

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 233
97TH GENERAL ASSEMBLY

0763H.03C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 104.010, 104.040, 104.090, 104.140, 104.200, 104.272, 104.312, 104.352, 104.354, 104.380, 104.395, 104.420, 104.490, 104.601, 104.620, 104.800, 104.1003, 104.1015, 104.1021, 104.1030, 104.1039, 104.1051, 104.1054, 104.1060, and 476.515, RSMo, and to enact in lieu thereof twenty-five new sections relating to the administration of state employee benefits.

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

Section A. Sections 104.010, 104.040, 104.090, 104.140, 104.200, 104.272, 104.312, 104.352, 104.354, 104.380, 104.395, 104.420, 104.490, 104.601, 104.620, 104.800, 104.1003, 104.1015, 104.1021, 104.1030, 104.1039, 104.1051, 104.1054, 104.1060, and 476.515, RSMo, are repealed and twenty-five new sections enacted in lieu thereof, to be known as sections 104.010, 104.040, 104.090, 104.140, 104.200, 104.272, 104.312, 104.352, 104.354, 104.380, 104.395, 104.420, 104.490, 104.601, 104.620, 104.800, 104.1003, 104.1015, 104.1021, 104.1030, 104.1039, 104.1051, 104.1054, 104.1060, and 476.515, 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;

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.

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

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) **"Annuity starting date", the first day of the first month with respect to which**
17 **an amount is paid as an annuity under sections 104.010 to 104.800, and the terms**
18 **retirement, time of retirement, and date of retirement shall mean "annuity starting date"**
19 **as defined in this subdivision unless the context in which the term is used indicates**
20 **otherwise;**

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

36 [(8)] (9) "Beneficiary", any [person] **persons or entities** entitled to or nominated by a
37 member or retiree who may be legally entitled to receive benefits pursuant to this chapter;

38 [(9)] (10) "Biennial assembly", the completion of no less than two years of creditable
39 service or creditable prior service by a member of the general assembly;

40 [(10)] (11) "Board of trustees", "board", or "trustees", a board of trustees as established
41 for the applicable system pursuant to this chapter;

42 [(11)] (12) "Chapter", sections 104.010 to 104.800;

43 [(12)] (13) "Compensation":

44 (a) All salary and wages payable out of any state, federal, trust, or other funds to an
45 employee for personal services performed for a department; but including only amounts for
46 which contributions have been made in accordance with section 104.436, or section 104.070,

47 whichever is applicable, and excluding any nonrecurring single sum payments or amounts paid
48 after the member's termination of employment unless such amounts paid after such termination
49 are a final installment of salary or wages at the same rate as in effect immediately prior to
50 termination of employment in accordance with a state payroll system adopted on or after January
51 1, 2000, or any other one-time payments made as a result of such payroll system;

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

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

62 [(13)] (14) "Consumer price index", the Consumer Price Index for All Urban Consumers
63 for the United States, or its successor index, as approved by a board, as such index is defined and
64 officially reported by the United States Department of Labor, or its successor agency;

65 [(14)] (15) "Creditable prior service", the service of an employee which was either
66 rendered prior to the establishment of a system, or prior to the date the employee last became a
67 member of a system, and which is recognized in determining the member's eligibility and for the
68 amount of the member's benefits under a system;

69 [(15)] (16) "Creditable service", the sum of membership service and creditable prior
70 service, to the extent such service is standing to a member's credit as provided in this chapter;
71 except that in no case shall more than one day of creditable service or creditable prior service be
72 credited any member for any one calendar day of eligible service credit as provided by law;

73 [(16)] (17) "Deferred normal annuity", the annuity payable to any former employee who
74 terminated employment as an employee or otherwise withdrew from service with a vested right
75 to a normal annuity, payable at a future date;

76 [(17)] (18) "Department", any department or agency of the executive, legislative or
77 judicial branch of the state of Missouri receiving state appropriations, including allocated funds
78 from the federal government but not including any body corporate or politic unless its employees
79 are eligible for retirement coverage from a system pursuant to this chapter as otherwise provided
80 by law;

81 [(18)] (19) "Disability benefits", benefits paid to any employee while totally disabled as
82 provided in this chapter;

83 [(19)] (20) "Early retirement age", a member's attainment of fifty-five years of age and
84 the completion of ten or more years of creditable service, except for uniformed members of the
85 water patrol;

86 [(20)] (21) "Employee":

87 (a) **Effective August 28, 2007**, any elective or appointive officer or person employed
88 by the state who is employed, promoted or transferred by a department into a new or existing
89 position and earns a salary or wage in a position normally requiring the performance by the
90 person of duties during not less than one thousand forty hours per year, including each member
91 of the general assembly but not including any patient or inmate of any state, charitable, penal or
92 correctional institution. However, persons who are members of the public school retirement
93 system and who are employed by a state agency other than an institution of higher learning shall
94 be deemed employees for purposes of participating in all insurance programs administered by
95 a board established pursuant to section 104.450. This definition shall not exclude any employee
96 as defined in this subdivision who is covered only under the federal Old Age and Survivors'
97 Insurance Act, as amended. As used in this chapter, the term "employee" shall include:

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

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

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

112 (c) "Employee" does not include special consultants employed pursuant to section
113 104.610;

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

117 [(21)] (22) "Employer", a department of the state;

118 [(22)] **(23)** "Executive director", the executive director employed by a board established
119 pursuant to the provisions of this chapter;

120 [(23)] **(24)** "Fiscal year", the period beginning July first in any year and ending June
121 thirtieth the following year;

122 [(24)] **(25)** "Full biennial assembly", the period of time beginning on the first day the
123 general assembly convenes for a first regular session until the last day of the following year;

124 [(25)] **(26)** "Fund", the benefit fund of a system established pursuant to this chapter;

125 [(26)] **(27)** "Interest", interest at such rate as shall be determined and prescribed from
126 time to time by a board;

127 [(27)] **(28)** "Member", as used in sections 104.010 to 104.272 or 104.601 to 104.800
128 shall mean an employee, retiree, or former employee entitled to a deferred annuity covered by
129 the Missouri department of transportation and highway patrol employees' retirement system.
130 "Member", as used in this section and sections 104.312 to 104.800, shall mean an employee,
131 retiree, or former employee entitled to deferred annuity covered by the Missouri state employees'
132 retirement system;

133 [(28)] **(29)** "Membership service", the service after becoming a member that is
134 recognized in determining a member's eligibility for and the amount of a member's benefits under
135 a system;

136 [(29)] **(30)** "Military service", all active service performed in the United States Army,
137 Air 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
141 in time of war or emergency;

142 [(30)] **(31)** "Normal annuity", the annuity provided to a member upon retirement at or
143 after the member's normal retirement age;

