

FIRST REGULAR SESSION

HOUSE BILL NO. 553

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE DEMPSEY.

Read 1st time January 24, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

1667L.01I

AN ACT

To repeal sections 104.010, 104.352, 104.354, 104.1003, 104.1021, and 104.1087, RSMo, and to enact in lieu thereof six new sections relating to retirement.

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

Section A. Sections 104.010, 104.352, 104.354, 104.1003, 104.1021, and 104.1087, RSMo, are repealed and six new sections enacted in lieu thereof, to be known as sections 104.010, 104.352, 104.354, 104.1003, 104.1021, and 104.1087, to read as follows:

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

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

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

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

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

(5) "Actuary", the actuary who is a member of the American Academy of Actuaries or who is an enrolled actuary under the Employee Retirement Income Security Act of 1974 and who is employed by a board at any given time;

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.

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

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

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

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

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

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

38 (12) "Compensation":

39 (a) All salary and wages payable out of any state, federal, trust, or other funds to an
40 employee for personal services performed for a department; but including only amounts for
41 which contributions have been made in accordance with section 104.436, or section 104.070,
42 whichever is applicable, and excluding any nonrecurring single sum payments or amounts paid
43 after the member's termination of employment unless such amounts paid after such termination
44 are a final installment of salary or wages at the same rate as in effect immediately prior to
45 termination of employment in accordance with a state payroll system adopted on or after January
46 1, 2000, or any other one-time payments made as a result of such payroll system;

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

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

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

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

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

68 (16) "Deferred normal annuity", the annuity payable to any former employee who
69 terminated employment as an employee or otherwise withdrew from service with a vested right
70 to a normal annuity, payable at a future date;

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

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

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

81 (20) "Employee":

82 (a) Any elective or appointive officer or person employed by the state who is employed,
83 promoted or transferred by a department into a new or existing position and earns a salary or
84 wage in a position normally requiring the performance by the person of duties during not less
85 than one thousand **forty** hours per year, including each member of the general assembly but not
86 including any patient or inmate of any state, charitable, penal or correctional institution.
87 [Beginning September 1, 2001, the term "year" as used in this subdivision shall mean the

88 twelve-month period beginning on the first day of employment.] However, persons who are
89 members of the public school retirement system and who are employed by a state agency other
90 than an institution of higher learning shall be deemed employees for purposes of participating
91 in all insurance programs administered by a board established pursuant to section 104.450. This
92 definition shall not exclude any employee as defined in this subdivision who is covered only
93 under the federal Old Age and Survivors' Insurance Act, as amended. As used in this chapter,
94 the term "employee" shall include:

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

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

101 (b) Any person who **is not a retiree and** has performed services in the employ of the
102 general assembly or either house thereof, or any employee of any member of the general
103 assembly while acting in the person's official capacity as a member, and whose position does not
104 normally require the person to perform duties during at least one thousand **forty** hours per year,
105 with a month of service being any monthly pay period in which the employee was paid for
106 full-time employment for that monthly period; **except that persons described in this**
107 **paragraph shall not include any such persons who are employed on or after August 28,**
108 **2007, and who have not previously been employed in such position;**

109 (c) "Employee" does not include special consultants employed pursuant to section
110 104.610;

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

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

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

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

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

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

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

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

126 (27) "Member", as used in sections 104.010 to 104.272 or 104.601 to 104.800 shall mean
127 [a member of the highways and transportation employees' and highway patrol retirement system
128 without regard to whether or not the member has been retired] **an employee, retiree, or former**
129 **employee entitled to a deferred annuity covered by the Missouri department of**
130 **transportation and highway patrol employees' retirement system.** "Member", as used in this
131 section and sections 104.312 to 104.800, shall mean [a member of] **an employee, retiree, or**
132 **former employee entitled to deferred annuity covered by** the Missouri state employees'
133 retirement system [without regard to whether or not the member has been retired];

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

136 (29) "Military service", all active service performed in the United States Army, Air
137 Force, Navy, Marine Corps, Coast Guard, and members of the United States Public Health
138 Service or any women's auxiliary thereof; and service in the Army national guard and Air
139 national guard when engaged in active duty for training, inactive duty training or full-time
140 national guard duty, and service by any other category of persons designated by the President in
141 time of war or emergency;

