

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 12, Page 3, Section 56.807, Line 74, by
2 inserting after all of said line the following:

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4 " 104.1091. 1. Notwithstanding any provision of the year 2000 plan to the contrary, each
5 person who has never been a judge as defined in section 476.515 prior to January 1, 2011 and who
6 first becomes an employee on or after January 1, 2011, shall be a member of the year 2000 plan
7 subject to the provisions of this section. Any employee who was a judge as defined in section
8 476.515 prior to January 1, 2011 shall receive a refund of his or her contributions made under this
9 section.

10 2. A member's normal retirement eligibility shall be as follows:

11 (1) The member's attainment of at least age sixty-seven and the completion of at least
12 ten years of credited service; or the member's attainment of at least age fifty-five with the sum of the
13 member's age and credited service equaling at least ninety; or, in the case of a member who is
14 serving as a uniformed member of the highway patrol and subject to the mandatory retirement
15 provisions of section 104.081, such member's attainment of at least age sixty or the attainment of at
16 least age fifty-five with ten years of credited service;

17 (2) For members of the general assembly, the member's attainment of at least age
18 sixty-two and the completion of at least three full biennial assemblies; or the member's attainment of
19 at least age fifty-five with the sum of the member's age and credited service equaling at least ninety;

20 (3) For statewide elected officials, the official's attainment of at least age sixty-two
21 and the completion of at least four years of credited service; or the official's attainment of at least age
22 fifty-five with the sum of the official's age and credited service equaling at least ninety.

23 3. A vested former member's normal retirement eligibility shall be based on the
24 attainment of at least age sixty-seven and the completion of at least ten years of credited service.

25 4. A temporary annuity paid pursuant to subsection 4 of section 104.1024 shall be
26 payable if the member has attained at least age fifty-five with the sum of the member's age and
27 credited service equaling at least ninety; or in the case of a member who is serving as a uniformed
28 member of the highway patrol and subject to the mandatory retirement provisions of section
29 104.081, the temporary annuity shall be payable if the member has attained at least age sixty, or at
30 least age fifty-five with ten years of credited service.

31 5. A member, other than a member who is serving as a uniformed member of the
32 highway patrol and subject to the mandatory retirement provisions of section 104.081, shall be
33 eligible for an early retirement annuity upon the attainment of at least age sixty-two and the
34 completion of at least ten years of credited service. A vested former member shall not be eligible for
35 early retirement.

36 6. The provisions of subsection 6 of section 104.1021 and section 104.344 as applied
37 pursuant to subsection 7 of section 104.1021 and section 104.1090 shall not apply to members

Action Taken _____ Date _____

1 covered by this section.

2 7. The minimum credited service requirements of five years contained in sections
3 104.1018, 104.1030, 104.1036, and 104.1051 shall be ten years for members covered by this section.
4 The normal and early retirement eligibility requirements in this section shall apply for purposes of
5 administering section 104.1087.

6 8. A member shall be required to contribute four percent of the member's pay to the
7 retirement system, which shall stand to the member's credit in his or her individual account with the
8 system, together with investment credits thereon, for purposes of funding retirement benefits payable
9 under the year 2000 plan, subject to the following provisions:

10 (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C. Section
11 414(h)(2), shall pick up and pay the contributions that would otherwise be payable by the member
12 under this section. The contributions so picked up shall be treated as employer contributions for
13 purposes of determining the member's pay that is includable in the member's gross income for
14 federal income tax purposes;

15 (2) Member contributions picked up by the employer shall be paid from the same
16 source of funds used for the payment of pay to a member. A deduction shall be made from each
17 member's pay equal to the amount of the member's contributions picked up by the employer. This
18 deduction, however, shall not reduce the member's pay for purposes of computing benefits under the
19 retirement system pursuant to this chapter;

20 (3) Member contributions so picked up shall be credited to a separate account within
21 the member's individual account so that the amounts contributed pursuant to this section may be
22 distinguished from the amounts contributed on an after-tax basis;

23 (4) The contributions, although designated as employee contributions, shall be paid
24 by the employer in lieu of the contributions by the member. The member shall not have the option of
25 choosing to receive the contributed amounts directly instead of having them paid by the employer to
26 the retirement system;

