SECOND REGULAR SESSION HOUSE BILL NO. 1495

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SCHLOTTACH (Sponsor), DEEKEN AND DUSENBERG (Co-sponsors).

Read 1st time January 24, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4050L.02I

AN ACT

To repeal section 104.040, RSMo, and to enact in lieu thereof one new section relating to the highway patrol retirement system.

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

Section A. Section 104.040, RSMo, is repealed and one new section enacted in lieu 2 thereof, to be known as section 104.040, to read as follows:

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 2 other armed services of the United States, or any women's auxiliary thereof in time of active 3 armed warfare, if such member was a state employee immediately prior to his or her entry into 4 the armed services and became an employee of the state within ninety days after termination of 5 such service by an honorable discharge or release to inactive status; the requirement of section 6 7 104.010 of duties during not less than one thousand hours for status as an "employee" shall not apply to persons who apply for creditable prior service pursuant to the provisions of this section. 8 9 2. Any member of the system who served as an employee prior to the original effective date of sections 104.010 to [104.270] **104.272**, but was not an employee on that date, shall be 10 11 entitled to creditable prior service that such member would have been entitled to had such 12 member become a member of the retirement system on the date of its inception if such member 13 has, or hereafter attains, one year of continuous membership service.

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

H.B. 1495

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

17 4. Any member who had served in the armed forces of the United States prior to 18 becoming a member, or who is otherwise ineligible pursuant to subsection 1 of this section or 19 other provisions of this chapter, and who became a member after his or her discharge under 20 honorable conditions may elect, prior to retirement, to purchase all of his or her creditable prior 21 service equivalent to such service in the armed forces, but not to exceed four years, if the 22 member is not receiving and is not eligible to receive retirement credits or benefits from any 23 other public or private retirement plan for the service to be purchased, and an affidavit so stating 24 shall be filed by the member with the retirement system. However, if the member is eligible to 25 receive retirement credits in a United States military service retirement system, the member shall 26 be permitted to purchase creditable prior service equivalent to his or her service in the armed 27 services, but not to exceed four years, any other provision of law to the contrary notwithstanding. 28 The purchase shall be effected by the member's paying to the retirement system an amount equal 29 to what would have been contributed by the state in his or her behalf had the member been a 30 member for the period for which the member is electing to purchase credit and had his or her 31 compensation during such period of membership been the same as the annual salary rate at which 32 the member was initially employed as a member, with the calculations based on the contribution 33 rate in effect on the date of his or her employment with simple interest calculated from date of 34 employment from which the member could first receive creditable service to the date of election 35 pursuant to this subsection. The payment shall be made over a period of not longer than two 36 years, measured from the date of election, and with simple interest on the unpaid balance. 37 Payments made for such creditable prior service pursuant to this subsection shall be treated by 38 the retirement system as would contributions made by the state and shall not be subject to any 39 prohibition on member contributions or refund provisions in effect at the time of enactment of 40 this subsection.

41 5. Any uniformed member of the highway patrol who served as a certified police officer 42 prior to becoming a member may elect, prior to retirement, to purchase all of his or her creditable 43 prior service equivalent to such service in the police force, but not to exceed four years, if he or 44 she is not receiving and is not eligible to receive credits or benefits from any other public or 45 private retirement plan for the service to be purchased, and an affidavit so stating shall be filed 46 by the member with the retirement system. The purchase shall be effected by the member's 47 paying to the retirement system an amount equal to what would have been contributed by the 48 state in his or her behalf had he or she been a member of the system for the period for which the 49 member is electing to purchase credit and had his compensation during such period been the

50 same as the annual salary rate at which the member was initially employed as a member, with 51 the calculations based on the contribution rate in effect on the date of his or her employment with 52 simple interest calculated from the date of employment from which the member could first 53 receive creditable service to the date of election pursuant to the provisions of this section. The 54 payment shall be made over a period of not longer than two years, measured from the date of election, and with simple interest on the unpaid balance. Payments made for such creditable 55 56 prior service pursuant to the provisions of this section shall be treated by the retirement system 57 as would contributions made by the state and shall not be subject to any prohibition on member 58 contributions or refund provisions in effect at the time of enactment of this section.

59 6. Any [uniformed] member of the [highway patrol] system under sections 104.010 to 104.272 who is an active employee and who served as a nonfederal full-time public employee 60 61 in this state prior to becoming a member may elect, prior to retirement, to purchase all of his or 62 her creditable prior service equivalent to such service, but not to exceed four years, if he or she 63 is not receiving and is not eligible to receive credits or benefits from any other public plan for 64 the service to be purchased[, and an affidavit so stating shall be filed by the member with the 65 retirement system]. The purchase shall be effected by the member's paying to the retirement 66 system an amount equal to what would have been contributed by the state in his or her behalf had 67 he or she been a member of the system for the period for which the member is electing to 68 purchase credit and had his compensation during such period been the same as the annual salary rate at which the member was initially employed as a member, with the calculations based on 69 70 the contribution rate in effect on the date of his or her employment with simple interest 71 calculated from the date of employment from which the member could first receive creditable 72 service to the date of election pursuant to the provisions of this section. The payment shall be 73 made over a period of not longer than two years, measured from the date of election, and with 74 simple interest on the unpaid balance. Payments made for such creditable prior service pursuant 75 to the provisions of this section shall be treated by the retirement system as would contributions 76 made by the state and shall not be subject to any prohibition on member contributions or refund 77 provisions in effect at the time of enactment of this section. All purchase payments under this 78 subsection shall be completed prior to retirement or prior to termination of employment. 79 If a member who purchased creditable service under this subsection dies prior to 80 retirement, the surviving spouse may, upon written request, receive a refund of the amount 81 contributed for such purchase of such creditable service. The surviving spouse shall not 82 be eligible for a refund under this subsection if he or she is entitled to survivorship benefits 83 payable under section 104.110. A member who is entitled to a deferred annuity under 84 section 104.035 shall be ineligible to purchase service under this subsection.