144 [(31)] **(32)** "Normal retirement age", an employee's attainment of sixty-five years of age
145 and the completion of four years of creditable service or the attainment of age sixty-five years
146 of age 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] **Missouri**
157 **department of transportation and highway patrol employees' retirement system** or a
158 member of the Missouri state employees' retirement system shall be entitled to retire with a
159 normal annuity and shall be entitled to elect any of the survivor benefit options and shall also be
160 entitled to any other provisions of this chapter that relate to retirement with a normal annuity if
161 the sum of the member's age and creditable service equals eighty years or more and if the
162 member is at least forty-eight years of age;

163 [(32)] **(33)** "Payroll deduction", deductions made from an employee's compensation;

164 [(33)] **(34)** "Prior service credit", the service of an employee rendered prior to the date
165 the employee became a member which service is recognized in determining the member's
166 eligibility for benefits from a system but not in determining the amount of the member's benefit;

167 [(34)] **(35)** "Reduced annuity", an actuarial equivalent of a normal annuity;

168 [(35)] **(36)** "Retiree", a member who is not an employee and who is receiving an annuity
169 from a system pursuant to this chapter;

170 [(36)] **(37)** "System" or "retirement system", the Missouri department of transportation
171 and highway patrol employees' retirement system, as created by sections 104.010 to 104.270, or
172 sections 104.601 to 104.800, or the Missouri state employees' retirement system as created by
173 sections 104.320 to 104.800;

174 [(37)] **(38)** "Uniformed members of the highway patrol", the superintendent, lieutenant
175 colonel, majors, captains, director of radio, lieutenants, sergeants, corporals, and patrolmen of
176 the Missouri state highway patrol who normally appear in uniform;

177 [(38)] **(39)** "Uniformed members of the water patrol", employees of the Missouri state
178 water patrol of the department of public safety who are classified as water patrol officers who
179 have taken the oath of office prescribed by the provisions of chapter 306 and who have those
180 peace officer powers given by the provisions of chapter 306;

181 [(39)] **(40)** "Vesting service", the sum of a member's prior service credit and creditable
182 service 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 establish a
186 benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as amended. Such plan
187 shall be created solely for the purposes described in Section 415(m)(3)(A) of the Internal
188 Revenue Code of 1986, as amended. The board of trustees may promulgate regulations

189 necessary to implement the provisions of this subsection and to create and administer such
190 benefit plan.

104.040. 1. Any member shall be entitled to creditable prior service within the meaning
2 of sections 104.010 to 104.272 for all service in the United States Army, Navy, or other armed
3 services of the United States, or any women's auxiliary thereof in time of active armed warfare,
4 if such member was a state employee immediately prior to his or her entry into the armed
5 services and became an employee of the state within ninety days after termination of such service
6 by an honorable discharge or release to inactive status; the requirement of section 104.010 of
7 duties during not less than one thousand **forty** hours for status as an "employee" shall not apply
8 to persons who apply for creditable prior service pursuant to the provisions of this section.

9 2. Any member of the system who served as an employee prior to the original effective
10 date of sections 104.010 to 104.272, but was not an employee on that date, shall be entitled to
11 creditable prior service that such member would have been entitled to had such member become
12 a member of the retirement system on the date of its inception if such member has, or hereafter
13 attains, one year of continuous membership service.

14 3. Any employee who completes one continuous year of creditable service in the system
15 shall receive credit for service with a state department, if such service has not otherwise been
16 credited.

17 4. Any member who had served in the Armed Forces of the United States prior to
18 becoming a member, or who is otherwise ineligible pursuant to subsection 1 of this section or
19 other provisions of this chapter, and who became a member after his or her discharge under
20 honorable conditions may elect, prior to retirement, to purchase all of his or her creditable prior
21 service equivalent to such service in the Armed Forces, but not to exceed four years, if the
22 member is not receiving and is not eligible to receive retirement credits or benefits from any
23 other public or private retirement plan for the service to be purchased, and an affidavit so stating
24 shall be filed by the member with the retirement system. However, if the member is eligible to
25 receive retirement credits in a United States military service retirement system, the member shall
26 be permitted to purchase creditable prior service equivalent to his or her service in the armed
27 services, but not to exceed four years, any other provision of law to the contrary notwithstanding.
28 The purchase shall be effected by the member's paying to the retirement system an amount equal
29 to what would have been contributed by the state in his or her behalf had the member been a
30 member for the period for which the member is electing to purchase credit and had his or her
31 compensation during such period of membership been the same as the annual salary rate at which
32 the member was initially employed as a member, with the calculations based on the contribution
33 rate in effect on the date of his or her employment with simple interest calculated from date of
34 employment from which the member could first receive creditable service to the date of election

35 pursuant to this subsection. The payment shall be made over a period of not longer than two
36 years, measured from the date of election, and with simple interest on the unpaid balance.
37 Payments made for such creditable prior service pursuant to this subsection shall be treated by
38 the retirement system as would contributions made by the state and shall not be subject to any
39 prohibition on member contributions or refund provisions in effect at the time of enactment of
40 this subsection.

41 5. Any uniformed member of the highway patrol who served as a certified police officer
42 prior to becoming a member may elect, prior to retirement, to purchase all of his or her creditable
43 prior service equivalent to such service in the police force, but not to exceed four years, if he or
44 she is not receiving and is not eligible to receive credits or benefits from any other public or
45 private retirement plan for the service to be purchased, and an affidavit so stating shall be filed
46 by the member with the retirement system. The purchase shall be effected by the member's
47 paying to the retirement system an amount equal to what would have been contributed by the
48 state in his or her behalf had he or she been a member of the system for the period for which the
49 member is electing to purchase credit and had his compensation during such period been the
50 same as the annual salary rate at which the member was initially employed as a member, with
51 the calculations based on the contribution rate in effect on the date of his or her employment with
52 simple interest calculated from the date of employment from which the member could first
53 receive creditable service to the date of election pursuant to the provisions of this section. The
54 payment shall be made over a period of not longer than two years, measured from the date of
55 election, and with simple interest on the unpaid balance. Payments made for such creditable
56 prior service pursuant to the provisions of this section shall be treated by the retirement system
57 as would contributions made by the state and shall not be subject to any prohibition on member
58 contributions or refund provisions in effect at the time of enactment of this section.