27 (5) Interest shall be credited annually on June thirtieth based on the value in the
28 account as of July first of the immediately preceding year at a rate of four percent. Effective June
29 30, 2014, and each June thirtieth thereafter, the interest crediting rate shall be equal to the investment
30 rate that is published by the United States Department of Treasury, or its successor agency, for
31 fifty-two week treasury bills for the relevant auction that is nearest to the preceding July first, or a
32 successor treasury bill investment rate as approved by the board if the fifty-two week treasury bill is
33 no longer issued. Interest credits shall cease upon termination of employment if the member is not a
34 vested former member. Otherwise, interest credits shall cease upon retirement or death;

35 (6) A vested former member or a former member who is not vested may request a
36 refund of his or her contributions and interest credited thereon. If such member is married at the
37 time of such request, such request shall not be processed without consent from the spouse. Such
38 member is not eligible to request a refund if such member's retirement benefit is subject to a division
39 of benefit order pursuant to section 104.1051. Such refund shall be paid by the system after ninety
40 days from the date of termination of employment or the request, whichever is later, and shall include
41 all contributions made to any retirement plan administered by the system and interest credited
42 thereon. A vested former member may not request a refund after such member becomes eligible for
43 normal retirement. A vested former member or a former member who is not vested who receives a
44 refund shall forfeit all the member's credited service and future rights to receive benefits from the
45 system and shall not be eligible to receive any long-term disability benefits; provided that any
46 member or vested former member receiving long-term disability benefits shall not be eligible for a
47 refund. If such member subsequently becomes an employee and works continuously for at least one
48 year, the credited service previously forfeited shall be restored if the member returns to the system

1 the amount previously refunded plus interest at a rate established by the board;

2 (7) The beneficiary of any member who made contributions shall receive a refund
3 upon the member's death equal to the amount, if any, of such contributions and interest credited
4 thereon less any retirement benefits received by the member unless an annuity is payable to a
5 survivor or beneficiary as a result of the member's death. In that event, the beneficiary of the
6 survivor or beneficiary who received the annuity shall receive a refund upon the survivor's or
7 beneficiary's death equal to the amount, if any, of the member's contributions less any annuity
8 amounts received by the member and the survivor or beneficiary.

9 9. The employee contribution rate, the benefits provided under the year 2000 plan to
10 members covered under this section, and any other provision of the year 2000 plan with regard to
11 members covered under this section may be altered, amended, increased, decreased, or repealed, but
12 only with respect to services rendered by the member after the effective date of such alteration,
13 amendment, increase, decrease, or repeal, or, with respect to interest credits, for periods of time after
14 the effective date of such alteration, amendment, increase, decrease, or repeal.

15 10. For purposes of members covered by this section, the options under section
16 104.1027 shall be as follows:

17 Option 1. A retiree's life annuity shall be reduced to a certain percent of the annuity
18 otherwise payable. Such percent shall be eighty-eight and one half percent adjusted as follows: if
19 the retiree's age on the annuity starting date is younger than sixty-seven years, an increase of
20 three-tenths of one percent for each year the retiree's age is younger than age sixty-seven years; and
21 if the beneficiary's age is younger than the retiree's age on the annuity starting date, a decrease of
22 three-tenths of one percent for each year of age difference; and if the retiree's age is younger than the
23 beneficiary's age on the annuity starting date, an increase of three-tenths of one percent for each year
24 of age difference; provided, after all adjustments the option 1 percent cannot exceed ninety-four and
25 one quarter percent. Upon the retiree's death, fifty percent of the retiree's reduced annuity shall be
26 paid to such beneficiary who was the retiree's spouse on the annuity starting date or as otherwise
27 provided by subsection 5 of this section.

28 Option 2. A retiree's life annuity shall be reduced to a certain percent of the annuity
29 otherwise payable. Such percent shall be eighty-one percent adjusted as follows: if the retiree's age
30 on the annuity starting date is younger than sixty-seven years, an increase of four-tenths of one
31 percent for each year the retiree's age is younger than sixty-seven years; and if the beneficiary's age
32 is younger than the retiree's age on the annuity starting date, a decrease of five-tenths of one percent
33 for each year of age difference; and if the retiree's age is younger than the beneficiary's age on the
34 annuity starting date, an increase of five-tenths of one percent for each year of age difference;
35 provided, after all adjustments the option 2 percent cannot exceed eighty-seven and three quarter
36 percent. Upon the retiree's death one hundred percent of the retiree's reduced annuity shall be paid to
37 such beneficiary who was the retiree's spouse on the annuity starting date or as otherwise provided
38 by subsection 5 of this section.