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

144 (31) "Normal retirement age", an employee's attainment of sixty-five years of age and
145 the completion of four years of creditable service or the attainment of age sixty-five years of age
146 and the completion of five years of creditable service by a member who has terminated
147 employment and is entitled to a deferred normal annuity or the member's attainment of age sixty
148 and the completion of fifteen years of creditable service, except that normal retirement age for
149 uniformed members of the highway patrol shall be fifty-five years of age and the completion of
150 four years of creditable service and uniformed employees of the water patrol shall be fifty-five
151 years of age and the completion of four years of creditable service or the attainment of age
152 fifty-five and the completion of five years of creditable service by a member of the water patrol
153 who has terminated employment and is entitled to a deferred normal annuity and members of the
154 general assembly shall be fifty-five years of age and the completion of three full biennial
155 assemblies. Notwithstanding any other provision of law to the contrary, a member of the
156 highways and transportation employees' and highway patrol retirement system or a member of
157 the Missouri state employees' retirement system shall be entitled to retire with a normal annuity
158 and shall be entitled to elect any of the survivor benefit options and shall also be entitled to any
159 other provisions of this chapter that relate to retirement with a normal annuity if the sum of the

160 member's age and creditable service equals eighty years or more and if the member is at least
161 forty-eight years of age;

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

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

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

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

169 (36) "System" or "retirement system", the [highways and transportation employees' and
170 highway patrol retirement system] **Missouri department of transportation and highway**
171 **patrol employees' retirement system**, as created by sections 104.010 to 104.270, or sections
172 104.601 to 104.800, or the Missouri state employees' retirement system as created by sections
173 104.320 to 104.800;

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

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

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

183 2. Benefits paid pursuant to the provisions of this chapter shall not exceed the limitations
184 of Internal Revenue Code Section 415, the provisions of which are hereby incorporated by
185 reference. **Notwithstanding any other law to the contrary, the board of trustees may**
186 **establish a benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as**
187 **amended. Such plan shall be created solely for the purposes described in Section**
188 **415(m)(3)(A) of the Internal Revenue Code of 1986, as amended. The board of trustees**
189 **may promulgate regulations necessary to implement the provisions of this subsection and**
190 **to create and administer such benefit plan.**

104.352. 1. [Any employee or former employee described in paragraph (b) of
2 subdivision (18) of section 104.010 is entitled to credit for all prior service and membership
3 service as if he had been a member of the system on the date of its inception. Any such
4 employee shall be considered a member of the system from the date of his or her employment
5 and shall receive credit for each month of service for which he is employed with service being

6 computed as if part-time employment with the general assembly were full-time employment for
7 the period the member was so employed.

8 2.] Each employee described in paragraph (b) of subdivision [(18)] **(20)** of section
9 104.010 shall be entitled to the same insurance benefits provided under sections 103.003 to
10 103.175, RSMo to employees described in paragraph (a) of subdivision [(18)] **(20)** of section
11 104.010 to cover the medical expenses of such employees and their spouses and children. Such
12 insurance benefits shall be made available to employees described in paragraph (b) of
13 subdivision [(18)] **(20)** of section 104.010 upon their initial employment as such employees in
14 the same manner provided for employees described in paragraph (a) of subdivision [(18)] **(20)**
15 of section 104.010, and shall be continued during any period of time, not to exceed one year, in
16 which such employees are not paid for full-time employment, so long as such employees pay the
17 same amount for such insurance benefits as is required of employees described in paragraph (a)
18 of subdivision [(18)] **(20)** of section 104.010 who continue receiving such insurance benefits
19 during a leave of absence without pay from their employment with the state. Any employee
20 described in paragraph (b) of subdivision [(18)] **(20)** of section 104.010 who is reemployed by
21 the general assembly or either house thereof, or by any member of the general assembly while
22 acting in his official capacity as a member, by the thirteenth legislative day of the session of the
23 general assembly immediately following the session of the general assembly in which such
24 employee was last so employed, without having elected to discontinue the insurance benefits
25 described in this subsection, shall be entitled to continue such insurance benefits without having
26 to prove insurability for himself or any of his covered dependents for whom he has paid for such
27 coverage continuously since last employed as an employee described in paragraph (b) of
28 subdivision [(18)] **(20)** of section 104.010. Any employee described in paragraph (b) of
29 subdivision [(18)] **(20)** of section 104.010 who is not reemployed by the general assembly or
30 either house thereof, or by any member of the general assembly while acting in his official
31 capacity as a member, by the thirteenth legislative day of the session of the general assembly
32 immediately following the session of the general assembly in which such employee was last so
33 employed, shall be deemed terminated as an employee as of such thirteenth legislative day, and
34 the insurance benefits provided for such employee under this subsection and sections 103.003
35 to 103.175, RSMo, shall be terminated as provided for employees described in paragraph (a) of
36 subdivision [(18)] **(20)** of section 104.010 whose employment is terminated. During each month
37 of service in which an employee described in paragraph (b) of subdivision [(18)] **(20)** of section
38 104.010 is employed, the state shall make any contribution required by sections 103.003 to
39 103.175, RSMo, for such employee.

