

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 24, Page 26, Section 72.401, Line 79, by
2 inserting after all of said line the following:

3 "86.200. The following words and phrases as used in sections 86.200 to 86.366, unless a
4 different meaning is plainly required by the context, shall have the following meanings:

5 (1) "Accumulated contributions", the sum of all mandatory contributions deducted from the
6 compensation of a member and credited to the member's individual account, together with members'
7 interest thereon;

8 (2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of
9 mortality tables and interest assumptions adopted by the board of trustees;

10 (3) "Average final compensation":

11 (a) With respect to a member who earns no creditable service on or after October 1, 2001,
12 the average earnable compensation of the member during the member's last three years of creditable
13 service as a police officer, or if the member has had less than three years of creditable service, the
14 average earnable compensation of the member's entire period of creditable service;

15 (b) With respect to a member who is not participating in the DROP pursuant to section
16 86.251 on October 1, 2001, who did not participate in the DROP at any time before such date, and
17 who earns any creditable service on or after October 1, 2001, the average earnable compensation of
18 the member during the member's last two years of creditable service as a policeman, or if the
19 member has had less than two years of creditable service, then the average earnable compensation of
20 the member's entire period of creditable service;

21 (c) With respect to a member who is participating in the DROP pursuant to section 86.251 on
22 October 1, 2001, or whose participation in DROP ended before such date, who returns to active
23 participation in the system pursuant to section 86.251, and who terminates employment as a police
24 officer for reasons other than death or disability before earning at least two years of creditable
25 service after such return, the portion of the member's benefit attributable to creditable service earned
26 before DROP entry shall be determined using average final compensation as defined in paragraph (a)
27 of this subdivision; and the portion of the member's benefit attributable to creditable service earned
28 after return to active participation in the system shall be determined using average final
29 compensation as defined in paragraph (b) of this subdivision;

30 (d) With respect to a member who is participating in the DROP pursuant to section 86.251
31 on October 1, 2001, or whose participation in the DROP ended before such date, who returns to
32 active participation in the system pursuant to section 86.251, and who terminates employment as a
33 police officer after earning at least two years of creditable service after such return, the member's
34 benefit attributable to all of such member's creditable service shall be determined using the member's
35 average final compensation as defined in paragraph (b) of this subdivision;

36 (e) With respect to a member who is participating in the DROP pursuant to section 86.251 on
37 October 1, 2001, or whose participation in DROP ended before such date, who returns to active

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1 participation in the system pursuant to section 86.251, and whose employment as a police officer
 2 terminates due to death or disability after such return, the member's benefit attributable to all of such
 3 member's creditable service shall be determined using the member's average final compensation as
 4 defined in paragraph (b) of this subdivision; and

5 (f) With respect to the surviving spouse or surviving dependent child of a member who earns
 6 any creditable service on or after October 1, 2001, the average earnable compensation of the member
 7 during the member's last two years of creditable service as a police officer or, if the member has had
 8 less than two years of creditable service, the average earnable compensation of the member's entire
 9 period of creditable service;

10 (4) "Beneficiary", any person in receipt of a retirement allowance or other benefit;

11 (5) "Board of police commissioners", any board of police commissioners, police
 12 commissioners and any other officials or boards now or hereafter authorized by law to employ and
 13 manage a permanent police force in such cities;

14 (6) "Board of trustees", the board provided in sections 86.200 to 86.366 to administer the
 15 retirement system;

16 (7) "Creditable service", prior service plus membership service as provided in sections
 17 86.200 to 86.366;

18 (8) "DROP", the deferred retirement option plan provided for in section 86.251;

19 (9) "Earnable compensation", the annual salary established under section 84.160 which a
 20 member would earn during one year on the basis of the member's rank or position [as specified in the
 21 applicable salary matrix] plus any additional compensation for academic work and shift differential
 22 that may be provided by any official or board now or hereafter authorized by law to employ and
 23 manage a permanent police force in such cities. Such amount shall include the member's deferrals to
 24 a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code or to a cafeteria
 25 plan pursuant to Section 125 of the Internal Revenue Code or, effective October 1, 2001, to a
 26 transportation fringe benefit program pursuant to Section 132(f)(4) of the Internal Revenue Code.
 27 Earnable compensation shall not include a member's additional compensation for overtime, standby
 28 time, court time, nonuniform time or unused vacation time. Notwithstanding the foregoing, the
 29 earnable compensation taken into account under the plan established pursuant to sections 86.200 to
 30 86.366 with respect to a member who is a noneligible participant, as defined in this subdivision, for
 31 any plan year beginning on or after October 1, 1996, shall not exceed the amount of compensation
 32 that may be taken into account under Section 401(a)(17) of the Internal Revenue Code, as adjusted
 33 for increases in the cost of living, for such plan year. For purposes of this subdivision, a "noneligible
 34 participant" is an individual who first becomes a member on or after the first day of the first plan
 35 year beginning after the earlier of:

