 of this section, or when a spouse  
27 annuity has ceased to be payable, eighty percent of an annuity  
28 computed in the same manner as if the member had retired on the

1 date of death with a normal retirement annuity based upon  
2 credited service and final average pay to the date of death and  
3 without reduction if the member's age at death was younger than  
4 normal retirement eligibility shall be divided equally among the  
5 dependent children of the deceased member. A child shall be a  
6 dependent child until death or attainment of age twenty-one,  
7 whichever occurs first; provided the age twenty-one maximum shall  
8 be extended for any child who has been found totally  
9 incapacitated by a court of competent jurisdiction. Upon a child  
10 ceasing to be a dependent child, that child's portion of the  
11 dependent annuity shall cease to be paid, and the amounts payable  
12 to any remaining dependent children shall be proportionately  
13 increased. Benefits otherwise payable to a child under eighteen  
14 years of age under this section, to a beneficiary under eighteen  
15 years of age under the administrative law judges and legal  
16 advisors retirement plan under chapter 287, RSMo, or to a  
17 beneficiary under eighteen years of age under the judicial  
18 retirement plan under chapter 476, RSMo, shall be payable to the  
19 surviving parent as natural guardian of such child if such parent  
20 has custody or assumes custody of such minor child, or to the  
21 legal guardian of such child, until such child attains age  
22 eighteen; thereafter, the benefit may be paid to the child.

23 4. For the purpose of computing the amount of an annuity  
24 payable pursuant to this section, if the board finds that the  
25 death was the natural and proximate result of a personal injury  
26 or disease arising out of and in the course of his or her actual  
27 performance of duty as an employee, then the minimum annuity to  
28 such member's spouse or, if no spouse benefits are payable, the

1 minimum annuity that shall be divided among and paid to such  
2 member's dependent children shall be fifty percent of final  
3 average pay. The credited service requirement of subsection 1 of  
4 this section shall not apply to any annuity payable pursuant to  
5 this subsection.

6 5. The provisions of this section shall apply to members of  
7 the general assembly and statewide elected officials except that  
8 the credited service and monthly pay requirements described in  
9 section 104.1084 shall apply notwithstanding any other language  
10 to the contrary contained in this section.

11 104.1042. 1. Any member [who is in the Missouri state  
12 employees' retirement system] pursuant to the year 2000 plan  
13 created by sections 104.1003 to 104.1093 and who becomes disabled  
14 and qualifies for [long-term] disability benefits and retires  
15 after August 28, 1999, or who becomes disabled and qualifies for  
16 [long-term] disability benefits under a program provided by the  
17 member's employing department and retires after August 28, 1999,  
18 shall continue to accrue credited service and such member's rate  
19 of pay for purposes of calculating an annuity pursuant to the  
20 year 2000 plan created by sections 104.1003 to 104.1093 shall be  
21 the member's regular monthly pay received at the time of  
22 disablement, increased thereafter for any increases in the  
23 consumer price index. Such increases in the member's monthly pay  
24 shall be made annually beginning twelve months after disablement  
25 and shall be equal to eighty percent of the increase in the  
26 consumer price index during the calendar year prior to the  
27 adjustment, but not more than five percent of the member's  
28 monthly pay immediately before the increase. Such accruals shall

1 continue until the earliest of receipt of an early retirement  
2 annuity, attainment of normal retirement eligibility, or  
3 termination of disability benefits. For the purposes of life  
4 insurance coverage under section 104.1072, a person who is  
5 receiving disability benefits under this section shall be  
6 required to pay the cost of life insurance coverage provided  
7 under section 104.1072 in order to receive such coverage, unless  
8 such person is eligible to receive such insurance at no cost  
9 under any waiver of premium provision that may exist under the  
10 contract for life insurance. For purposes of eligibility to  
11 apply for retirement, persons receiving disability benefits under  
12 this section shall be treated as if they were active employees  
13 during their period of disability.

14 2. A member described in subsection 1 of this section who  
15 continues to be disabled until normal retirement eligibility may  
16 elect an annuity starting date upon termination of disability  
17 payments and shall receive a normal retirement annuity provided  
18 for in section 104.1024.

19 3. If the member's disability terminates, disability  
20 accruals described in subsection 1 of this section shall  
21 terminate.

22 4. Upon termination of disability payments and not  
23 returning to a position in which the member is an employee, the  
24 member's rights to plan benefits shall be determined as if the  
25 member had terminated employment at time of termination of  
26 disability payments.

27 5. Any member who was disabled under the closed plan prior  
28 to July 1, 2000, and who returns to a position in which the

1 member is an employee after July 1, 2000, shall be covered under  
2 the closed plan and shall be eligible to elect coverage under the  
3 new plan as provided by subsection 5 of section 104.1015.

4 104.1060. 1. Should any error result in any person  
5 receiving more or less than he or she would have been entitled to  
6 receive had the error not occurred, the board shall correct such  
7 error, and, as far as practicable, make future payments in such a  
8 manner that the actuarial equivalent of the benefit to which such  
9 member or beneficiary was entitled shall be paid, and to this end  
10 may recover any overpayments. In all cases in which an error has  
11 been made, no such error shall be corrected unless the system  
12 discovers or is notified of such error within ten years after the  
13 date [of] benefits begin to be paid based on the error.

14 2. A person who knowingly makes a false statement, or  
15 falsifies or permits to be falsified a record of the system, in  
16 an attempt to defraud the system shall be subject to fine or  
17 imprisonment under the Missouri revised statutes.