59 6. Any member of the system under section 104.030 or 104.170 who is an active
60 employee and who served as a nonfederal full-time public employee in this state prior to
61 becoming a member may elect, prior to retirement, to purchase all of his or her creditable prior
62 service equivalent to such service, but not to exceed four years, if he or she is not receiving and
63 is not eligible to receive credits or benefits from any other public plan for the service to be
64 purchased. The purchase shall be effected by the member's paying to the retirement system an
65 amount equal to what would have been contributed by the state in his or her behalf had he or she
66 been a member of the system for the period for which the member is electing to purchase credit
67 and had his compensation during such period been the same as the annual salary rate at which
68 the member was initially employed as a member, with the calculations based on the contribution
69 rate in effect on the date of his or her employment with simple interest calculated from the date
70 of employment from which the member could first receive creditable service to the date of

71 election pursuant to the provisions of this section. The payment shall be made over a period of
72 not longer than two years, measured from the date of election, and with simple interest on the
73 unpaid balance. Payments made for such creditable prior service pursuant to the provisions of
74 this section shall be treated by the retirement system as would contributions made by the state
75 and shall not be subject to any prohibition on member contributions or refund provisions in effect
76 at the time of enactment of this section. All purchase payments under this subsection must be
77 completed prior to retirement or prior to termination of employment. If a member who
78 purchased creditable service under this subsection dies prior to retirement, the surviving spouse
79 may, upon written request, receive a refund of the amount contributed for such purchase of such
80 creditable service. The surviving spouse shall not be eligible for a refund under this subsection
81 if he or she is entitled to survivorship benefits payable under section 104.140. A member who
82 is entitled to a deferred annuity under section 104.035 shall be ineligible to purchase service
83 under this subsection.

104.090. 1. The normal annuity of a member shall equal one and six-tenths percent of
2 the average compensation of the member multiplied by the number of years of creditable service
3 of such member. In addition, the normal annuity of a uniformed member of the patrol shall be
4 increased by thirty-three and one-third percent.

5 2. In addition, a uniformed member of the highway patrol who is retiring with a normal
6 annuity after attaining normal retirement age shall receive an additional sum of ninety dollars per
7 month as a contribution by the system until such member attains the age of sixty-five years, when
8 such contribution shall cease. To qualify for the contribution provided in this subsection by the
9 system, the retired uniformed member of the highway patrol is made, constituted, appointed and
10 employed by the board as a special consultant on the problems of retirement, aging and other
11 state matters. Such additional contribution shall be reduced each month by such amount earned
12 by the retired uniformed member of the highway patrol in gainful employment. In order to
13 qualify for the additional contribution provided in this subsection, the retired uniformed member
14 of the highway patrol shall have been:

15 (1) Hired by the Missouri state highway patrol prior to January 1, 1995; and

16 (2) Employed by the Missouri state highway patrol or receiving long-term disability or
17 work-related disability benefits on the day before the effective date of the member's retirement.

18 3. In lieu of the annuity payable to the member pursuant to section 104.100, a member
19 whose age at retirement is forty-eight or more may elect in the member's application for
20 retirement to receive [either] **one of the following**:

21 Option 1. An actuarial reduction approved by the board of the member's annuity in
22 reduced monthly payments for life during retirement with the provision that upon the member's

23 death the reduced annuity at date of death shall be continued throughout the life of, and be paid
24 to, the member's spouse; or

25 Option 2. The member's normal annuity in regular monthly payments for life during
26 retirement with the provision that upon the member's death a survivor's benefit equal to one-half
27 the member's normal annuity at date of death shall be paid to the member's spouse in regular
28 monthly payments for life; or

29 Option 3. An actuarial reduction approved by the board of ~~the~~ member's normal annuity
30 in reduced monthly payments for the member's life with the provision that if the member dies
31 prior to the member's having received one hundred twenty monthly payments of the member's
32 reduced annuity, the member's reduced allowance to which the member would have been entitled
33 had the member lived shall be paid for the remainder of the one hundred twenty-month period
34 to such [person] **beneficiary** as the member shall have nominated by written designation duly
35 executed and filed with the board. If there is no beneficiary surviving the retiree, the reserve for
36 such allowance for the remainder of such one hundred twenty-month period shall be paid to the
37 retiree's estate; or

38 Option 4. An actuarial reduction approved by the board of the member's normal annuity
39 in reduced monthly payments for the member's life with the provision that if the member dies
40 prior to the member having received sixty monthly payments of the member's reduced annuity,
41 the member's reduced allowance to which the member would have been entitled had the member
42 lived shall be paid for the remainder of the sixty-month period to such [person] **beneficiary** as
43 the member shall have nominated by written designation duly executed and filed with the board.
44 If there is no beneficiary surviving the retiree, the reserve for such allowance for the remainder
45 of such sixty-month period shall be paid to the retiree's estate.

46 4. The election may be made only in the application for retirement, and such application
47 shall be filed at least thirty days but not more than ninety days prior to the date on which the
48 retirement of the member is to be effective, provided that if either the member or the spouse
49 nominated to receive the survivorship payment dies before the effective date of retirement, the
50 election shall not be effective. If after the reduced annuity commences, the spouse predeceases
51 the retired member, the reduced annuity continues to the retired member during the member's
52 lifetime.

53 5. Effective July 1, 2000, a member may make an election under option 1 or 2 after the
54 date retirement benefits are initiated if the member makes the election within one year from the
55 date of marriage or July 1, 2000, whichever is later, under any of the following circumstances:

56 (1) The member elected to receive a normal annuity and was not eligible to elect option
57 1 or 2 on the date retirement benefits were initiated; or

58 (2) The member's annuity reverted to a normal annuity pursuant to subsection 8 of
59 section 104.103 and the member remarried; or

60 (3) The member elected option 1 or 2 but the member's spouse at the time of retirement
61 has died and the member has remarried.

62 6. Any person who terminates employment or retires prior to July 1, 2000, shall be made,
63 constituted, appointed and employed by the board as a special consultant on the problems of
64 retirement, aging and other state matters, and for such services shall be eligible to elect to receive
65 the benefits described in subsection 5 of this section.

66 7. For retirement applications filed on or after August 28, 2004, the beneficiary for either
67 option 1 or option 2 of subsection 3 of this section shall be the member's spouse at the time of
68 retirement. If the member's marriage ends after retirement as a result of a dissolution of
69 marriage, such dissolution shall not affect the option election and the former spouse shall
70 continue to be eligible to receive survivor benefits upon death of the member.

71 8. Any application for retirement shall only become effective on the first day of the
72 month.

104.140. 1. (1) If a member who has five or more years of creditable service dies before
2 retirement, the member's surviving spouse, to whom the member was married on the date of the
3 member's death, if any, shall receive the reduced survivorship benefits provided in option 1 of
4 subsection 3 of section 104.090 calculated as if the member were of normal retirement age and
5 had retired as of the date of the member's death and had elected option 1[;] .

6 (2) If there is no eligible surviving spouse, or when a spouse's annuity has ceased to be
7 payable, the member's eligible surviving children under twenty-one years of age shall receive
8 monthly, in equal shares, an amount equal to eighty percent of the member's accrued annuity
9 calculated as if the member were of normal retirement age and retired as of the date of death.
10 Benefits otherwise payable to a child under eighteen years of age shall be payable to the
11 surviving parent as natural guardian of such child if such parent has custody or assumes custody
12 of such minor child, or to the legal [guardian] **conservator** of such child, until such child attains
13 age eighteen, and thereafter, the benefit may be paid to the child until age twenty-one; provided,
14 the age twenty-one maximum shall be extended for any child who has been found totally
15 incapacitated by a court of competent jurisdiction[;] .