39 Option 3. A retiree's life annuity shall be reduced to ninety-three percent of the
40 annuity otherwise payable. If the retiree dies before having received one hundred twenty monthly
41 payments, the reduced annuity shall be continued for the remainder of the one hundred
42 twenty-month period to the retiree's designated beneficiary provided that if there is no beneficiary
43 surviving the retiree, the present value of the remaining annuity payments shall be paid as provided
44 under subsection 3 of section 104.620. If the beneficiary survives the retiree but dies before
45 receiving the remainder of such one hundred twenty monthly payments, the present value of the
46 remaining annuity payments shall be paid as provided under subsection 3 of section 104.620.

47 Option 4. A retiree's life annuity shall be reduced to eighty-six percent of the annuity
48 otherwise payable. If the retiree dies before having received one hundred eighty monthly payments,

the reduced annuity shall be continued for the remainder of the one hundred eighty-month period to the retiree's designated beneficiary provided that if there is no beneficiary surviving the retiree, the present value of the remaining annuity payments shall be paid as provided under subsection 3 of section 104.620. If the beneficiary survives the retiree but dies before receiving the remainder of such one hundred eighty monthly payments, the present value of the remaining annuity payments shall be paid as provided under subsection 3 of section 104.620.

11. The provisions of subsection 6 of section 104.1024 shall not apply to members covered by this section."; and

Further amend said bill, Page 18, Section 476.057, Line 29, by inserting after all of said line the following:

"476.521. 1. Notwithstanding any provision of chapter 476 to the contrary, each person who has never been an employee as defined in section 104.010 or 104.1003 prior to January 1, 2011 and who first becomes a judge on or after January 1, 2011, and continues to be a judge may receive benefits as provided in sections 476.445 to 476.688 subject to the provisions of this section. Any judge who was an employee as defined in section 104.010 or 104.1003 prior to January 1, 2011 shall receive a refund of his or her contributions made under this section.

2. Any person who is at least sixty-seven years of age, has served in this state an aggregate of at least twelve years, continuously or otherwise, as a judge, and ceases to hold office by reason of the expiration of the judge's term, voluntary resignation, or retirement pursuant to the provisions of subsection 2 of section 24 of article V of the Constitution of Missouri may receive benefits as provided in sections 476.515 to 476.565. The twelve-year requirement of this subsection may be fulfilled by service as judge in any of the courts covered, or by service in any combination as judge of such courts, totaling an aggregate of twelve years. Any judge who is at least sixty-seven years of age and who has served less than twelve years and is otherwise qualified under sections 476.515 to 476.565 may retire after reaching age sixty-seven, or thereafter, at a reduced retirement compensation in a sum equal to the proportion of the retirement compensation provided in section 476.530 that his or her period of judicial service bears to twelve years.

3. Any person who is at least sixty-two years of age or older, has served in this state an aggregate of at least twenty years, continuously or otherwise, as a judge, and ceases to hold office by reason of the expiration of the judge's term, voluntary resignation, or retirement pursuant to the provisions of subsection 2 of section 24 of article V of the Constitution of Missouri may receive benefits as provided in sections 476.515 to 476.565. The twenty-year requirement of this subsection may be fulfilled by service as a judge in any of the courts covered, or by service in any combination as judge of such courts, totaling an aggregate of twenty years. Any judge who is at least sixty-two years of age and who has served less than twenty years and is otherwise qualified under sections 476.515 to 476.565 may retire after reaching age sixty-two, at a reduced retirement compensation in a sum equal to the proportion of the retirement compensation provided in section 476.530 that his or her period of judicial service bears to twenty years.

4. All judges under this section required by the provisions of section 26 of article V of the Constitution of Missouri to retire at the age of seventy years shall retire upon reaching that age.

