SECOND REGULAR SESSION [TRULY AGREED TO AND FINALLY PASSED] HOUSE BILL NO. 1710

94TH GENERAL ASSEMBLY

4488L.01T

2008

AN ACT

To repeal sections 86.1180, 86.1200, and 86.1560, RSMo, and section 86.1230 as enacted by senate bill no. 172, ninety-fourth general assembly, first regular session, and section 86.1230 as enacted by conference committee substitute no. 2 for house committee substitute no. 2 for senate bill no. 406, ninety-fourth general assembly, first regular session, and to enact in lieu thereof four new sections relating to police retirement.

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

Section A. Sections 86.1180, 86.1200, and 86.1560, RSMo, and section 86.1230 as enacted by senate bill no. 172, ninety-fourth general assembly, first regular session, and section 2 3 86.1230 as enacted by conference committee substitute no. 2 for house committee substitute no. 2 for senate bill no. 406, ninety-fourth general assembly, first regular session, are repealed and 4 5 four new sections enacted in lieu thereof, to be known as sections 86.1180, 86.1200, 86.1230, and 86.1560, to read as follows: 6 86.1180. 1. Any member in active service who is permanently unable to perform the full and unrestricted duties of a police officer as the natural, proximate, and exclusive result of 2 an accident occurring within the actual performance of duty at some definite time and place or 3 4 through an occupational disease arising exclusively out of and in the course of his or her employment shall be retired by the board of police commissioners upon certification by one or 5 6 more physicians of the medical board that the member is mentally or physically unable to perform the full and unrestricted duties of a police officer, that the inability is permanent or likely 7

8 to become permanent, and that the member should be retired. The inability to perform the full

9 and unrestricted duties of a police officer means that the member is unable to perform all the

essential job functions for the position of police officer as established by the board of policecommissioners.

2. Upon such retirement on or after August 28, 2001, a member shall receive a base pension equal to seventy-five percent of his or her final compensation for so long as the permanent disability shall continue, during which time such member shall for purposes of this section be referred to as a disability beneficiary. Such pension may be subject to offset or reduction under section 86.1190 by amounts paid or payable under any workers' compensation law.

18 3. Once each year during the first five years following his or her retirement, and at least once in every three-year period thereafter, the retirement board may, and upon the member's 19 20 application shall, require any disability beneficiary who has not yet attained the age of sixty years 21 to undergo a medical examination at a place designated by the medical board or some member thereof. If any disability beneficiary who has not attained the age of sixty years refuses to submit 22 23 to a medical examination his or her disability pension may be discontinued until his or her 24 withdrawal of such refusal, and if his or her refusal continues for one year, all rights in and to 25 such pension may be revoked by the retirement board.

4. If one or more members of the medical board certify to the retirement board that a disability beneficiary is able to perform the full and unrestricted duties of a police officer, and if the retirement board concurs on the report, then such beneficiary's disability pension shall cease.

5. If upon cessation of a disability pension under subsection 4 of this section, the former disability beneficiary is restored to active service, such member shall contribute to this retirement system thereafter at the same rate as other members. Upon subsequent retirement, such member shall be credited with all his or her creditable service, including any years in which such member received a disability pension under this section.

6. If upon cessation of a disability pension under subsection 4 of this section, the former disability beneficiary is not restored to active service, such member shall be entitled to the retirement benefit to which such member would have been entitled if such member had terminated service at the time of such cessation of the disability pension. For the purpose of such retirement benefits, such former disability beneficiary will be credited with all his or her creditable service, including any years in which such member received a disability pension under this section.

86.1200. 1. Any member in active service who has completed ten or more years of
creditable service and who has become permanently unable to perform the full and unrestricted
duties of a police officer as the result of an injury or illness not exclusively caused or induced
by the actual performance of his or her official duties or by his or her own negligence shall be

5 retired by the board of police commissioners upon certification by one or more physicians of the 6 medical board of the retirement board that the member is mentally or physically unable to 7 perform the full and unrestricted duties of a police officer, that the inability is permanent or likely 8 to become permanent, and that the member should be retired. The inability to perform the full 9 and unrestricted duties of a police officer means that the member is unable to perform all the 10 essential job functions for the position of police officer as established by the board of police 11 commissioners.

2. Upon such retirement on or after August 28, 2001, a member shall receive a base pension equal to two and one-half percent of final compensation multiplied by the number of years of creditable service. Such pension shall be paid for so long as the permanent disability shall continue, during which time such member shall for purposes of this section be referred to as a nonduty disability beneficiary.