18 3. A board shall not pay an annuity to any survivor or  
19 beneficiary who is charged with the intentional killing of a  
20 member, retiree or survivor without legal excuse or  
21 justification. A survivor or beneficiary who is convicted of  
22 such charge shall no longer be entitled to receive an annuity.  
23 If the survivor or beneficiary is not convicted of such charge,  
24 the board shall resume annuity payments and shall pay the  
25 survivor or beneficiary any annuity payments that were suspended  
26 pending resolution of such charge.

27 104.1072. 1. Each board shall provide or contract, or  
28 both, for life insurance benefits for employees covered pursuant

1 to the year 2000 plan as follows:

2 (1) Employees shall be provided fifteen thousand dollars of  
3 life insurance until December 31, 2000. Effective January 1,  
4 2001, the system shall provide or contract or both for basic life  
5 insurance for employees covered under any retirement plan  
6 administered by the system pursuant to this chapter, persons  
7 covered by sections 287.812 to 287.856, RSMo, for employees who  
8 are members of the judicial retirement system as provided in  
9 section 476.590, RSMo, and, at the election of the state highways  
10 and transportation commission, employees who are members of the  
11 highways and transportation employees' and highway patrol  
12 retirement system, in the amount equal to one times annual pay,  
13 subject to a minimum amount of fifteen thousand dollars. The  
14 board shall establish by rule or contract the method for  
15 determining the annual rate of pay and any other terms of such  
16 insurance as it deems necessary to implement the requirements  
17 pursuant to this section. Annual rate of pay shall not include  
18 overtime or any other irregular payments as determined by the  
19 board. Such life insurance shall provide for triple indemnity in  
20 the event the cause of death is a proximate result of a personal  
21 injury or disease arising out of and in the course of actual  
22 performance of duty as an employee;

23 (2) Any member who terminates employment after reaching  
24 normal or early retirement eligibility and becomes a retiree  
25 within sixty days of such termination shall receive five thousand  
26 dollars of life insurance coverage.

27 2. (1) In addition to the life insurance authorized by the  
28 provisions of subsection 1 of this section, any person for whom



1 life insurance is provided or contracted for pursuant to such  
2 subsection may purchase, at the person's own expense and only if  
3 monthly voluntary payroll deductions are authorized, additional  
4 life insurance at a cost to be stipulated in a contract with a  
5 private insurance company or as may be required by a system if  
6 the board of trustees determines that the system should provide  
7 such insurance itself. The maximum amount of additional life  
8 insurance which may be so purchased prior to January 1, 2004, is  
9 that amount which equals six times the amount of the person's  
10 annual rate of pay, subject to any maximum established by a  
11 board, except that if such maximum amount is not evenly divisible  
12 by one thousand dollars, then the maximum amount of additional  
13 insurance which may be purchased is the next higher amount evenly  
14 divisible by one thousand dollars. The maximum amount of  
15 additional life insurance which may be so purchased on or after  
16 January 1, 2004, is an amount to be stipulated in a contract with  
17 a private insurance company or as may be required by the system  
18 if the board of trustees determines that the system should  
19 provide the insurance itself.

20 (2) Any person defined in subdivision (1) of this  
21 subsection may retain an amount not to exceed sixty thousand  
22 dollars of life insurance following the date of his or her  
23 retirement if such person becomes a retiree the month following  
24 termination of employment and makes written application for such  
25 life insurance at the same time such person's application is made  
26 to the board for retirement benefits. Such life insurance shall  
27 only be provided if such person pays the entire cost of the  
28 insurance, as determined by the board, by allowing voluntary

1       deductions from the member's annuity.

2           (3) In addition to the life insurance authorized in  
3       subdivision (1) of this subsection, any person for whom life  
4       insurance is provided or contracted for pursuant to this  
5       subsection may purchase, at the person's own expense and only if  
6       monthly voluntary payroll deductions are authorized, life  
7       insurance covering the person's children or the person's spouse  
8       or both at coverage amounts to be determined by the board at a  
9       cost to be stipulated in a contract with a private insurer or as  
10      may be required by the system if the board of trustees determines  
11      that the system should provide such insurance itself.

12          (4) Effective July 1, 2000, any member who applies and is  
13      eligible to receive an annuity based on the attainment of at  
14      least forty-eight years of age with a total of years of age and  
15      years of credited service which is at least eighty shall be  
16      eligible to retain any optional life insurance described in  
17      subdivision (1) of this subsection. The amount of such retained  
18      insurance shall not be greater than the amount in effect during  
19      the month prior to termination of employment. Such insurance may  
20      be retained until the member's attainment of the earliest age for  
21      eligibility for reduced Social Security retirement benefits but  
22      no later than age sixty-two, at which time the amount of such  
23      insurance that may be retained shall be that amount permitted  
24      pursuant to subdivision (2) of this subsection.

25          3. The state highways and transportation commission may  
26      provide for insurance benefits to cover medical expenses for  
27      members of the highways and transportation employees' and highway  
28      patrol retirement system. The state highways and transportation

1 commission may provide medical benefits for dependents of members  
2 and for retired members. Contributions by the state highways and  
3 transportation commission to provide the benefits shall be on the  
4 same basis as provided for other state employees pursuant to the  
5 provisions of section 104.515. Except as otherwise provided by  
6 law, the cost of benefits for dependents of members and for  
7 retirees and their dependents shall be paid by the members or  
8 retirees. The commission may contract with other persons or  
9 entities including but not limited to third-party administrators,  
10 health network providers and health maintenance organizations for  
11 all, or any part of, the benefits provided for in this section.  
12 The commission may require reimbursement of any medical claims  
13 paid by the commission's medical plan for which there was  
14 third-party liability.