16 (3) No benefit is payable pursuant to this section if no eligible surviving spouse or
17 children under twenty-one years of age survive the member. Benefits cease pursuant to this
18 section when there is no eligible surviving beneficiary through either death of the eligible
19 surviving spouse or through either death or the attainment of twenty-one years of age by the
20 eligible surviving children. If the member's surviving children are receiving equal shares of the
21 benefit described in subdivision (2) of this subsection, and one or more of such children become

22 ineligible by reason of death or the attainment of twenty-one years of age, the benefit shall be
23 reallocated so that the remaining eligible children receive equal shares of the total benefit as
24 described in subdivision (2) of this subsection.

25 2. Effective January 1, 1985, if an employee who has three or more, but less than five
26 years of creditable service dies before retirement, the surviving spouse of the deceased employee,
27 if married to the deceased employee on the date of the employee's death, or the deceased
28 employee's surviving eligible children under the age of twenty-one, shall receive a total monthly
29 payment equal to twenty-five percent of the deceased employee's accrued monthly benefit
30 calculated as if the employee were of normal retirement age as of the date of death. If the
31 surviving spouse dies leaving any eligible children under the age of twenty-one years, the
32 payment shall continue until the children reach twenty-one years of age. If there is no surviving
33 spouse eligible for benefits under this subsection, but there are any children of the deceased
34 employee eligible for payments, the payments shall continue until the children reach twenty-one
35 years of age. Any benefits payable to eligible children under twenty-one years of age shall be
36 made on a pro rata basis among the surviving children under twenty-one years of age.

37 3. For the purpose of computing the amount of a benefit payable pursuant to this section,
38 if the board finds that the death was a natural and proximate result of a personal injury or disease
39 arising out of and in the course of the member's actual performance of duty as an employee, then
40 the minimum benefit to such member's surviving spouse or, if no surviving spouse benefits are
41 payable, the minimum benefit that shall be divided among and paid to such member's surviving
42 eligible children under the age of twenty-one shall be fifty percent of the member's final average
43 compensation. The service requirements of subsections 1 and 2 of this section shall not apply
44 to any benefit payable pursuant to this subsection.

104.200. Should any error in any records result in any member's or beneficiary's
2 receiving more or less than he would have been entitled to receive had the records been correct,
3 the board shall correct such error, and, as far as practicable, make future payments in such a
4 manner that the actuarial equivalent of the benefit to which such member or beneficiary was
5 entitled shall be paid, and to this end may recover any overpayments. **In all cases in which such**
6 **error has been made, no such error shall be corrected unless the system discovers or is**
7 **notified of such error within ten years after the initial date of error.**

104.272. Other provisions of law to the contrary notwithstanding, any person who is an
2 employee of state government and a member of the [transportation department employees' and
3 highway patrol] **Missouri department of transportation and highway patrol employees'**
4 retirement system is entitled to credit for all of his service during employment with the
5 department of transportation or the state highway patrol if he is an employee of that same agency
6 upon retirement regardless of whether he was classified as full-time, part-time or temporary, and

7 the requirement of section 104.010 of duties during not less than one thousand **forty** hours for
8 status as an employee shall not apply to persons applying for retirement credit under the
9 provisions of this section.

104.312. 1. The provisions of subsection 2 of section 104.250, subsection 2 of section
2 104.540, subsection 2 of section 287.820, and section 476.688 to the contrary notwithstanding,
3 any pension, annuity, benefit, right, or retirement allowance provided pursuant to this chapter,
4 chapter 287, or chapter 476 is marital property and after August 28, 1994, a court of competent
5 jurisdiction may divide the pension, annuity, benefits, rights, and retirement allowance provided
6 pursuant to this chapter, chapter 287, or chapter 476 between the parties to any action for
7 dissolution of marriage. A division of benefits order issued pursuant to this section:

8 (1) Shall not require the applicable retirement system to provide any form or type of
9 annuity or retirement plan not selected by the member and not normally made available by that
10 system;

11 (2) Shall not require the applicable retirement system to commence payments until the
12 member submits a valid application for an annuity and the annuity becomes payable in
13 accordance with the application;

14 (3) Shall identify the monthly amount to be paid to the alternate payee, which shall be
15 expressed as a percentage and which shall not exceed fifty percent of the amount of the member's
16 annuity accrued during all or part of the time while the member and alternate payee were
17 married; and which shall be based on the member's vested annuity on the date of the dissolution
18 of marriage or an earlier date as specified in the order, which amount shall be adjusted
19 proportionately if the member's annuity is reduced due to early retirement or the member's
20 annuity is reduced pursuant to section 104.395 under an annuity option in which the member
21 named the alternate payee as beneficiary prior to the dissolution of marriage or pursuant to
22 section 104.090 under an annuity option in which the member on or after August 28, 2007,
23 named the alternative payee as beneficiary prior to the dissolution of marriage, and the
24 percentage established shall be applied to the pro rata portion of any lump sum distribution
25 pursuant to subsection 6 of section 104.335, accrued during the time while the member and
26 alternate payee were married;

27 (4) Shall not require the payment of an annuity amount to the member and alternate
28 payee which in total exceeds the amount which the member would have received without regard
29 to the order;

30 (5) Shall provide that any benefit formula increases, additional years of service,
31 increased average compensation or other type of increases accrued after the date of the
32 dissolution of marriage shall accrue solely to the benefit of the member; except that on or after
33 September 1, 2001, any annual benefit increase shall not be considered to be an increase accrued

34 after the date of termination of marriage and shall be part of the monthly amount subject to
35 division pursuant to any order issued after September 1, 2001;

36 (6) Shall terminate upon the death of either the member or the alternate payee, whichever
37 occurs first;

38 (7) Shall not create an interest which is assignable or subject to any legal process;

39 (8) Shall include the name, address, and [Social Security number] **date of birth** of both
40 the member and the alternate payee, and the identity of the retirement system to which it applies;

41 (9) Shall be consistent with any other division of benefits orders which are applicable
42 to the same member;

43 **(10) Shall not require the applicable retirement system to continue payments to the**
44 **alternate payee if the member's retirement benefit is suspended or waived as provided by**
45 **this chapter but such payments shall resume when the retiree begins to receive retirement**
46 **benefits in the future.**

47 2. A system established by this chapter shall provide the court having jurisdiction of a
48 dissolution of marriage proceeding or the parties to the proceeding with information necessary
49 to issue a division of benefits order concerning a member of the system, upon written request
50 from either the court, the member or the member's spouse, which cites this section and identifies
51 the case number and parties.

52 3. A system established by this chapter shall have the discretionary authority to reject a
53 division of benefits order for the following reasons:

54 (1) The order does not clearly state the rights of the member and the alternate payee;

55 (2) The order is inconsistent with any law governing the retirement system.

56 4. The amount paid to an alternate payee under an order issued pursuant to this section
57 shall be based on the plan the member was in on the date of the dissolution of marriage; except
58 that any annual benefit increases subject to division shall be based on the actual annual benefit
59 increases received after the retirement plan election.