3. Once each year during the first five years following such member's retirement, and at 17 least once in every three-year period thereafter, the retirement board may, and upon the member's 18 19 application shall, require any nonduty disability beneficiary who has not yet attained the age of 20 sixty years to undergo a medical examination at a place designated by the medical board. If any 21 nonduty disability beneficiary who has not attained the age of sixty years refuses to submit to a 22 medical examination, his or her nonduty disability pension may be discontinued until his or her withdrawal of such refusal, and if his or her refusal continues for one year, all rights in and to 23 24 such pension may be revoked by the retirement board.

4. If one or more members of the medical board certify to the retirement board that a nonduty disability beneficiary is able to perform the full and unrestricted duties of a police officer, and if the retirement board concurs in the report, then such beneficiary's nonduty disability pension shall cease.

[86.1230. 1. Any member who retires subsequent to August 28, 1991, with entitlement to a pension under sections 86.900 to 86.1280, shall receive each month, in addition to such member's base pension and cost-of-living adjustments thereto under section 86.1220, and in addition to any other compensation or benefit to which such member may be entitled under sections 86.900 to 86.1280, a supplemental retirement benefit of fifty dollars per month. The amount of such supplemental retirement benefit may be adjusted by cost-of-living adjustments determined by the retirement board not more frequently than annually.

9 2. Any member who was retired on or before August 28, 1991, and is 10 receiving retirement benefits from the retirement system shall, upon application 11 to the retirement board, be retained as a consultant, and for such services such 12 member shall receive each month, in addition to such member's base pension and 13 cost-of-living adjustments thereto under section 86.1220, and in addition to any 14 other compensation or benefit to which such member may be entitled under 15 sections 86.900 to 86.1280, a supplemental compensation in the amount of fifty dollars per month. This appointment as a consultant shall in no way affect any
member's eligibility for retirement benefits under the provisions of sections
86.900 to 86.1280, or in any way have the effect of reducing retirement benefits
otherwise payable to such member. The amount of such supplemental
compensation under this subsection may be adjusted by cost-of-living
adjustments determined by the retirement board not more frequently than
annually.

23 3. For purposes of subsections 1 and 2 of this section, the term "member" shall include a surviving spouse entitled to a benefit under sections 86.900 to 24 25 86.1280 who shall be deemed to have retired for purposes of this section on the 26 date of retirement of the member of whom such person is the surviving spouse or on the date of death of such member if such member died prior to retirement; 27 28 provided, that if the surviving spouse of any member who retired prior to August 29 28, 2000, shall not have remarried prior to August 28, 2000, but remarries thereafter, such surviving spouse shall thereafter receive benefits under 30 31 subsection 2 of this section, and provided further, that no benefits shall be 32 payable under this section to the surviving spouse of any member who retired 33 prior to August 28, 2000, if such surviving spouse was at any time remarried after 34 the member's death and prior to August 28, 2000. All benefits payable to a 35 surviving spouse under this section shall be in addition to all other benefits to which such surviving spouse may be entitled under other provisions of sections 36 86.900 to 86.1280. Any such surviving spouse of a member who dies while 37 38 entitled to payments under this section shall succeed to the full amount of 39 payment under this section to which such member was entitled at the time of such 40 member's death, including any cost-of-living adjustments received by such 41 member in the payment under this section prior to such member's death. In all 42 events, the term "member" shall not include any children of the member who 43 would be entitled to receive part or all of the pension which would be received 44 by a surviving spouse if living.

45 4. Any member who is receiving benefits from the retirement system and who either was retired under the provisions of subsection 1 of section 86.1150. 46 47 or who retired before August 28, 2001, under the provisions of section 86.1180 or section 86.1200, shall, upon application to the retirement board, be retained 48 as a consultant. For such services such member shall receive each month in 49 addition to such member's base pension and cost-of-living adjustments thereto 50 51 under section 86.1220, and in addition to any other compensation or benefit to 52 which such member may be entitled under sections 86.900 to 86.1280, an 53 equalizing supplemental compensation of ten dollars per month. This 54 appointment as a consultant shall in no way affect any member's eligibility for 55 retirement benefits under the provisions of sections 86.900 to 86.1280, or in any 56 way have the effect of reducing retirement benefits otherwise payable to such member. The amount of equalizing supplemental compensation under this 57 subsection may be adjusted by cost-of-living adjustments, determined by the 58