15 4. The highways and transportation employees' and highway  
16 patrol retirement system may request the state highways and  
17 transportation commission to provide life insurance benefits as  
18 required in subsections 1 and 2 of this section. If the state  
19 highways and transportation commission agrees to the request, the  
20 highways and transportation employees' and highway patrol  
21 retirement system shall reimburse the state highways and  
22 transportation commission for any and all costs for life  
23 insurance provided pursuant to subdivision (2) of subsection 1 of  
24 this section. The person who is covered pursuant to subsection 2  
25 of this section shall be solely responsible for the costs of any  
26 additional life insurance. In lieu of the life insurance benefit  
27 in subdivision (2) of subsection 1 of this section, the highways  
28 and transportation employees' and highway patrol retirement

1 system is authorized in its sole discretion to provide a death  
2 benefit of five thousand dollars.

3 5. To the extent that the board enters or has entered into  
4 any contract with any insurer or service organization to provide  
5 life insurance provided for pursuant to this section:

6 (1) The obligation to provide such life insurance shall be  
7 primarily that of the insurer or service organization and  
8 secondarily that of the board;

9 (2) Any member who has been denied life insurance benefits  
10 by the insurer or service organization and has exhausted all  
11 appeal procedures provided by the insurer or service organization  
12 may appeal such decision by filing a petition against the insurer  
13 or service organization in a court of law in the member's county  
14 of residence; and

15 (3) The board and the system shall not be liable for life  
16 insurance benefits provided by an insurer or service organization  
17 pursuant to this section and shall not be subject to any cause of  
18 action with regard to life insurance benefits or the denial of  
19 life insurance benefits by the insurer or service organization  
20 unless the member has obtained judgment against the insurer or  
21 service organization for life insurance benefits and the insurer  
22 or service organization is unable to satisfy that judgment.

23 104.1090. 1. Any member who as described in subdivision  
24 (1) of subsection 1 of section 104.1009 has been employed in a  
25 position covered by the system for at least ten or more years and  
26 has received credited service for such employment in the year  
27 2000 plan shall receive additional credited service for previous  
28 public employment within the state covered by another retirement

1 plan as defined in section 105.691, RSMo, if all of the following  
2 conditions are met:

3 (1) Such member has a vested right to receive a retirement  
4 benefit from the other retirement plan at the time of application  
5 pursuant to this section;

6 (2) The other retirement plan transfers to the system an  
7 amount equal to the employee's account balance under a defined  
8 contribution plan or the amount equal to the employee's pension  
9 benefit obligation under a defined benefit plan at the time of  
10 transfer to the extent that obligation is funded as of the plan's  
11 most recent actuarial valuation, not to exceed one hundred  
12 percent, as determined by the other retirement plan's actuary  
13 using the same assumption used in performing the last regular  
14 actuarial valuation of the transferring plan, except that in no  
15 event shall the transferred amount be less than the employee's  
16 accumulated contributions on deposit with the transferring plan;

17 (3) No such credited service remains credited in such other  
18 retirement plan; and

19 (4) The member applies for the additional credited service  
20 prior to the member's annuity starting date in manner and form  
21 established by the appropriate board. Such additional credited  
22 service shall be added to the credited service in the first  
23 position of employment held as a member of the system.

24 2. Any member described in subsection 3 of section 104.1015  
25 who elects to be covered by the year 2000 plan shall be eligible  
26 to receive service under the terms and conditions of subsection 1  
27 of this section. Any service that is transferred under this  
28 subsection shall be combined with the member's creditable service

1 in the closed plan to determine whether or not the member has met  
2 the credited service requirement contained in subdivisions (11)  
3 and (20) of section 104.1003.

4 104.1095. 1. Notwithstanding any law in this chapter or  
5 chapter 105, RSMo, to the contrary, if the actuary for a system  
6 created under section 104.020 or 104.320 determines either (1)  
7 that such system has a funded ratio below fifty percent for three  
8 consecutive plan years or (2) that such system has a funded ratio  
9 below sixty percent and is not meeting one hundred percent of the  
10 actuarially required contribution payment, then such system's  
11 actuary shall prepare an accelerated contribution schedule based  
12 upon a descending amortization period for inclusion in the  
13 actuarial valuation for such system.

14 2. Notwithstanding any law in chapter 104 or 105 to the  
15 contrary, no system created under section 104.020 or 104.320  
16 shall adopt or implement any additional benefit increase,  
17 supplement, enhancement, lump sum benefit payments to  
18 participants, or cost-of-living adjustment beyond the current  
19 plan provisions in effect prior to August 28, 2006, unless such  
20 system's actuary determines that the funded ratio of the system  
21 prior to such adoption or implementation is at least eighty  
22 percent and will not be less than seventy-five percent after such  
23 adoption or implementation. The unfunded actuarial accrued  
24 liabilities associated with benefit changes described in this  
25 subsection shall be amortized over a period not to exceed twenty  
26 years for purposes of determining the contributions associated  
27 with the adoption or implementation of any such benefit increase,  
28 supplement or enhancement.

1       3. If any changes in actuarial assumptions are made that  
2       result in a change in the funded ratio of a system created under  
3       section 104.020 or 104.320, written justifications for the  
4       changes in actuarial assumptions shall be on file at the office  
5       of the system and shall be given to the joint committee on public  
6       employee retirement. The written justifications shall be  
7       attested to by a representative of such system's retained  
8       actuarial firm.