40 [3.] **2.** Any employee described in paragraph (b) of subdivision [(18)] **(20)** of section
41 104.010 who is actively employed on or after September 28, 1992, shall be deemed vested for

42 purposes of determining eligibility for benefits under sections 104.320 to 104.620 after being so
43 employed for at least sixty months.

104.354. In each fiscal year in which retirement benefits are to be paid to retired
2 employees described in paragraph (b) of subdivision [(18)] (20) of section 104.010 because of
3 the provisions of section 104.352, funding for such benefits shall be provided as set forth in
4 section 104.436. All benefits paid because of the provisions of section 104.352 shall be paid by
5 the retirement system along with all other retirement benefits due such retired employees under
6 the retirement system.

104.1003. 1. Unless a different meaning is plainly required by the context, the following
2 words and phrases as used in sections 104.1003 to 104.1093 shall mean:

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

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

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

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

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

13 (6) "Board of trustees", "board", or "trustees", a governing body or bodies established
14 for the year 2000 plan pursuant to sections 104.1003 to 104.1093;

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

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

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

26 (10) "Department", any department or agency of the executive, legislative, or judicial
27 branch of the state of Missouri receiving state appropriations, including allocated funds from the
28 federal government but not including any body corporate or politic unless its employees are

29 eligible for retirement coverage from a system pursuant to this chapter as otherwise provided by
30 law;

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

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

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

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

40 (b) The term "employee" shall be modified as provided by other provisions of sections
41 104.1003 to 104.1093;

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

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

47 **(e) The term "employee" shall include any person as defined under paragraph (b)**
48 **of subdivision (20) of subsection 1 of section 104.010 who is first employed on or after July**
49 **1, 2000, but prior to August 28, 2007;**

50 (14) "Employer", a department;

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

53 (16) "Final average pay", the average pay of a member for the thirty-six full consecutive
54 months of service before termination of employment when the member's pay was greatest; or if
55 the member was on workers' compensation leave of absence or a medical leave of absence due
56 to an employee illness, the amount of pay the member would have received but for such leave
57 of absence as reported and verified by the employing department; or if the member was
58 employed for less than thirty-six months, the average monthly pay of a member during the period
59 for which the member was employed. **The board of each system may promulgate rules for**
60 **purposes of calculating final average pay and other retirement provisions to accommodate**
61 **for any state payroll system in which pay is received on a monthly, semimonthly, biweekly,**
62 **or other basis;**

63 (17) "Fund", a fund of the year 2000 plan established pursuant to sections 104.1003 to
64 104.1093;

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

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

69 (20) "Normal retirement eligibility", a member's attainment of at least sixty-two years
70 of age and the completion of at least five or more years of credited service or, the attainment of
71 at least forty-eight years of age with a total of years of age and years of credited service which
72 is at least eighty or, in the case of a member of the highway patrol who shall be subject to the
73 mandatory retirement provisions of section 104.080, the mandatory retirement age and
74 completion of five years of credited service or, the attainment of at least forty-eight years of age
75 with a total of years of age and years of credited service which is at least eighty;

76 (21) "Pay" shall include:

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

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

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

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

87 d. Any nonrecurring single sum payments; **and**

88 **e. Any amounts for which contributions have not been made in accordance with**
89 **section 104.1066;**

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

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

95 (d) For purposes of members of the general assembly, pay shall be the annual salary
96 provided to each senator and representative pursuant to section 21.140, RSMo, plus any salary
97 adjustment pursuant to section 21.140, RSMo;

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

100 (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.

2. Benefits paid under 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. Notwithstanding any other law to the contrary, the board of trustees may establish a benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as amended. Such plan shall be created solely for the purposes described in Section 415(m)(3)(A) of the Internal Revenue Code of 1986, as amended. The board of trustees may promulgate regulations necessary to implement the provisions of this subsection and to create and administer such benefit plan.

104.1021. 1. The appropriate board shall determine how much credited service shall be given each member consistent with this section.

2. If a member terminates employment and is eligible to receive an annuity pursuant to the year 2000 plan, or becomes a vested former member at the time of termination, the member's or former member's unused sick leave as reported through the financial and human resources system maintained by the office of administration, or if a department's employees are not paid salaries or wages through such system, as reported directly by the department, for which the member has not been paid will be converted to credited service at the time of application for retirement benefits. The member shall receive one-twelfth of a year of credited service for each one hundred and sixty-eight hours of such unused sick leave. The employing department shall not certify unused sick leave unless such unused sick leave could have been used by the member for sickness or injury. The rate of accrual of sick leave for purposes of computing years of service pursuant to this section shall be no greater than ten hours per month. Such credited service shall not be used in determining the member's eligibility for retirement or final average pay. Such credited service shall be added to the credited service in the last position of employment held as a member of the system.