59 retirement board not more frequently than annually, but in no event shall the aggregate of such equalizing supplemental compensation together with all such 60 cost-of-living adjustments thereto exceed twenty-five percent of the member's 61 62 base pension. Each cost-of-living adjustment to compensation under this 63 subsection shall be determined independently of any cost-of-living adjustment to 64 any other benefit under sections 86.900 to 86.1280. For the purposes of this subsection, the term "member" shall include a surviving spouse entitled to 65 benefits under the provisions of sections 86.900 to 86.1280, and who is the 66 surviving spouse of a member who qualified, or would have qualified if living, 67 68 for compensation under this subsection. Such surviving spouse shall, upon 69 application to the retirement board, be retained as a consultant, and for such 70 services shall be compensated in an amount equal to the compensation which 71 would have been received by the member under this subsection, if living. Any 72 such surviving spouse of a member who dies while entitled to payments under this subsection shall succeed to the full amount of payment under this subsection 73 74 to which such member was entitled at the time of such member's death, including 75 any cost-of-living adjustments received by such member in the payment under 76 this subsection prior to such member's death. In all events, the term "member" 77 shall not include any children of the member who would be entitled to receive 78 part or all of the pension that would be received by a surviving spouse, if living.

79 5. A surviving spouse who is entitled to benefits under the provisions of 80 subsection 1 of section 86.1240 as a result of the death prior to August 28, 2007. 81 of a member in service, and who is receiving benefits from the retirement system, 82 shall, upon application to the retirement board, be retained as a special 83 consultant, and for such services such surviving spouse shall receive each month 84 an equalizing supplemental compensation of ten dollars per month. A surviving 85 spouse entitled to benefits under the provisions of subsection 1 of section 86 86.1240 as a result of the death of a member in service on or after August 28, 87 2008, shall receive each month an equalizing supplemental benefit of ten dollars 88 per month. All benefits payable to a surviving spouse under this subsection shall 89 be in addition to all other benefits to which such surviving spouse may be entitled 90 under other provisions of sections 86.900 to 86.1280 and shall in no way have the 91 effect of reducing benefits otherwise payable to such surviving spouse. The amount of equalizing supplemental benefit or equalizing supplemental 92 93 compensation under this subsection may be adjusted by cost-of-living adjustments, determined by the retirement board not more frequently than 94 95 annually, but in no event shall the aggregate of such equalizing supplemental 96 benefit or compensation together with all such cost-of-living adjustments thereto 97 exceed twenty-five percent of the base pension of the surviving spouse. Each 98 cost-of-living adjustment to an equalizing supplemental benefit or compensation 99 under this subsection shall be determined independently of any cost-of-living 100 adjustment to any other benefit under sections 86.900 to 86.1280. In all events the term "surviving spouse" as used in this subsection shall not include any 101

102 children of the member who would be entitled to receive part or all of the pension
103 that would be received by a surviving spouse, if living.

104 6. In determining and granting the cost-of-living adjustments under this 105 section, the retirement board shall adopt such rules and regulations as may be necessary to effectuate the purposes of this section, including provisions for the 106 manner of computation of such adjustments and the effective dates thereof. The 107 retirement board shall provide for such adjustments to be determined once each 108 109 year and granted on a date or dates to be chosen by the board. The retirement board shall not be required to prorate the initial adjustment to any benefit or 110 111 compensation under this section for any member.

112 7. The determination of whether the retirement system will remain actuarially sound shall be made at the time any cost-of-living adjustment under 113 this section is granted. If at any time the retirement system ceases to be 114 actuarially sound, any benefit compensation payments provided under this section 115 shall continue as adjusted by increases or decreases theretofore granted. A 116 117 member of the retirement board shall have no personal liability for granting increases under this section if that retirement board member in good faith relied 118 119 and acted upon advice of a qualified actuary that the retirement system would remain actuarially sound.] 120

86.1230. 1. Any member who retires subsequent to August 28, 1991, with entitlement to a pension under sections 86.900 to 86.1280, shall receive each month, in addition to such member's base pension and cost-of-living adjustments thereto under section 86.1220, and in addition to any other compensation or benefit to which such member may be entitled under sections 86.900 to 86.1280, a supplemental retirement benefit of fifty dollars per month. The amount of such supplemental retirement benefit may be adjusted by cost-of-living adjustments determined by the retirement board not more frequently than annually.