5. The provisions of sections 104.344, 476.524, and 476.690 shall not apply to judges covered by this section.

6. A judge shall be required to contribute four percent of the judge's compensation to the retirement system, which shall stand to the judge's credit in his or her individual account with the system, together with investment credits thereon, for purposes of funding retirement benefits payable as provided in sections 476.515 to 476.565, subject to the following provisions:

(1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C. Section

1 414(h)(2), shall pick up and pay the contributions that would otherwise be payable by the judge
 2 under this section. The contributions so picked up shall be treated as employer contributions for
 3 purposes of determining the judge's compensation that is includable in the judge's gross income for
 4 federal income tax purposes;

5 (2) Judge contributions picked up by the employer shall be paid from the same source of
 6 funds used for the payment of compensation to a judge. A deduction shall be made from each
 7 judge's compensation equal to the amount of the judge's contributions picked up by the employer.
 8 This deduction, however, shall not reduce the judge's compensation for purposes of computing
 9 benefits under the retirement system pursuant to this chapter;

10 (3) Judge contributions so picked up shall be credited to a separate account within the judge's
 11 individual account so that the amounts contributed pursuant to this section may be distinguished
 12 from the amounts contributed on an after-tax basis;

13 (4) The contributions, although designated as employee contributions, are being paid by the
 14 employer in lieu of the contributions by the judge. The judge shall not have the option of choosing
 15 to receive the contributed amounts directly instead of having them paid by the employer to the
 16 retirement system;

17 (5) Interest shall be credited annually on June thirtieth based on the value in the account as of
 18 July first of the immediately preceding year at a rate of four percent. Interest credits shall cease upon
 19 retirement of the judge;

20 (6) A judge whose employment is terminated may request a refund of his or her
 21 contributions and interest credited thereon. If such judge is married at the time of such request, such
 22 request shall not be processed without consent from the spouse. A judge is not eligible to request a
 23 refund if the judge's retirement benefit is subject to a division of benefit order pursuant to section
 24 104.312. Such refund shall be paid by the system after ninety days from the date of termination of
 25 employment or the request, whichever is later and shall include all contributions made to any
 26 retirement plan administered by the system and interest credited thereon. A judge may not request a
 27 refund after such judge becomes eligible for retirement benefits under sections 476.515 to 476.565.
 28 A judge who receives a refund shall forfeit all the judge's service and future rights to receive benefits
 29 from the system and shall not be eligible to receive any long-term disability benefits; provided that
 30 any judge or former judge receiving long-term disability benefits shall not be eligible for a refund. If
 31 such judge subsequently becomes a judge and works continuously for at least one year, the service
 32 previously forfeited shall be restored if the judge returns to the system the amount previously
 33 refunded plus interest at a rate established by the board;

34 (7) The beneficiary of any judge who made contributions shall receive a refund upon the
 35 judge's death equal to the amount, if any, of such contributions less any retirement benefits received
 36 by the judge unless an annuity is payable to a survivor or beneficiary as a result of the judge's death.
 37 In that event, the beneficiary of the survivor or beneficiary who received the annuity shall receive a
 38 refund upon the survivor's or beneficiary's death equal to the amount, if any, of the judge's
 39 contributions less any annuity amounts received by the judge and the survivor or beneficiary.

40 7. The employee contribution rate, the benefits provided under sections 476.515 to 476.565
 41 to judges covered under this section, and any other provision of sections 476.515 to 476.565 with
 42 regard to judges covered under this section may be altered, amended, increased, decreased, or
 43 repealed, but only with respect to services rendered by the judge after the effective date of such
 44 alteration, amendment, increase, decrease, or repeal, or, with respect to interest credits, for periods of
 45 time after the effective date of such alteration, amendment, increase, decrease, or repeal.

46 8. Any judge who is receiving retirement compensation under section 476.529 or 476.530
 47 who becomes employed as an employee eligible to participate in the closed plan or in the year 2000
 48 plan under chapter 104, shall not receive such retirement compensation for any calendar month in

1 which the retired judge is so employed. Any judge who is receiving retirement compensation under
2 section 476.529 or section 476.530 who subsequently serves as a judge as defined pursuant to
3 subdivision (4) of subsection 1 of section 476.515 shall not receive such retirement compensation for
4 any calendar month in which the retired judge is serving as a judge; except that upon retirement such
5 judge's annuity shall be recalculated to include any additional service or salary accrued based on the
6 judge's subsequent service. A judge who is receiving compensation under section 476.529 or
7 476.530 may continue to receive such retirement compensation while serving as a senior judge or
8 senior commissioner and shall receive additional credit and salary for such service pursuant to
9 section 476.682."; and

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11 Further amend said bill by amending the title, enacting clause, and intersectional references
12 accordingly.
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