9       104.1200. As used in sections 104.1200 to 104.1215, the  
10      following terms mean:

11       (1) "Education employee", any person described in the  
12      following classifications who is employed by one of the  
13      institutions, otherwise would meet the definition of "employee"  
14      pursuant to section 104.010 or 104.1003, and is not employed at a  
15      technical or vocational school or college: teaching personnel,  
16      instructors, assistant professors, associate professors,  
17      professors and academic administrators holding faculty rank;

18       (2) "Institutions", Truman State University, Northwest  
19      Missouri State University, Southeast Missouri State University,  
20      [Southwest] Missouri State University, Central Missouri State  
21      University, Harris-Stowe State [College] University, Lincoln  
22      University, Missouri Western State [College] University and  
23      Missouri Southern State [College] University;

24       (3) "Outside employee", any other provisions of sections  
25      104.010 to 104.1093 to the contrary notwithstanding, an education  
26      employee first so employed on or after July 1, 2002, who has not  
27      been previously employed in a position covered by the Missouri  
28      state employee's retirement system. An outside employee shall

1 not be covered by the other benefit provisions of this chapter,  
2 but rather shall be covered by the benefit provisions provided  
3 for pursuant to sections 104.1200 to 104.1215.

4 104.1205. 1. The board of trustees of the Missouri state  
5 employees' retirement system shall:

6 (1) Establish a defined contribution plan for outside  
7 employees which, among other things, provides for immediate  
8 vesting;

9 (2) Select a third-party administrator to provide such  
10 services as the board determines to be necessary for the proper  
11 administration of the defined contribution plan;

12 (3) Select the investment products which shall be made  
13 available to the participants in the defined contribution plan;

14 (4) Annually establish the contribution rate used for  
15 purposes of subsection 3 of section 104.1066 for employees of  
16 institutions who are other than outside employees, which shall be  
17 done by considering all such employees to be part of the general  
18 employee population within the Missouri state employees'  
19 retirement system;

20 (5) Establish the contribution rate for outside employees  
21 which shall be equal to one percent [of payroll] less than the  
22 normal cost contribution rate established pursuant to subdivision  
23 (4) of this section; and

24 (6) Establish such rules and regulations as may be  
25 necessary to carry out the purposes of this section.

26 2. In the event the board of trustees elects to provide  
27 outside employees with investment education, investment advice,  
28 or a default investment option in a fund designed to provide a



diversified investment based on the outside employee's age, the board will not be liable for the investment decisions made or not made by outside employees so long as the board acts with the same care, skill, prudence, and diligence in the selection and monitoring of providers of education and advice and such default investment option, under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims.

104.1215. Any outside employee who has participated in the defined contribution plan established pursuant to sections 104.1200 to 104.1215 and who received contributions for at least six years may elect to become a member of the Missouri state employees' retirement system. Such employee shall:

(1) Make such election while actively employed in a position that would otherwise be eligible for membership in the Missouri state employees' retirement system except for the provisions of sections 104.1200 to 104.1215;

(2) Participate in the year 2000 plan;

(3) Be considered to have met the service requirements contained in section 104.1018;

(4) Not receive any credited service for service rendered while a participant in such defined contribution plan;

(5) Forfeit any right to future participation in the defined contribution plan after such election; and

(6) Not be eligible to receive credited service pursuant to section 104.1090 based on service rendered while a participant in such defined contribution plan.

1           105.660. The following words and phrases as used in  
2 sections 105.660 to 105.685, unless a different meaning is  
3 plainly required by the context, shall mean:

4           (1) "Actuarial valuation", a mathematical process which  
5 determines plan financial condition and plan benefit cost;

6           (2) "Actuary", an actuary (i) who is a member of the  
7 American Academy of Actuaries or who is an enrolled actuary under  
8 the Employee Retirement Income Security Act of 1974 and (ii) who  
9 is experienced in retirement plan financing;

10          (3) "Board", the governing board or decision-making body of  
11 a plan that is authorized by law to administer the plan;

12          (4) "Defined benefit plan", a plan providing a definite  
13 benefit formula for calculating retirement benefit amounts;

14          (5) "Defined contribution plan", a plan in which the  
15 contributions are made to an individual retirement account for  
16 each employee;

17          (6) "Funded ratio", the ratio of the actuarial value of  
18 assets over its actuarial accrued liability;

19          (7) "Lump sum benefit plan", payment within one taxable  
20 year of the entire balance to the participant from a plan;

21          [(3)] (8) "Plan", any retirement system established by the  
22 state of Missouri or any political subdivision or instrumentality  
23 of the state for the purpose of providing plan benefits for  
24 elected or appointed public officials or employees of the state  
25 of Missouri or any political subdivision or instrumentality of  
26 the state;

27          [(4)] (9) "Plan benefit", the benefit amount payable from a  
28 plan together with any supplemental payments from public funds;

1           [(5)] (10) "Substantial proposed change", a proposed change  
2     in future plan benefits which would increase or decrease the  
3     total contribution percent by at least one-quarter of one percent  
4     of active employee payroll, or would increase or decrease a plan  
5     benefit by five percent or more, or would materially affect the  
6     actuarial soundness of the plan. In testing for such one-quarter  
7     of one percent of payroll contribution increase, the proposed  
8     change in plan benefits shall be added to all actual changes in  
9     plan benefits since the last date that an actuarial valuation was  
10    prepared.

11           105.665. 1. The legislative body or committee thereof  
12    which determines the amount and type of plan benefits to be paid  
13    shall, before taking final action on any substantial proposed  
14    change in plan benefits, cause to be prepared a statement  
15    regarding the cost of such change.