104.352. 1. Each employee described in paragraph (b) of subdivision [(20)] **(21)** of
2 section 104.010 shall be entitled to the same insurance benefits provided under sections 103.003
3 to 103.175 to employees described in paragraph (a) of subdivision [(20)] **(21)** of section 104.010
4 to cover the medical expenses of such employees and their spouses and children. Such insurance
5 benefits shall be made available to employees described in paragraph (b) of subdivision [(20)]
6 **(21)** of section 104.010 upon their initial employment as such employees in the same manner
7 provided for employees described in paragraph (a) of subdivision [(20)] **(21)** of section 104.010,
8 and shall be continued during any period of time, not to exceed one year, in which such
9 employees are not paid for full-time employment, so long as such employees pay the same
10 amount for such insurance benefits as is required of employees described in paragraph (a) of

11 subdivision [(20)] **(21)** of section 104.010 who continue receiving such insurance benefits during
12 a leave of absence without pay from their employment with the state. Any employee described
13 in paragraph (b) of subdivision [(20)] **(21)** of section 104.010 who is reemployed by the general
14 assembly or either house thereof, or by any member of the general assembly while acting in his
15 official capacity as a member, by the thirteenth legislative day of the session of the general
16 assembly immediately following the session of the general assembly in which such employee
17 was last so employed, without having elected to discontinue the insurance benefits described in
18 this subsection, shall be entitled to continue such insurance benefits without having to prove
19 insurability for himself or any of his covered dependents for whom he has paid for such coverage
20 continuously since last employed as an employee described in paragraph (b) of subdivision [(20)]
21 **(21)** of section 104.010. Any employee described in paragraph (b) of subdivision [(20)] **(21)** of
22 section 104.010 who is not reemployed by the general assembly or either house thereof, or by
23 any member of the general assembly while acting in his official capacity as a member, by the
24 thirteenth legislative day of the session of the general assembly immediately following the
25 session of the general assembly in which such employee was last so employed, shall be deemed
26 terminated as an employee as of such thirteenth legislative day, and the insurance benefits
27 provided for such employee under this subsection and sections 103.003 to 103.175 shall be
28 terminated as provided for employees described in paragraph (a) of subdivision [(20)] **(21)** of
29 section 104.010 whose employment is terminated. During each month of service in which an
30 employee described in paragraph (b) of subdivision [(20)] **(21)** of section 104.010 is employed,
31 the state shall make any contribution required by sections 103.003 to 103.175 for such employee.

32 2. Any employee described in paragraph (b) of subdivision [(20)] **(21)** of section 104.010
33 who is actively employed on or after September 28, 1992, shall be deemed vested for purposes
34 of determining eligibility for benefits under sections 104.320 to 104.620 after being so employed
35 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 [(20)] **(21)** 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.

104.380. If a retired member is elected to any state office or is appointed to any state
2 office or is employed by a department in a position normally requiring the performance by the
3 person of duties during not less than one thousand forty hours per year, the member shall not
4 receive an annuity for any month or part of a month for which the member serves as an officer
5 or employee, but the member shall be considered to be a new employee with no previous

6 creditable service and must accrue creditable service continuously for at least one year in order
7 to receive any additional annuity. Any retired member who again becomes an employee and who
8 accrues additional creditable service and later retires shall receive an additional amount of
9 monthly annuity calculated to include only the creditable service and the average compensation
10 earned by the member since such employment or creditable service earned as a member of the
11 general assembly. Years of membership service and twelfths of a year are to be used in
12 calculating any additional annuity except for creditable service earned as a member of the general
13 assembly, and such additional annuity shall be based on the type of service accrued. In either
14 event, the original annuity and the additional annuity, if any, shall be paid commencing with the
15 end of the first month after the month during which the member's term of office has been
16 completed, or the member's employment terminated. If a retired member is employed by a
17 department in a position that does not normally require the person to perform duties during at
18 least one thousand forty hours per year, the member shall not be considered an employee as
19 defined pursuant to section 104.010. A retired member who becomes reemployed as an
20 employee on or after August 28, 2001, in a position covered by the [highways and transportation
21 employees' and highway patrol retirement system] **Missouri department of transportation and
22 highway patrol employees' retirement system** shall not be eligible to receive retirement
23 benefits or additional creditable service from the state employees' retirement system. **Annual
24 benefit increases paid under section 104.415 shall not accrue while a retired member is
25 employed as described in this section. Any future annual benefit increases paid after the
26 member terminates such employment will be paid in the same month as the member's
27 original annual benefit increases were paid. Benefits paid under subsection 3 of section
28 104.374 are not applicable to any additional annuity paid under this section.**

104.395. 1. In lieu of the normal annuity otherwise payable to a member pursuant to
2 sections 104.335, 104.370, 104.371, 104.374, or 104.400, and prior to the last business day of
3 the month before the annuity starting date pursuant to section 104.401, a member shall elect
4 whether or not to have such member's normal annuity reduced as provided by the options set
5 forth in this section; provided that if such election has not been made within such time, annuity
6 payments due beginning on and after such annuity starting date shall be made the month
7 following the receipt by the system of such election, and further provided, that if such person
8 dies after such annuity starting date but before making such election, no benefits shall be paid
9 except as required pursuant to section 104.420:

10 Option 1. An actuarial reduction approved by the board of the member's annuity in
11 reduced monthly payments for life during retirement with the provision that upon the member's
12 death the reduced annuity at the date of the member's death shall be continued throughout the
13 life of, and be paid to, the member's spouse to whom the member was married at the date of

14 retirement and who was nominated by the member to receive such payments in the member's
15 application for retirement or as otherwise provided pursuant to subsection 5 of this section. Such
16 annuity shall be reduced in the same manner as an annuity under option 2 as in effect
17 immediately prior to August 28, 1997. The surviving spouse shall designate a beneficiary to
18 receive any final monthly payment due after the death of the surviving spouse; or

19 Option 2. The member's normal annuity in regular monthly payments for life during the
20 member's retirement with the provision that upon the member's death a survivor's benefit equal
21 to one-half the member's annuity at the date of the member's death shall be paid to the member's
22 spouse to whom the member was married at the date of retirement and who was nominated by
23 the member to receive such payments in the member's application for retirement or as otherwise
24 provided pursuant to subsection 5 of this section, in regular monthly payments for life. The
25 surviving spouse shall designate a beneficiary to receive any final monthly payment due after the
26 death of the surviving spouse; or

