

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1972
94TH GENERAL ASSEMBLY

Reported from the Committee on Pensions, Veterans' Affairs and General Laws, April 15, 2008, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

4886S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 165.111, 169.130, and 169.650, RSMo, and to enact in lieu thereof three new sections relating to compensation for education personnel, with penalty provisions.

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

Section A. Sections 165.111, 169.130, and 169.650, RSMo, are repealed
2 and three new sections enacted in lieu thereof, to be known as sections 165.111,
3 169.130, and 169.650, to read as follows:

165.111. 1. The school board of each district, for any year for which it
2 does not cause an audit to be performed by October thirty-first after the close of
3 the school year, shall make and publish, not later than September first, in some
4 newspaper as described in section 493.050, RSMo, published in the school district,
5 and if there is none then in some newspaper of general circulation within the
6 district, a statement of all receipts of school moneys, when and from what source
7 derived, and all expenditures, and on what account; also, the present
8 indebtedness of the district and its nature, and the rate of taxation for all
9 purposes for the year, **including the property tax rate**. The statement shall
10 be duly attested by the president and secretary of the board, and the secretary
11 shall forward a copy to the state board of education on forms prescribed by the
12 board.

13 2. **The school board of each district for any given year shall**
14 **provide a full detailed financial statement that will include the names**
15 **and total compensation packages of, and any expenses made by or on**
16 **behalf of, the district's superintendent, and all assistant**
17 **superintendents. If consultants are hired for administrative duties, the**
18 **district shall publish the total compensation package of each**

19 consultant, and the disclosure shall be made separate for each
20 individual administrator. The disclosure shall include whether
21 incentives under sections 168.710, 168.714, 168.716, and 168.720, RSMo,
22 are available or used. The statement shall be forwarded to the
23 department of elementary and secondary education, and all the
24 information included in the statement required under this subsection
25 shall be published on the department's Internet web site.

26 3. For purposes of subsection 2 of this section, "total
27 compensation package" includes, but is not limited to, base salary,
28 retirement benefits, dues and club memberships, housing and auto
29 allowances, entertainment allowances, cell phone or personal digital
30 assistant and service contract, deferred compensation, buy-out clause,
31 pay-for-performance goals, donations from school foundations, and any
32 other valuable consideration provided as cash, credit, or services as a
33 result of employment, expressed in dollars.

34 4. The state board of education shall not release the state aid apportioned
35 to the district for the next ensuing school year until a copy of the required
36 statement has been received at its office in Jefferson City and has been approved
37 by it. Any school board which fails, refuses or neglects to order the statement to
38 be made, and any officer of the board who fails, refuses, or neglects to prepare,
39 publish and forward the statement, as required by this section, when ordered by
40 the board, is guilty of a misdemeanor and punishable by a fine not to exceed one
41 hundred dollars. Annual or biennial audit summaries shall be published
42 according to section 165.121.

169.130. 1. Any person, duly certified under the law governing the
2 certification of teachers, employed full time as a teacher by the division of youth
3 services prior to August 13, 1986, who did not become a member of the Missouri
4 state employees' retirement system under section 104.342, RSMo, is a member of
5 the public school retirement system of Missouri. Any such person who becomes
6 a member before the end of the school year next following July 18, 1948, may
7 claim and receive credit for prior service. The contributions required to be made
8 by the member's employer shall be paid from appropriations to the institution by
9 which the member is employed.

10 2. Any person, duly certified under the law governing the certification of
11 teachers, employed full time as a teacher by a division of the state department
12 of social services prior to August 13, 1986, who did not become a member of the

13 Missouri state employees' retirement system under section 104.342, RSMo, who
14 renders services in a school whose standards of education are set and which is
15 supervised by a public school officer of the county in which the school is located,
16 by the department of elementary and secondary education or by the coordinating
17 board for higher education is a member of the public school retirement system of
18 Missouri. Any such member who becomes a member before the end of the school
19 year next following August 29, 1953, may claim and receive credit for prior
20 service.

21 3. Any person, duly certified under the law governing the certification of
22 teachers, employed full time as a teacher by the section of inmate education of the
23 department of corrections prior to August 13, 1986, who did not become a member
24 of the Missouri state employees' retirement system under section 104.342, RSMo,
25 is a member of the public school retirement system of Missouri. Any such person
26 who becomes a member before the end of the school year next following August
27 29, 1959, may claim and receive credit for prior service. For purposes of this
28 subsection "prior service" means service rendered by a member of the retirement
29 system before the system becomes operative with respect to persons employed by
30 the section of inmate education, and may include service rendered by a member
31 of the armed forces during a period of war, if the member was a teacher at the
32 time he was inducted, for which credit has been approved by the board of
33 trustees.