16           2. The cost statement shall be prepared by an actuary using  
17    the methods used in preparing the most recent periodic actuarial  
18    valuation for the plan and shall, without limitation by  
19    enumeration, include the following:

20           (1) The level normal cost of plan benefits currently in  
21    effect, which cost is expressed as a percent of active employee  
22    payroll;

23           (2) The contribution for unfunded accrued liabilities  
24    currently payable by the plan, which cost is expressed as a  
25    percent of active employee payroll and shall be over a period not  
26    to exceed [forty] thirty years;

27           (3) The total contribution rate expressed as a percent of  
28    active employees payroll, which contribution rate shall be the

1 total of the normal cost percent plus the contribution percent  
2 for unfunded accrued liabilities;

3 (4) A statement as to whether the legislative body is  
4 currently paying the total contribution rate as defined in  
5 subdivision (3) of this subsection;

6 (5) The total contribution rate expressed as a percent of  
7 active employee payroll which would be sufficient to adequately  
8 fund the proposed change in benefits;

9 (6) A statement as to whether such additional contributions  
10 are mandated by the proposed change;

11 (7) A statement as to whether or not the proposed change  
12 would in any way impair the ability of the plan to meet the  
13 obligations thereof in effect at the time the proposal is made;

14 (8) All assumptions relied upon to evaluate the present  
15 financial condition of the plan and all assumptions relied upon  
16 to evaluate the impact of the proposed change upon the financial  
17 condition of the plan, which shall be those assumptions used in  
18 preparing the most recent periodic actuarial valuation for the  
19 plan, unless the nature of the proposed change is such that  
20 alternative assumptions are clearly warranted, and shall be made  
21 and stated with respect to at least the following:

22 (a) Investment return;

23 (b) Pay increase;

24 (c) Mortality of employees and officials, and other persons  
25 who may receive benefits under the plan;

26 (d) Withdrawal (turnover);

27 (e) Disability;

28 (f) Retirement ages;

1 (g) Change in active employee group size;

2 (9) The actuary shall certify that in the actuary's opinion  
3 the assumptions used for the valuation produce results which, in  
4 the aggregate, are reasonable;

5 (10) A description of the actuarial funding method used in  
6 preparing the valuation including a description of the method  
7 used and period applied in amortizing unfunded actuarial accrued  
8 liabilities;

9 (11) The increase in the total contribution amount required  
10 to adequately fund the proposed change in benefits, expressed in  
11 annual dollars as determined by multiplying the increase in total  
12 contribution rate by the active employee annual payroll used for  
13 this valuation.

14 105.666. Each plan shall, in conjunction with its staff and  
15 advisors, establish a board member education program, which shall  
16 be in effect on or after January 1, 2007. The curriculum shall  
17 include, at a minimum, education in the areas of duties and  
18 responsibilities of board members as trustees, ethics, governance  
19 process and procedures, pension plan design and administration of  
20 benefits, investments including but not limited to the fiduciary  
21 duties as defined under section 105.688, legal liability and  
22 risks associated with the administration of a plan, sunshine law  
23 requirements under chapter 610, RSMo, actuarial principles and  
24 methods related to plan administration, and the role of staff and  
25 consultants in plan administration. Board members appointed or  
26 elected on a board on or after January 1, 2007, shall complete a  
27 board member education program designated to orient new board  
28 members in the areas described in this section within ninety days

1 of becoming a new board member. Board members who have served  
2 one or more years shall attend at least two continuing education  
3 programs each year in the areas described in this section.

4 105.667. 1. Any appointing authority, board member, or  
5 employee shall be prohibited from receiving any gain or profit  
6 from any funds or transaction of the plan, except benefits from  
7 interest in investments common to all members of the plan, if  
8 entitled thereto.

9 2. Any appointing authority, board member, or employee  
10 accepting any political contribution, gratuity, or compensation  
11 for the purpose of influencing his or her action with respect to  
12 the investment of the funds of the system shall thereby forfeit  
13 his or her office and in addition thereto be subject to the  
14 penalties prescribed for bribery.

15 3. Any trustee, employee, or participant of a plan  
16 convicted of a plan-related felony after August 28, 2006, that is  
17 determined by a court of law to have been directly committed in  
18 connection with the member's duties as either a trustee,  
19 employee, or participant of a plan shall not be eligible to  
20 receive any retirement benefits from the respective plan.

21 105.684. 1. Notwithstanding any law to the contrary, no  
22 plan shall adopt or implement any additional benefit increase,  
23 supplement, enhancement, lump sum benefit payments to  
24 participants, or cost-of-living adjustment beyond current plan  
25 provisions in effect prior to August 28, 2006, unless the plan's  
26 actuary determines that the funded ratio prior to such adoption  
27 or implementation is at least eighty percent and will not be less  
28 than seventy-five percent after such adoption or implementation.

1       2. The unfunded actuarial accrued liabilities associated  
2       with benefit changes described in this section shall be amortized  
3       over a period not to exceed twenty years for purposes of  
4       determining the contributions associated with the adoption or  
5       implementation of any such benefit increase, supplement, or  
6       enhancement.

7       3. Any plan with a funded ratio below sixty percent shall  
8       have the actuary prepare an accelerated contribution schedule  
9       based on a descending amortization period for inclusion in the  
10      actuarial valuation.

11      4. Any plan, whose actuary determines that the plan has a  
12      funded ratio below sixty percent and the political subdivision  
13      has failed to make one hundred percent of the actuarially  
14      required contribution payment for three successive plan years  
15      with a descending funded ratio for three successive plan years  
16      after August 28, 2006, shall be deemed delinquent in the  
17      contribution payment and such delinquency in the contribution  
18      payment shall constitute a first lien on the funds of the  
19      political subdivision, and the board as defined under section  
20      105.660 is authorized to compel payment by application for a writ  
21      of mandamus; and in addition, such delinquency in the  
22      contribution payment shall be certified by the board to the state  
23      treasurer and director of the department of revenue. Until such  
24      delinquency in the contribution payment, together with regular  
25      interest, is satisfied, the state treasurer and director of the  
26      department of revenue shall withhold one hundred percent of the  
27      certified contribution deficiency from the total moneys due the  
28      political subdivision from the state.