27 Option 3. An actuarial reduction approved by the board of the member's normal annuity
28 in reduced monthly payments for the member's life with the provision that if the member dies
29 prior to the member having received one hundred twenty monthly payments of the member's
30 reduced annuity, the member's reduced annuity to which the member would have been entitled
31 had the member lived shall be paid for the remainder of the one hundred twenty months' period
32 to such [person] **beneficiary** as the member shall have nominated by written designation duly
33 executed and filed with the board. If there is no such beneficiary surviving the retirant, the
34 reserve for such annuity for the remainder of such one hundred twenty months' period shall be
35 paid as provided under subsection 3 of section 104.620. If such beneficiary dies after the
36 member's date of death but before having received the remainder of the one hundred twenty
37 monthly payments of the retiree's reduced annuity, the reserve for such annuity for the remainder
38 of such one hundred twenty-month period shall be paid as provided under subsection 3 of section
39 104.620; or

40 Option 4. An actuarial reduction approved by the board of the member's normal annuity
41 in reduced monthly payments for the member's life with the provision that if the member dies
42 prior to the member having received sixty monthly payments of the member's reduced annuity,
43 the member's reduced annuity to which the member would have been entitled had the member
44 lived shall be paid for the remainder of the sixty months' period to such [person] **beneficiary** as
45 the member shall have nominated by written designation duly executed and filed with the board.
46 If there be no such beneficiary surviving the retirant, the reserve for such annuity for the
47 remainder of such sixty months' period shall be paid as provided under subsection 3 of section
48 104.620. If such beneficiary dies after the member's date of death but before having received the
49 remainder of the sixty monthly payments of the retiree's reduced annuity, the reserve for such

50 annuity for the remainder of the sixty-month period shall be paid as provided under subsection
51 3 of section 104.620.

52 2. Effective July 1, 2000, if a member is married as of the annuity starting date to a
53 person who has been the member's spouse, the member's annuity shall be paid pursuant to the
54 provisions of either option 1 or option 2 as set forth in subsection 1 of this section, at the
55 member's choice, with the spouse as the member's designated beneficiary unless the spouse
56 consents in writing to the member electing another available form of payment.

57 3. For members who retire on or after August 28, 1995, in the event such member
58 elected a joint and survivor option pursuant to the provisions of this section and the member's
59 eligible spouse or eligible former spouse precedes the member in death, the member's annuity
60 shall revert effective the first of the month following the death of the spouse or eligible former
61 spouse regardless of when the board receives the member's written application for the benefit
62 provided in this subsection, to an amount equal to the member's normal annuity, as adjusted for
63 early retirement if applicable; such benefit shall include any increases the member would have
64 received since the date of retirement had the member elected a normal annuity. If a member dies
65 prior to notifying the system of the spouse's death, the benefit will not revert to a normal annuity
66 and no retroactive payments shall be made.

67 4. Effective on or after August 28, 1995, any retired member who had elected a joint and
68 survivor option and whose spouse or eligible former spouse precedes or preceded the member
69 in death shall upon application to the board be made, constituted, appointed and employed by
70 the board as a special consultant on the problems of retirement, aging and other state matters.
71 As a special consultant pursuant to the provisions of this section, the member's reduced annuity
72 shall revert to a normal annuity as adjusted for early retirement, if applicable, effective the first
73 of the month following the death of the spouse or eligible former spouse or August 28, 1995,
74 whichever is later, if the member cancels the member's original joint and survivor election; such
75 annuity shall include any increases the retired member would have received since the date of
76 retirement had the member elected a normal annuity.

77 5. Effective July 1, 2000, a member may make an election under option 1 or 2 after the
78 date retirement benefits are initiated if the member makes such election within one year from the
79 date of marriage or July 1, 2000, whichever is later, under any of the following circumstances:

80 (1) The member elected to receive a normal annuity and was not eligible to elect option
81 1 or 2 on the date retirement benefits were initiated; or

82 (2) The member's annuity reverted to a normal annuity pursuant to subsection 3 or 4 of
83 this section and the member remarried.

84 6. Any person who terminates employment or retires prior to July 1, 2000, shall be made,
85 constituted, appointed and employed by the board as a special consultant on the problems of

86 retirement, aging and other state matters, and for such services shall be eligible to elect to receive
87 the benefits described in subsection 5 of this section.

88 7. Effective September 1, 2001, the retirement application of any member who fails to
89 make an election pursuant to subsection 1 of this section within ninety days of the annuity
90 starting date contained in such retirement application shall be nullified. Any member whose
91 retirement application is nullified shall not receive retirement benefits until the member files a
92 new application for retirement pursuant to section 104.401 and makes the election pursuant to
93 subsection 1 of this section. In no event shall any retroactive retirement benefits be paid.

94 8. A member may change a member's election made under this section at any time prior
95 to the system mailing or electronically transferring the first annuity payment to such member.

104.420. 1. Unless otherwise provided by law, if a member or disabled member who
2 has a vested right to a normal annuity dies prior to retirement, regardless of the age of the
3 member at the time of death, the member's or disabled member's surviving spouse, to whom the
4 member or disabled member was married on the date of the member's death, if any, shall receive
5 the reduced survivorship benefits provided in option 1 of section 104.395 calculated as if the
6 member were of normal retirement age and had retired as of the date of the member's death and
7 had elected option 1.

8 2. If there is no eligible surviving spouse, or when a spouse annuity has ceased to be
9 payable, the member's or disabled member's eligible surviving children under twenty-one years
10 of age shall receive monthly, in equal shares, an amount equal to eighty percent of the member's
11 or disabled member's accrued annuity calculated as if the member or disabled member were of
12 a normal retirement age and retired as of the date of death. Benefits otherwise payable to a child
13 under eighteen years of age shall be payable to the surviving parent as natural guardian of such
14 child if such parent has custody or assumes custody of such minor child, or to the legal
15 [guardian] **conservator** of such child, until such child attains age eighteen; thereafter, the benefit
16 may be paid to the child until age twenty-one; provided the age twenty-one maximum shall be
17 extended for any child who has been found totally incapacitated by a court of competent
18 jurisdiction.

19 3. No benefit is payable pursuant to this section if no eligible surviving spouse or
20 children under twenty-one years of age survive the member or disabled member. Benefits cease
21 pursuant to this section when there is no eligible surviving beneficiary through either death of
22 the eligible surviving spouse or through either death or the attainment of twenty-one years of age
23 by the eligible surviving children. If the member's or disabled member's surviving children are
24 receiving equal shares of the benefit described in subsection 2 of this section, and one or more
25 of such children become ineligible by reason of death or the attainment of twenty-one years of

26 age, the benefit shall be reallocated so that the remaining eligible children receive equal shares
27 of the total benefit as described in subsection 2 of this section.

28 4. For the purpose of computing the amount of an annuity payable pursuant to this
29 section, if the board finds that the death was the natural and proximate result of a personal injury
30 or disease arising out of and in the course of the member's actual performance of duty as an
31 employee, then the minimum annuity to such member's surviving spouse or, if no surviving
32 spouse benefits are payable, the minimum annuity that shall be divided among and paid to such
33 member's surviving children shall be fifty percent of the member's final average compensation;
34 except that for members of the general assembly and statewide elected officials with twelve or
35 more years of service, the monthly rate of compensation in effect on the date of death shall be
36 used in lieu of final average compensation. The vesting service requirement of subsection 1 of
37 this section shall not apply to any annuity payable pursuant to this subsection.