8 2. Any member who was retired on or before August 28, 1991, and is receiving retirement benefits from the retirement system shall, upon application to the retirement board, 9 be retained as a consultant, and for such services such member shall receive each month, in 10 11 addition to such member's base pension and cost-of-living adjustments thereto under section 12 86.1220, and in addition to any other compensation or benefit to which such member may be 13 entitled under sections 86.900 to 86.1280, a supplemental compensation in the amount of fifty 14 dollars per month. This appointment as a consultant shall in no way affect any member's 15 eligibility for retirement benefits under the provisions of sections 86.900 to 86.1280, or in any 16 way have the effect of reducing retirement benefits otherwise payable to such member. The 17 amount of such supplemental compensation under this subsection may be adjusted by cost-of-living adjustments determined by the retirement board not more frequently than annually. 18 19 3. For purposes of subsections 1 and 2 of this section, the term "member" shall include

3. For purposes of subsections 1 and 2 of this section, the term "member" shall include
a surviving spouse entitled to a benefit under sections 86.900 to 86.1280 who shall be deemed

21 to have retired for purposes of this section on the date of retirement of the member of whom such 22 person is the surviving spouse or on the date of death of such member if such member died prior 23 to retirement; provided, that if the surviving spouse of any member who retired prior to August 24 28, 2000, shall not have remarried prior to August 28, 2000, but remarries thereafter, such 25 surviving spouse shall thereafter receive benefits under subsection 2 of this section, and provided 26 further, that no benefits shall be payable under this section to the surviving spouse of any 27 member who retired prior to August 28, 2000, if such surviving spouse was at any time remarried 28 after the member's death and prior to August 28, 2000. All benefits payable to a surviving 29 spouse under this section shall be in addition to all other benefits to which such surviving spouse may be entitled under other provisions of sections 86.900 to 86.1280. Any such surviving spouse 30 31 of a member who dies while entitled to payments under this section shall succeed to the full 32 amount of payment under this section to which such member was entitled at the time of such 33 member's death, including any cost-of-living adjustments received by such member in the 34 payment under this section prior to such member's death. In all events, the term "member" shall 35 not include any children of the member who would be entitled to receive part or all of the 36 pension which would be received by a surviving spouse if living.

37 4. Any member who is receiving benefits from the retirement system and who either was 38 retired under the provisions of subdivision (1) of subsection 1 of section 86.1150, or who retired 39 before August 28, 2001, under the provisions of section 86.1180 or section 86.1200, shall, upon 40 application to the retirement board, be retained as a consultant. For such services such member 41 shall receive each month in addition to such member's base pension and cost-of-living 42 adjustments thereto under section 86.1220, and in addition to any other compensation or benefit 43 to which such member may be entitled under sections 86.900 to 86.1280, an equalizing 44 supplemental compensation of ten dollars per month. This appointment as a consultant shall in no way affect any member's eligibility for retirement benefits under the provisions of sections 45 86.900 to 86.1280, or in any way have the effect of reducing retirement benefits otherwise 46 47 payable to such member. The amount of equalizing supplemental compensation under this subsection may be adjusted by cost-of-living adjustments, determined by the retirement board 48 49 not more frequently than annually, but in no event shall the aggregate of such equalizing 50 supplemental compensation together with all such cost-of-living adjustments thereto exceed 51 twenty-five percent of the member's base pension. Each cost-of-living adjustment to 52 compensation under this subsection shall be determined independently of any cost-of-living 53 adjustment to any other benefit under sections 86.900 to 86.1280. For the purposes of this 54 subsection, the term "member" shall include a surviving spouse entitled to benefits under the 55 provisions of sections 86.900 to 86.1280, and who is the surviving spouse of a member who 56 qualified, or would have qualified if living, for compensation under this subsection. Such

57 surviving spouse shall, upon application to the retirement board, be retained as a consultant, and 58 for such services shall be compensated in an amount equal to the compensation which would 59 have been received by the member under this subsection, if living. Any such surviving spouse 60 of a member who dies while entitled to payments under this subsection shall succeed to the full amount of payment under this subsection to which such member was entitled at the time of such 61 member's death, including any cost-of-living adjustments received by such member in the 62 63 payment under this subsection prior to such member's death. In all events, the term "member" 64 shall not include any children of the member who would be entitled to receive part or all of the 65 pension that would be received by a surviving spouse, if living.