34 4. Any person, duly certificated under the law governing the certification
35 of teachers, employed full time by any statewide nonprofit educational association
36 or organization serving on an educational professional basis through its
37 membership the active members of the public school retirement system of
38 Missouri or the public school districts maintaining high schools in this state, may
39 be a member of the public school retirement system of Missouri. Any such person
40 who becomes a member before July 1, 1955, may claim and receive credit for prior
41 service. The contributions required to be made by the member's employer shall
42 be paid by the association or organization. **After June 30, 2009, no additional**
43 **nonprofit educational associations or organizations shall have its**
44 **employees become members of the public school retirement system or**
45 **the public education employee retirement system of Missouri.**

46 5. Any person, duly certificated under the law governing the certification
47 of teachers, employed full time, and whose duties include participation in the
48 educational program of the department of mental health, in either a teaching or

49 supervisory teaching capacity prior to August 13, 1986, who did not become a
50 member of the Missouri state employees' retirement system under section
51 104.342, RSMo, shall, after August 7, 1969, be a member of the public school
52 retirement system, but any such person whose employment with the department
53 of mental health commenced prior to August 7, 1969, may elect not to become a
54 member by so notifying the department of mental health in writing within thirty
55 days after August 7, 1969.

169.650. 1. On and after October 13, 1965, all employees as defined in
2 section 169.600 of districts included in this retirement system shall be members
3 of the system by virtue of their employment, and all persons who had five years
4 of prior service who were employees of districts included in sections 169.600 to
5 169.710 during the school year next preceding October 13, 1965, but who ceased
6 to be employees prior to October 13, 1965, because of physical disability, shall be
7 members of this system by virtue of that prior service. Individuals who qualify
8 as independent contractors under the common law and are treated as such by
9 their employer shall not be considered employees for purposes of membership in
10 or contributions to the retirement system.

11 2. Any member who rendered service prior to November 1, 1965, as an
12 employee as defined in section 169.600 in a district or junior college district
13 included in the system may claim credit for that service by filing with the board
14 of trustees a complete and detailed record of the service for which the credit is
15 claimed, together with such supporting evidence as the board may require for
16 verification of the record. To the extent that the board finds the record correct,
17 it shall credit the claimant with prior service and shall notify the claimant of its
18 decision.

19 3. Membership shall be terminated by failure of a member to earn any
20 membership service credit as a public school employee under this system for five
21 consecutive school years, by death, withdrawal of contributions, or retirement.

22 4. If a member withdraws or is refunded the member's contributions, the
23 member shall thereby forfeit any creditable service the member may have;
24 provided, however, if such person again becomes a member of the system, the
25 member may elect prior to retirement to reinstate any creditable service forfeited
26 at the times of previous withdrawals or refunds. The reinstatement shall be
27 effected by the member paying to the retirement system, with interest, the
28 amount of accumulated contributions withdrawn by the member or refunded to
29 the member with respect to the service being reinstated. A member may

30 reinstate less than the total service previously forfeited, in accordance with rules
31 promulgated by the board of trustees. The payment shall be completed prior to
32 termination of membership with the retirement system with interest on the
33 unpaid balance; provided, however, that if a member is retired on disability
34 before completing such payments, the balance due, with interest, shall be
35 deducted from the member's disability retirement allowance.

36 5. Any person who is an employee of any statewide nonprofit educational
37 association or organization serving the active membership of the public education
38 employee retirement system of Missouri and who works at least twenty hours per
39 week on a regular basis in a position which is not covered by the public school
40 retirement system of Missouri may be a member of the public education employee
41 retirement system of Missouri. Certificated employees of such statewide
42 nonprofit educational association or organization may not be members of the
43 public school retirement system of Missouri unless such association or
44 organization makes separate application pursuant to subsection 4 of section
45 169.130. The contributions required to be made by the employee will be deducted
46 from salary and matched by the association or organization. **After June 30,**
47 **2009, no additional nonprofit educational associations or organizations**
48 **may have its employees become members of the public school**
49 **retirement system or the public education employee retirement system**
50 **of Missouri.**

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