1       5. Nothing in this section shall apply to any plan  
2       established under section 104.020 or 104.320, RSMo, or under  
3       chapter 70, RSMo, or chapter 476, RSMo.

4           105.935. 1. [Any] This section is applicable to overtime,  
5       including holiday and compensatory leave time, earned under state  
6       and federal laws. This section is applicable to nonexempt  
7       employees under the provisions of the Fair Labor Standards Act  
8       who are employed in positions providing direct client care or  
9       custody in facilities operating on a twenty-four hour seven-day-  
10       a-week basis in the department of corrections, the department of  
11       mental health, the division of youth services of the department  
12       of social services, and the veterans commission of the department  
13       of public safety.

14       2. A state employee who has accrued any [overtime]  
15       compensatory time hours may request payment for the accumulated  
16       compensatory time or may choose to use those hours as  
17       compensatory leave time provided that the leave time is available  
18       and agreed upon by both the state employee and his or her  
19       supervisor.

20           [2. A state employee who is a nonexempt employee pursuant  
21       to the provisions of the Fair Labor Standards Act shall be  
22       eligible for payment of overtime in accordance with subsection 4  
23       of this section. A nonexempt state employee who works on a  
24       designated state holiday shall be granted equal compensatory time  
25       off duty or shall receive, at his or her choice, the employee's  
26       straight time hourly rate in cash payment. A nonexempt state  
27       employee shall be paid in cash for overtime unless the employee  
28       requests compensatory time off at the applicable overtime rate.



1 As used in this section, the term "state employee" means any  
2 person who is employed by the state and earns a salary or wage in  
3 a position normally requiring the actual performance by him or  
4 her of duties on behalf of the state, but shall not include any  
5 employee who is exempt under the provisions of the Fair Labor  
6 Standards Act or any employee of the general assembly.]

7 3. Beginning on January 1, 2006, and annually thereafter  
8 each department shall pay all nonexempt state employees in full  
9 for any overtime hours accrued during the previous calendar year  
10 which have not already been paid or used in the form of  
11 compensatory leave time. All nonexempt state employees shall  
12 have the option of retaining up to a total of eighty compensatory  
13 time hours.

14 4. [The provisions of subsection 2 of this section shall  
15 only apply to nonexempt state employees who are otherwise  
16 eligible for compensatory time under the Fair Labor Standards  
17 Act, excluding employees of the general assembly. Any nonexempt  
18 state] An employee requesting cash payment for [overtime worked]  
19 compensatory time earned shall notify such employee's department  
20 in writing of such decision and state the number of hours, no  
21 less than twenty, for which payment is desired. The department  
22 shall pay the employee within the calendar month following the  
23 month in which a valid request is made. Nothing in this section  
24 shall be construed as creating a new compensatory benefit for  
25 state employees.

26 5. Each department shall, by November first of each year,  
27 notify the commissioner of administration, the house budget  
28 committee chair, and the senate appropriations committee chair of

1 the amount of overtime paid in the previous fiscal year and an  
2 estimate of overtime to be paid in the current fiscal year. The  
3 fiscal year estimate for overtime pay to be paid by each  
4 department shall be designated as a separate line item in the  
5 appropriations bill for that department. The provisions of this  
6 subsection shall become effective July 1, 2005.

7 6. Each state department shall report quarterly to the  
8 house of representatives budget committee chair, the senate  
9 appropriations committee chair, and the commissioner of  
10 administration the cumulative number of accrued overtime hours  
11 for department employees, the dollar equivalent of such overtime  
12 hours, the number of authorized full-time equivalent positions  
13 and vacant positions, the amount of funds for any vacant  
14 positions which will be used to pay overtime compensation for  
15 employees with full-time equivalent positions, and the current  
16 balance in the department's personal service fund.

17 [7. This section is applicable to overtime earned under the  
18 Fair Labor Standards Act. This section is applicable to  
19 employees who are employed in nonexempt positions providing  
20 direct client care or custody in facilities operating on a  
21 twenty-four-hour seven-day-a-week basis in the department of  
22 corrections, the department of mental health, the division of  
23 youth services of the department of social services, and the  
24 veterans commission of the department of public safety.]

25 320.320. 1. A volunteer firefighter serving a rural,  
26 volunteer or subscription fire department or organization is  
27 serving the state of Missouri in an official capacity as a fire  
28 protection volunteer and is hereby declared to be a public safety

1 officer of the state of Missouri serving without wages, salary or  
2 certain other employee-type fringe benefits described in  
3 subsection 3 of this section.

4 2. The designation of a volunteer firefighter as a public  
5 safety officer of the state of Missouri in subsection 1 of this  
6 section does not entitle a volunteer firefighter to any rights,  
7 privileges or benefits provided to an employee or official of the  
8 state of Missouri, including retirement benefits and  
9 participation in the state legal defense fund, except as provided  
10 in subsection 3 of this section.

11 3. Notwithstanding the provisions of subsection 2 of this  
12 section, any rural, volunteer or subscription fire department or  
13 organization, or volunteer fire protection association as defined  
14 in section 320.300, may provide life insurance, accident,  
15 sickness, health, disability, annuity, [length of service,  
16 retirement, pension] defined contribution benefit and other  
17 employee-type fringe benefits, subject to the provisions of  
18 section 70.615, RSMo, for volunteer firefighters who are members  
19 of any such department, organization or association and such  
20 other benefits for their spouses and eligible unemancipated  
21 children as the governing board deems appropriate, either through  
22 a contributory or noncontributory plan, or both. For purposes of  
23 this section, "eligible unemancipated child" means a natural or  
24 adopted child of an insured, or a stepchild of an insured who is  
25 domiciled with the insured, who is less than twenty-three years  
26 of age, who is not married, not employed on a full-time basis,  
27 not maintaining a separate residence except for full-time  
28 students in an accredited school or institution of higher

1 learning, and who is dependent on parents or guardians for at  
2 least fifty percent of his or her support. The type and extent  
3 of such benefits shall be determined by the governing board of  
4 the department, organization or association, whichever is  
5 applicable. The provision and receipt of such benefits shall not  
6 make the recipient an employee of the district, association or  
7 organization. Directors or board members who are also volunteer  
8 firefighters may receive such benefits while serving as a  
9 director or board member of the district, association or  
10 organization.