5. A surviving spouse who is entitled to benefits under the provisions of subsection 1 of 66 section 86.1240 as a result of the death prior to August 28, 2007, of a member in service, and 67 68 who is receiving benefits from the retirement system, shall, upon application to the retirement 69 board, be retained as a consultant, and for such services such surviving spouse shall receive each 70 month an equalizing supplemental compensation of ten dollars per month. A surviving spouse 71 entitled to benefits under the provisions of subsection 1 of section 86.1240 as a result of the 72 death of a member in service on or after August 28, 2007, shall receive each month an equalizing 73 supplemental benefit of ten dollars per month. All benefits payable to a surviving spouse under 74 this subsection shall be in addition to all other benefits to which such surviving spouse may be 75 entitled under other provisions of sections 86.900 to 86.1280 and shall in no way have the effect 76 of reducing benefits otherwise payable to such surviving spouse. The amount of equalizing 77 supplemental benefit or equalizing supplemental compensation under this subsection may be 78 adjusted by cost-of-living adjustments, determined by the retirement board not more frequently 79 than annually, but in no event shall the aggregate of such equalizing supplemental benefit or 80 compensation together with all such cost-of-living adjustments thereto exceed twenty-five 81 percent of the base pension of the surviving spouse. Each cost-of-living adjustment to an 82 equalizing supplemental benefit or compensation under this subsection shall be determined 83 independently of any cost-of-living adjustment to any other benefit under sections 86.900 to 84 86.1280. In all events the term "surviving spouse" as used in this subsection shall not include any children of the member who would be entitled to receive part or all of the pension that would be 85 86 received by a surviving spouse, if living.

6. In determining and granting the cost-of-living adjustments under this section, the retirement board shall adopt such rules and regulations as may be necessary to effectuate the purposes of this section, including provisions for the manner of computation of such adjustments and the effective dates thereof. The retirement board shall provide for such adjustments to be determined once each year and granted on a date or dates to be chosen by the board. The

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retirement board shall not be required to prorate the initial adjustment to any benefit orcompensation under this section for any member.

94 7. The determination of whether the retirement system will remain actuarially sound 95 shall be made at the time any cost-of-living adjustment under this section is granted. If at any 96 time the retirement system ceases to be actuarially sound, any benefit or compensation payments 97 provided under this section shall continue as adjusted by increases or decreases theretofore 98 granted. A member of the retirement board shall have no personal liability for granting increases 99 under this section if that retirement board member in good faith relied and acted upon advice of 100 a qualified actuary that the retirement system would remain actuarially sound.

86.1560. 1. A member in active service who becomes totally and permanently disabled,
as defined in this section, shall be entitled to retire and to receive a base pension determined in
accordance with the terms of this section. Members who are eligible and totally and permanently
disabled shall receive a disability pension computed as follows:

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(1) Duty disability, fifty percent of final compensation as of the date of disability;

6 (2) Nonduty disability, thirty percent of final compensation as of the date of disability,
7 provided that a nonduty disability pension shall not be available to any member with less than
8 ten years creditable service;

9 (3) In no event shall the disability pension be less than the amount to which the member 10 would be entitled as a pension if the member retired on the same date with equivalent age and 11 creditable service.

2. The final payment due a member receiving a disability pension shall be the payment
due on the first day of the month in which such member's death occurs. Such member's
surviving spouse, if any, shall be entitled to such benefits as may be provided under section
86.1610.

3. For purposes of sections 86.1310 to 86.1640, the following terms shall mean:

(1) "Duty disability", total and permanent disability directly due to and caused by actualperformance of employment with the police department;

(2) "Nonduty disability", total and permanent disability arising from any other cause thanduty disability;

(3) "Total and permanent disability", a state or condition which presumably prevents for
the rest of a member's life the member's engaging in any occupation or performing any work for
remuneration or profit. Such disability, whether duty or nonduty, must not have been caused by
the member's own negligence or willful self-infliction.

4. The retirement board in its sole judgment shall determine whether the status of total
and permanent disability exists. Its determination shall be binding and conclusive. The
retirement board shall rely upon the findings of a medical board of three physicians, and shall

28 procure the written recommendation of at least one member thereof in each case considered by

- 29 the retirement board. The medical board shall be appointed by the retirement board and expense
- 30 for such examinations as are required shall be paid from funds of the retirement system.

31 5. From time to time, the retirement board shall have the right to require proof of 32 continuing disability which may include further examination by the medical board. Should the 33 retirement board determine that disability no longer exists, it shall terminate the disability 34 pension. A member who immediately returns to work with the police department shall again 35 earn creditable service beginning on the first day of such return. Creditable service prior to 36 disability retirement shall be reinstated. A member who does not return to work with the police 37 department shall be deemed to have terminated employment at the time disability retirement 38 commenced; but in calculating any benefits due upon such presumption, the retirement system 39 shall receive credit for all amounts paid such member during the period of disability, except that 40 such member shall not be obligated in any event to repay to the retirement system any amounts 41 properly paid during such period of disability. 1