36 (a) The last day of the plan year that includes August 28, 1995; or

37 (b) December 31, 1995;

38 (10) "Internal Revenue Code", the federal Internal Revenue Code of 1986, as amended;

39 (11) "Mandatory contributions", the contributions required to be deducted from the salary of
 40 each member who is not participating in DROP in accordance with section 86.320;

41 (12) "Medical board", the board of three physicians of different disciplines appointed by the
 42 trustees of the police retirement board and responsible for arranging and passing upon all medical
 43 examinations required under the provisions of sections 86.200 to 86.366, which board shall
 44 investigate all essential statements and certificates made by or on behalf of a member in connection
 45 with an application for disability retirement and shall report in writing to the board of trustees its
 46 conclusions and recommendations, which can be based upon the opinion of a single member or that
 47 of an outside specialist if one is appointed, upon all the matters referred to such medical board;

48 (13) "Member", a member of the retirement system as defined by sections 86.200 to 86.366;

1 [(13)] (14) "Members' interest", interest on accumulated contributions at such rate as may be
2 set from time to time by the board of trustees;

3 [(14)] (15) "Membership service", service as a policeman rendered since last becoming a
4 member, except in the case of a member who has served in the armed forces of the United States and
5 has subsequently been reinstated as a policeman, in which case "membership service" means service
6 as a policeman rendered since last becoming a member prior to entering such armed service;

7 [(15)] (16) "Plan year" or "limitation year", the twelve consecutive-month period beginning
8 each October first and ending each September thirtieth;

9 [(16)] (17) "Policeman" or "police officer", any member of the police force of such cities
10 who holds a rank in such police force;

11 [(17)] (18) "Prior service", all service as a policeman rendered prior to the date the system
12 becomes operative or prior to membership service which is creditable in accordance with the
13 provisions of sections 86.200 to 86.366;

14 [(18)] (19) "Reserve officer", any member of the police reserve force of such cities, armed
15 or unarmed, who works less than full time, without compensation, and who, by his or her assigned
16 function or as implied by his or her uniform, performs duties associated with those of a police officer
17 and who currently receives a service retirement as provided by sections 86.200 to 86.366;

18 [(19)] (20) "Retirement allowance", annual payments for life as provided by sections 86.200
19 to 86.366 which shall be payable in equal monthly installments or any benefits in lieu thereof
20 granted to a member upon termination of employment as a police officer and actual retirement;

21 [(20)] (21) "Retirement system", the police retirement system of the cities as defined in
22 sections 86.200 to 86.366;

23 [(21)] (22) "Surviving spouse", the surviving spouse of a member who was the member's
24 spouse at the time of the member's death.

25 86.257. 1. Upon the application of [a member in service or of] the board of police
26 commissioners or any successor body, any member who has completed ten or more years of
27 creditable service or upon the police retirement system created by sections 86.200 to 86.366 first
28 attaining, after the effective date of this act, a funded ratio, as defined in section 105.660 and as
29 determined by the system's annual actuarial valuation, of at least eighty percent, a member who has
30 completed five or more years of creditable service and who has become permanently unable to
31 perform the duties of a police officer as the result of an injury or illness not exclusively caused or
32 induced by the actual performance of his or her official duties or by his or her own negligence shall
33 be retired by the board of [trustees of the police retirement system] police commissioners or any
34 successor body upon certification by the medical [director] board of the police retirement system and
35 approval by the board of trustees of the police retirement system that the member is mentally or
36 physically unable to perform the duties of a police officer, that the inability is permanent or likely to
37 become permanent, and that the member should be retired.