11 321.696. Notwithstanding any other provision of law,  
12 effective January 1, 2007, defined benefit pension plans shall  
13 not be established by any district for volunteer members or  
14 district board of directors except under the provisions of  
15 chapter 70, RSMo, unless the new plan is a result of  
16 consolidating the plans of two or more fire protection districts  
17 that existed prior to January 1, 2006.

18 321.800. Any board of directors established under the  
19 provisions of this chapter providing a defined benefit pension  
20 plan for its salaried members shall be administered by a separate  
21 five member board of trustees which shall consist of the three  
22 member board of directors and two salaried firefighters elected  
23 by the members.

24 476.682. 1. Any person assigned as a senior judge or  
25 senior commissioner pursuant to section 26 of article V of the  
26 Missouri Constitution and who has served in this state an  
27 aggregate of at least two years, continuously or otherwise, as a  
28 judge or commissioner, shall receive for each day of service an

1 amount equal to fifty percent of the current annual salary of the  
2 office from which the judge or senior commissioner retired  
3 attributable to one day of service. Notwithstanding the  
4 foregoing, any judge or commissioner who has retired prior to  
5 August 28, 1999, who serves subsequent to said date as a senior  
6 judge or commissioner may receive compensation pursuant to this  
7 section regardless of their length of service; and no senior  
8 judge or senior commissioner shall receive less daily  
9 compensation than an amount, that when added to the daily amount  
10 of annual compensation payable pursuant to sections 476.450 to  
11 476.595, is less than one hundred percent of the current annual  
12 salary of the office from which the judge or commissioner retired  
13 attributable to one day of service. For purposes of this  
14 subsection, one year shall equal two hundred thirty-five days. No  
15 senior judge or senior commissioner shall receive compensation  
16 pursuant to this subsection in a total amount that when such  
17 compensation is added to the annual compensation, salary or  
18 retirement compensation payable pursuant to sections 476.450 to  
19 476.595, the sum is greater than the current annual salary of the  
20 office from which the judge or commissioner retired.

21 2. A senior judge or senior commissioner assigned pursuant  
22 to section 26 of article V of the Missouri Constitution for  
23 service outside the county where he or she resides shall be  
24 reimbursed for his or her travel and other actual and necessary  
25 expenses incurred in the performance of his or her services.

26 3. On or before the tenth day of each month a senior judge  
27 or senior commissioner shall certify to the state courts  
28 administrator the period during the previous month during which

1 he or she was assigned services and, if such services were  
2 completed, the date thereof and at the same time shall certify  
3 his or her expenses incurred and allowable under this section.  
4 The state courts administrator shall then issue a warrant to the  
5 state treasurer for the payment of the salary and expenses to the  
6 extent and within limitations provided for in this section. The  
7 state treasurer upon receipt of such warrant shall pay the same  
8 out of any appropriations made for this purpose on the last day  
9 of the month during which the warrant was received by him or her.

10 4. On or before the twentieth day of each month the state  
11 courts administrator shall certify the period of service reported  
12 by each senior judge or senior commissioner pursuant to  
13 subsection 3 of this section to the Missouri state employees'  
14 retirement system. [Any senior judge or senior commissioner]  
15 After accumulating two hundred thirty-five days of such service,  
16 such senior judge or senior commissioner shall receive credit for  
17 one year of judicial service for purposes of sections 476.520 and  
18 476.545, and subsequently shall receive credit for one year of  
19 judicial service for each additional period of two hundred  
20 thirty-five days of service certified by the state courts  
21 administrator to the Missouri state employees' retirement system,  
22 except, if a pro rata portion of two hundred thirty-five days  
23 would cause the senior judge's or senior commissioner's total  
24 judicial service to equal twelve years, the Missouri state  
25 employees' retirement system shall credit the service at the time  
26 the pro rata portion is certified. [Upon receipt of such  
27 certification,] The retirement benefit of the senior judge or  
28 senior commissioner shall be recalculated [to reflect the

1 attainment of twelve years; the adjusted benefit will become  
2 effective the first of the month following certification] and  
3 increased prospectively after receiving each additional year of  
4 service or pro rata portion of a year if such pro rata portion  
5 would cause such senior judge or commissioner's total service to  
6 equal twelve years. In no event shall such senior judge or  
7 commissioner receive service credit after such senior judge or  
8 commissioner's total judicial service equals twelve years.

9 5. Notwithstanding the provisions of section 476.510 or  
10 476.565, no person shall receive benefits pursuant to the  
11 provisions of this section if the person is engaged in the  
12 private practice of law or doing a law business.

13 6. The judicial conference of the state of Missouri shall  
14 annually report on the use of senior judges and senior  
15 commissioners pursuant to this section. Such report shall  
16 include at least the number of senior judges and senior  
17 commissioners assigned, the number of cases assigned and disposed  
18 of by senior judges and senior commissioners, and the  
19 expenditures made for that purpose.