104.490. 1. Should any error result in any member or beneficiary receiving more or less
2 than he or she would have been entitled to receive had the error not occurred, the board shall
3 correct such error, and, as far as practicable, make future payments in such a manner that the
4 actuarial equivalent of the benefit to which such member or beneficiary was entitled shall be
5 paid, and to this end may recover any overpayments. **In all cases in which such error has been**
6 **made, no such error shall be corrected unless the system discovers or is notified of such**
7 **error within ten years after the initial date of error.**

8 2. A person who knowingly makes a false statement, or falsifies or permits to be falsified
9 a record of the system, in an attempt to defraud the system is subject to fine or imprisonment
10 pursuant to the Missouri revised statutes.

11 3. The board of trustees of the Missouri state employees' retirement system shall cease
12 paying benefits to any survivor or beneficiary who is charged with the intentional killing of a
13 member without legal excuse or justification. A survivor or beneficiary who is convicted of such
14 charge shall no longer be entitled to receive benefits. If the survivor or beneficiary is not
15 convicted of such charge, the board shall resume payment of benefits and shall pay the survivor
16 or beneficiary any benefits that were suspended pending resolution of such charge.

104.601. Any member retiring pursuant to the provisions of this chapter or any member
2 retiring pursuant to provisions of chapter 169 who is a member of the public school retirement
3 system and who is employed by a [state agency] **department** other than an institution of higher
4 learning, after working continuously until reaching retirement age, shall be credited with all his
5 or her unused sick leave as reported **by the last department that employed the member prior**
6 **to retirement** through the financial and human resources system maintained by the office of
7 administration, or if a state agency's employees are not paid salaries or wages through such
8 system, as reported directly by the [state agency] **last department that employed the member**

9 **prior to retirement.** When calculating years of service, each member shall be entitled to
10 one-twelfth of a year of creditable service for each one hundred sixty-eight hours of unused
11 accumulated sick leave earned by the member. The employing agency shall not certify unused
12 sick leave unless such unused sick leave could have been used by the member for sickness or
13 injury. The rate of accrual of sick leave for purposes of computing years of service pursuant to
14 this section shall be no greater than ten hours per month. Nothing under this section shall allow
15 a member to vest in the retirement system by using such credited sick leave to reach the time of
16 vesting.

104.620. 1. Any member who has not received a lump sum payment equal to the sum
2 total of the contributions that the member paid into the retirement system, plus interest credited
3 to his or her account, shall be entitled to such a lump sum payment. Lump sum payments made
4 pursuant to this section shall not be reduced by any retirement benefits which a member is
5 entitled to receive, but shall be paid in full out of appropriate funds pursuant to appropriations
6 for this purpose.

7 2. In the event any accumulated contributions standing to a member of the Missouri state
8 employees' retirement system's credit remains unclaimed by such member for a period of four
9 years or more, such accumulated contributions shall automatically revert to the credit of the fund
10 for the Missouri state employees' retirement system. If an application is made, after such
11 reversion, for such accumulated contributions, the board shall pay such contributions from the
12 fund for the Missouri state employees' retirement system; except that, no interest shall be paid
13 on such funds after the date of the reversion to the fund for the Missouri state employees'
14 retirement system.

15 3. In the event any amount is due a deceased member, survivor, or beneficiary who dies
16 after September 1, 2002, **and the member's survivor's or beneficiary's financial institution**
17 **is unable to accept the final payments due to the member, survivor, or beneficiary,** such
18 amount shall be paid to the person or entity designated in writing as beneficiary to receive such
19 amount by such member, survivor, or beneficiary. The member, survivor, or beneficiary may
20 designate in writing a beneficiary to receive any final payment due after the death of a member,
21 survivor, or beneficiary pursuant to this chapter. If no living person or entity so designated as
22 beneficiary exists at the time of death, such amount shall be paid to the surviving spouse married
23 to the deceased member, survivor, or beneficiary at the time of death. If no surviving spouse
24 exists, such amount shall be paid to the surviving children [or their descendants] of such
25 member, survivor, or beneficiary in equal parts. If no surviving children [or any of their
26 descendants] exist, such amount shall be paid to the surviving parents of such member, survivor,
27 or beneficiary in equal parts. If no surviving parents exist, such amount shall be paid to the
28 surviving brothers[, or sisters[, or their descendants] of such member, survivor, or beneficiary

29 in equal parts. If no surviving brothers[, or sisters[, or their descendants] exist, payment may
30 be made as otherwise permitted by law. Notwithstanding this subsection, any amount due to a
31 deceased member as payment of all or part of a lump sum pursuant to section 104.625 shall be
32 paid to the member's surviving spouse married to the member at the time of death, and otherwise
33 payment may be made as provided in this subsection. In the event any amount that is due to a
34 [member of] **person from** either system remains unclaimed [by such member] for a period of
35 four years or more, such amount shall automatically revert to the credit of the fund of the
36 member's system. If an application is made after such reversion for such amount, the board shall
37 pay such amount **to the person** from the board's fund [to the member], except that no interest
38 shall be paid on such funds after the date of the reversion to the fund.

39 4. The beneficiary of any member who purchased creditable service in the Missouri state
40 employees' retirement system shall receive a refund upon the member's death equal to the amount
41 of any purchase less any retirement benefits received by the member unless an annuity is payable
42 to a survivor or beneficiary as a result of the member's death. In that event, the beneficiary of
43 the survivor or beneficiary who received the annuity shall receive a refund upon the survivor's
44 or beneficiary's death equal to the amount of the member's purchase of service less any annuity
45 amounts received by the member and the survivor or beneficiary.

104.800. 1. Except as otherwise provided by law, any person having earned creditable
2 service pursuant to the provisions of the state employees' retirement system or pursuant to the
3 provisions of the state transportation department employees' and highway patrol retirement
4 system or having service as a statewide state elective officer or having service as a member of
5 the general assembly or having service pursuant to the provisions of sections 287.812 to 287.855,
6 or having service as a judge, as defined in section 476.515, may elect prior to retirement and not
7 after retirement, to make a one-time transfer of credit for such service or such creditable service
8 to or from any other retirement system or type of service specified in this section or sections
9 56.800 to 56.840 for which the person has accumulated service or creditable service. The
10 amount of transferred credit shall be accumulated with the amount of such creditable service or
11 such service earned by the person in the retirement system or type of service to which the service
12 is transferred for purposes of determining the benefits to which the person is entitled under the
13 retirement system or type of service to which the service is transferred. The transfer of such
14 creditable service or service shall become effective [on the first day of the second month
15 following the month in which] **at the time** the person files written notification of the person's
16 election with the retirement boards affected by such service transfer. When the election to
17 transfer creditable service or service becomes effective, the person shall thereby forfeit any claim
18 to any benefit under the provisions of the retirement system or type of service, as the case may
19 be, from which the service or creditable service was transferred regardless of the amount of

20 service or creditable service previously earned in such retirement system or type of service. Any
21 person who has transferred service pursuant to this subsection prior to August 28, 2002, and who
22 is an employee covered by a retirement plan described in this subsection after that date, may elect
23 to make an additional transfer of service prior to retirement if additional service would otherwise
24 be available to be transferred except for the forfeiture of that service after the previous transfer.
25 In no event shall the amount of service that a person shall be entitled to transfer pursuant to the
26 provisions of this section exceed eight years.