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

4. In calculating any annuity, "credited service" means a period expressed as whole years and any fraction of a year measured in twelfths that begins on the date an employee commences employment in a covered position and ends on the date such employee's membership terminates

23 pursuant to section 104.1018 plus any additional period for which the employee is credited with
24 service pursuant to this section.

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

27 6. Any member who had active military service in the United States Army, Air Force,
28 Navy, Marine Corps, Army or Air National Guard, Coast Guard, or any reserve component
29 thereof prior to last becoming a member, or who is otherwise ineligible to receive credited
30 service pursuant to subsection 1 or 5 of this section, and who became a member after the person's
31 discharge from military service under honorable conditions may elect, prior to retirement, to
32 purchase credited service for all such military service, but not to exceed four years, provided the
33 person is not receiving and is not eligible to receive retirement credits or benefits from any other
34 public or private retirement plan, other than a United States military service retirement system,
35 for the military service to be purchased along with the submission of appropriate documentation
36 verifying the member's dates of active service. The purchase shall be effected by the member
37 paying to the system an amount equal to the state's contributions that would have been made to
38 the system on the member's behalf had the member been a member for the period for which the
39 member is electing to purchase credit and had the member's pay during such period of
40 membership been the same as the annual pay rate as of the date the member was initially
41 employed as a member, with the calculations based on the contribution rate in effect on the date
42 of such member's employment with simple interest calculated from the date of employment to
43 the date of election pursuant to this subsection. The payment shall be made over a period of not
44 longer than two years, measured from the date of election, and with simple interest on the unpaid
45 balance. If a member who purchased credited service pursuant to this subsection dies prior to
46 retirement, the surviving spouse may, upon written request, receive a refund of the amount
47 contributed for such purchase of such credited service, provided the surviving spouse is not
48 entitled to survivorship benefits payable pursuant to the provisions of section 104.1030.

49 7. Any member of the Missouri state employees' retirement system shall receive credited
50 service for the creditable prior service that such employee would have been entitled to under the
51 closed plan pursuant to section 104.339, subsections 2, and 6 to 9 of section 104.340, subsection
52 12 of section 104.342, section 104.344, subsection 4 of section 104.345, subsection 4 of section
53 104.372, section 178.640, RSMo, and section 211.393, RSMo, provided such service has not
54 been credited under the closed plan.

55 8. Any member who has service in both systems and dies or terminates employment shall
56 have the member's service in the other system transferred to the last system that covered such
57 member and any annuity payable to such member shall be paid by that system. Any such
58 member may elect to transfer service between systems prior to termination of employment,

59 provided, any annuity payable to such member shall be paid by the last system that covered such
60 member prior to the receipt of such annuity.

61 9. In no event shall any person or member receive credited service pursuant to the year
62 2000 plan if that same service is credited for retirement benefits under any defined benefit
63 retirement system not created pursuant to this chapter.

64 10. Any additional credited service as described in subsections 5 to 7 of this section shall
65 be added to the credited service in the first position of employment held as a member of the
66 system. Any additional creditable service received pursuant to section 105.691, RSMo, shall be
67 added to the credited service in the position of employment held at the time the member
68 completes the purchase or transfer pursuant to such section.

69 11. A member may not purchase any credited service described in this section unless the
70 member has met the five-year minimum service requirement as provided in subdivisions (11) and
71 (20) of **subsection 1 of** section 104.1003, the [two] **three** full biennial assemblies minimum
72 service requirement as provided in section 104.1084, or the four-year minimum service
73 requirement as provided in section 104.1084.

74 12. Absences taken by an employee without compensation for sickness and injury of the
75 employee of less than twelve months or for leave taken by such employee without compensation
76 pursuant to the provisions of the Family and Medical Leave Act of 1993 shall be counted as
77 years of credited service.

104.1087. 1. If a member has credited service with more than one selected plan at time
2 of separation of covered employment from all selected plans, then the annuity payable from each
3 selected plan shall be based upon the annuity program, pay record and service record with that
4 selected plan; provided, however, that the total of credited service with all selected plans shall
5 be used for the sole purpose of determining whether or not the member has met the credited
6 service requirement contained in subdivisions (11) and (20) of **subsection 1 of** section 104.1003
7 and subsections 1 and 4 of section 104.1084 for each selected plan.

8 2. The selected plans cited in this section are:

- 9 (1) Year 2000 plan - basic provisions;
10 (2) Year 2000 plan - general assembly provisions;
11 (3) Year 2000 plan - statewide elected official provisions.

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