20 [32.051. The director of the department of  
21 revenue shall make an estimate of the amount of tax  
22 revenues generated under the provisions of this section  
23 and section 143.072, RSMo, and section 144.800, RSMo.  
24 The director of the department of revenue shall also  
25 make a separate accounting of the amount of income tax  
26 refunds and reduced individual income tax revenues  
27 necessitated by decisions of the Supreme Courts of the  
28 United States and the state of Missouri, relating to  
29 taxation of pension benefits. If the director of the  
30 department of revenue determines the amount of revenues  
31 finally generated under the provisions of this section  
32 and section 143.072, RSMo, and section 144.800, RSMo,  
33 exceeds the amount of individual income taxes collected  
34 on United States government retirement benefits and any  
35 interest accruing thereon, which the state is obligated

1 to refund and the amount of reduced individual income  
2 tax revenues pursuant to the decisions of the Supreme  
3 Courts of the United States and the state of Missouri,  
4 he shall deposit the excess amount into the budget  
5 stabilization fund created pursuant to section 33.285,  
6 RSMo. The director of the department of revenue shall  
7 quarterly submit in writing a report to the senate and  
8 the house of representatives, and the commissioner of  
9 administration, describing the methodology used in  
10 arriving at the estimate of the amount of tax revenues  
11 generated under the provisions of this section and  
12 section 143.072, RSMo, and section 144.800, RSMo, and  
13 the amount of income tax refunds and reduced individual  
14 income tax revenues issued to taxpayers pursuant to the  
15 Supreme Courts' decisions.]

16 [67.200. 1. Any political corporation or  
17 subdivision of this state, now having or which may  
18 hereafter have an assessed valuation of one hundred  
19 million dollars or more, except counties of the second  
20 class having a population in excess of sixty-five  
21 thousand but less than one hundred twenty thousand  
22 inhabitants, which adjoins a county of the first class  
23 with a charter form of government, which does not now  
24 have a pension system for its officers and employees  
25 adopted pursuant to state law, may provide by proper  
26 legislative action of its governing body for the  
27 pensioning of its officers and employees and the widows  
28 and minor children of deceased officers and employees  
29 and to appropriate and utilize its revenues and other  
30 available funds for such purposes.

31 2. In adopting a pension plan, such counties,  
32 other political corporations or political subdivisions  
33 may provide for different benefits and requirements for  
34 elected officers and appointed officers and employees.]

35 [86.340. The accrued liability contribution  
36 should be discontinued as soon as the accumulated  
37 reserve in the general fund shall equal the present  
38 value, as actuarially computed and approved by the  
39 board of trustees, of the total liability of said fund,  
40 less the present value, computed on the basis of the  
41 normal contribution rate then in force, of the  
42 prospective normal contributions to be received on  
43 account of persons who are at that time members.]

44 [104.621. All retirement systems created in this  
45 chapter shall develop an affirmative action plan for  
46 the utilization of minority and women money managers,  
47 brokers, and investment counselors. Such retirement



1 systems shall report their progress annually to the  
2 joint committee on public employee retirement.]

3 [105.268. 1. During school years 1999-2000  
4 through 2001-02 any employee of the state of Missouri  
5 who works in a metropolitan school district or an urban  
6 school district containing the greater part of the  
7 population of a city which has more than three hundred  
8 thousand inhabitants and who is a volunteer tutor in a  
9 formal tutoring or mentoring pilot program in language  
10 arts at a public elementary school in such district may  
11 be granted leave from the employee's duties, without  
12 loss of time, pay, regular leave, impairment of  
13 efficiency rating or any other rights or benefits to  
14 which such person would otherwise be entitled for  
15 periods during which such person is engaged in such  
16 volunteer tutoring activities at a public elementary  
17 school. Leave for such volunteer tutoring activities  
18 shall not be granted in excess of one-half of the hours  
19 spent tutoring, for activities conducted at times  
20 outside of the employee's normal work day, for more  
21 than forty hours in any one calendar year, or more than  
22 two hours in any one day. The principal of the school  
23 shall give such an employee a signed statement by such  
24 principal verifying the time such employee was engaged  
25 in such tutoring activities.

26 2. To be eligible to participate in a volunteer  
27 tutoring program as provided in subsection 1 of this  
28 section, the employee shall:

29 (1) Be a full-time state employee with a  
30 performance appraisal of highly successful or  
31 outstanding;

32 (2) Have the approval of the employee's  
33 supervisor or supervisors;

34 (3) Not be absent during heavy workload periods  
35 or create scheduling conflicts with other state  
36 employees or result in any overtime hours for the  
37 employee or other state employees;

38 (4) Establish a set schedule, including traveling  
39 time to the school, which shall not be for more than  
40 two hours per day or more than one day per week; and

41 (5) Submit the statement issued by the principal  
42 verifying the time the employee was engaged in  
43 volunteer tutoring activities.

44 3. Every state agency that has state employees  
45 participating in a formal tutoring or mentoring program  
46 as provided in subsection 1 of this section shall  
47 submit a summary of the statements received pursuant to  
48 subdivision (5) of subsection 2 of this section to the  
49 Missouri community service commission, created in  
50 section 26.605, RSMo. Such summary shall include the

1 number of employees participating, the number of hours  
2 that all participants engaged in volunteer tutoring and  
3 a list of the schools where the employees volunteered.

4 4. The Missouri community service commission  
5 shall submit an annual report to the general assembly  
6 with the names of the state agencies submitting the  
7 summaries required by subsection 3 of this section and  
8 a compilation of all the information contained on such  
9 summaries.

10 5. The school board of a participating district  
11 shall evaluate the programs and make recommendations to  
12 the general assembly by December 15, 2001, on the  
13 continuance, expansion or termination of the programs  
14 and any recommended changes to the programs.

15 6. The provisions of this section shall expire on  
16 June 30, 2002.]

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