38 2. Once each year during the first five years following such member's retirement, and at least
39 once in every three-year period thereafter, the board of trustees may, and upon the member's
40 application shall, require any nonduty disability beneficiary who has not yet attained sixty years of
41 age to undergo a medical examination at a place designated by the medical [director] board or such
42 physicians as the medical [director] board appoints. If any nonduty disability beneficiary who has
43 not attained sixty years of age refuses to submit to a medical examination, his or her nonduty
44 disability pension may be discontinued until his or her withdrawal of such refusal, and if his or her
45 refusal continues for one year, all rights in and to such pension may be revoked by the board of
46 trustees.

47 3. If the medical [director] board certifies to the board of trustees that a nonduty disability
48 beneficiary is able to perform the duties of a police officer, and if the board of trustees concurs on the

1 report, then such beneficiary's nonduty disability pension shall cease.

2 4. If upon cessation of a disability pension under subsection 3 of this section, the former
3 disability beneficiary is restored to active service, he or she shall again become a member, and he or
4 she shall contribute thereafter at the same rate as other members. Upon his or her subsequent
5 retirement, he or she shall be credited with all of his or her active retirement, but not including any
6 time during which the former disability beneficiary received a disability pension under this section.

7 86.263. 1. Any member in active service who is permanently unable to perform the full and
8 unrestricted duties of a police officer as the natural, proximate, and exclusive result of an accident
9 occurring within the actual performance of duty at some definite time and place, through no
10 negligence on the member's part, shall[, upon application,] be retired by the board of police
11 commissioners or any successor body upon certification by [the medical director of the police
12 retirement system and approval by the board of trustees of the police retirement system] one or more
13 physicians of the medical board that the member is mentally or physically unable to perform the full
14 and unrestricted duties of a police officer [and] , that the inability is permanent or [reasonably] likely
15 to become permanent, and that the member should be retired. The inability to perform the "full and
16 unrestricted duties of a police officer" means the member is unable to perform all the essential job
17 functions for the position of police officer as established by the board of police commissioners or
18 any successor body.

19 2. No member shall be approved for retirement under the provisions of subsection 1 of this
20 section unless the application was made and submitted to the board of [trustees of the police
21 retirement system] police commissioners or any successor body no later than five years following the
22 date of accident, provided, that if the accident was reported within five years of the date of the
23 accident and an examination made of the member within thirty days of the date of accident by a
24 health care provider whose services were provided through the board of police commissioners with
25 subsequent examinations made as requested, then an application made more than five years
26 following the date of the accident shall be considered timely.

27 3. Once each year during the first five years following a member's retirement, and at least
28 once in every three-year period thereafter, the board of trustees may require any disability
29 beneficiary who has not yet attained sixty years of age to undergo a medical examination or medical
30 examinations at a place designated by the medical [director] board or such physicians as the medical
31 [director] board appoints. If any disability beneficiary who has not attained sixty years of age
32 refuses to submit to a medical examination, his or her disability pension may be discontinued by the
33 board of trustees of the police retirement system until his or her withdrawal of such refusal, and if his
34 or her refusal continues for one year, all rights in and to such pension may be revoked by the board
35 of trustees.

36 4. If the medical [director] board certifies to the board of trustees that a disability beneficiary
37 is able to perform the duties of a police officer, [and if the board of trustees concurs with the medical
38 director's determination,] then such beneficiary's disability pension shall cease.

39 5. If upon cessation of a disability pension under subsection 4 of this section, the former
40 disability beneficiary is restored to active service, he or she shall again become a member, and he or
41 she shall contribute thereafter at the same rate as other members. Upon his or her subsequent
42 retirement, he or she shall be credited with all of his or her active service time as a member including
43 the service time prior to receiving disability retirement, but not including any time during which the
44 former disability beneficiary received a disability pension under this section.

45 6. If upon cessation of a disability pension under subsection 4 of this section, the former
46 disability beneficiary is not restored to active service, such former disability beneficiary shall be
47 entitled to the retirement benefit to which such former disability beneficiary would have been
48 entitled if such former disability beneficiary had terminated service for any reason other than

1 dishonesty or being convicted of a felony at the time of such cessation of such former disability
2 beneficiary's disability pension. For purposes of such retirement benefits, such former disability
3 beneficiary shall be credited with all of the former disability beneficiary's active service time as a
4 member, but not including any time during which the former disability beneficiary received a
5 disability beneficiary pension under this section."; and

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