27 2. In the event of the death of a member before retirement and prior to exercising transfer
28 rights pursuant to the provisions of this section, survivorship benefits shall be computed as if
29 such person had in fact exercised or not exercised the person's transfer rights to produce the most
30 advantageous benefit possible.

31 3. Any person that has earned creditable service pursuant to the provisions governing the
32 Missouri state employees' retirement system or pursuant to the provisions of chapter 287 or
33 chapter 476, who terminated employment prior to August 13, 1986, shall, upon application to
34 the board of trustees of the Missouri state employees' retirement system, be made, constituted
35 and appointed and employed by the board as a special consultant on the problems of retirement,
36 aging and other state matters for the remainder of the person's life. Upon request of the board
37 or the court from which the person retired, the consultant shall give opinions or be available to
38 give opinions in writing or orally in response to such request. As compensation for such
39 services, the consultant shall be eligible, prior to retirement, to make a one-time transfer of
40 creditable service as provided in this section.

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] **persons or entities** entitled to receive an annuity
12 or other benefit pursuant to sections 104.1003 to 104.1093 based upon the employment record
13 of another person;

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

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

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

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

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

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

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

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

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

41 (b) The term "employee" shall be modified as provided by other provisions of sections
42 104.1003 to 104.1093;

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

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

48 (e) The term "employee" shall include any person as defined under paragraph (b) of
49 subdivision [(20)] **(21)** of subsection 1 of section 104.010 who is first employed on or after July
50 1, 2000, but prior to August 28, 2007;

51 (14) "Employer", a department;

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

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

64 (17) "Fund", a fund of the year 2000 plan established pursuant to sections 104.1003 to
65 104.1093;

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

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

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

77 (21) "Pay" shall include:

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

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

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

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

88 d. Any nonrecurring single sum payments; and
89 e. Any amounts for which contributions have not been made in accordance with section
90 104.1066;

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

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

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

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

101 (23) "State", the state of Missouri;

102 (24) "System" or "retirement system", the Missouri state employees' retirement system
103 or the Missouri department of transportation and highway patrol employees' retirement system,
104 as the case may be;

105 (25) "Vested former member", a person entitled to receive a deferred annuity pursuant
106 to section 104.1036;

107 (26) "Year 2000 plan", the benefit plan created by sections 104.1003 to 104.1093.

108 2. Benefits paid under the provisions of this chapter shall not exceed the limitations of
109 Internal Revenue Code Section 415, the provisions of which are hereby incorporated by
110 reference. Notwithstanding any other law to the contrary, the board of trustees may establish a
111 benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as amended. Such plan
112 shall be created solely for the purposes described in Section 415(m)(3)(A) of the Internal
113 Revenue Code of 1986, as amended. The board of trustees may promulgate regulations
114 necessary to implement the provisions of this subsection and to create and administer such
115 benefit plan.

104.1015. 1. Persons covered by a closed plan on July 1, 2000, shall elect whether or
2 not to change to year 2000 plan coverage. Any such person who elects to be covered by the year
3 2000 plan shall forfeit all rights to receive benefits under this chapter except as provided under
4 the year 2000 plan and all creditable service of such person under the closed plan shall be
5 credited under the year 2000 plan. Any such person who elects not to be covered by the year
6 2000 plan shall waive all rights to receive benefits under the year 2000 plan. In no event shall
7 any retroactive annuity be paid to such persons pursuant to sections 104.1003 to 104.1093 except
8 as described in subsection 2 of this section. **Any person who elects year 2000 plan coverage**

9 **under subsection 3, 4, 5, or 6 of this section shall be in the closed plan until the person's**
10 **annuity starting date.**

11 2. Each retiree of the closed plan on July 1, 2000, shall be furnished by the appropriate
12 system a written comparison of the retiree's closed plan coverage and the retiree's potential year
13 2000 plan coverage. A retiree shall elect whether or not to change to year 2000 plan coverage
14 by making a written election, on a form furnished by the appropriate board, and providing that
15 form to the system by no later than twelve months after July 1, 2000, and any retiree who fails
16 to make such election within such time period shall be deemed to have elected to remain covered
17 under the closed plan; provided the election must be after the retiree has received from the
18 appropriate system such written comparison. The retirement option elected under the year 2000
19 plan shall be the same as the retirement option elected under the closed plan, except any retiree
20 who is receiving one of the options providing for a continuing lifetime annuity to a surviving
21 spouse under the closed plan may elect to receive an annuity under option 1 or 2 of section
22 104.1027, or a life annuity under subsection 2 of section 104.1024, provided the person who was
23 married to the member at the time of retirement, if any, consents in writing to such election made
24 pursuant to section 104.1024, or to any election described in this section if the person was
25 married to a member of the Missouri state employees' retirement system. The effective date of
26 payment of an annuity under the year 2000 plan as provided in this subsection shall begin on July
27 1, 2000. No adjustment shall be made to retirement benefits paid to the retiree prior to July 1,
28 2000. In order to calculate a new monthly annuity for retirees electing coverage under the year
29 2000 plan pursuant to this subsection, the following calculations shall be made:

30 (1) Except as otherwise provided in this subsection, the retiree's gross monthly
31 retirement annuity in effect immediately prior to July 1, 2000, shall be multiplied by the
32 percentage increase in the life annuity formula between the closed plan and the year 2000 plan.
33 This amount shall be added to the retiree's gross monthly retirement annuity in effect
34 immediately prior to July 1, 2000, to arrive at the retiree's new monthly retirement annuity in the
35 year 2000 plan on July 1, 2000. The age of eligibility and reduction factors applicable to the
36 retiree's original annuity under the closed plan shall remain the same in the annuity payable under
37 the year 2000 plan, except as provided in subdivision (2) of this subsection;

38 (2) If option 1 or 2 pursuant to section 104.1027 is chosen by the retiree under the year
39 2000 plan, the new monthly retirement annuity calculated pursuant to subdivision (1) of this
40 subsection shall be recalculated using the reduction factors for the option chosen pursuant to
41 section 104.1027;

42 (3) If a temporary annuity is payable pursuant to subsection 4 of section 104.1024 the
43 additional temporary annuity shall be calculated by multiplying the retiree's credited service by
44 the retiree's final average pay by eight-tenths of one percent;

45 (4) Cost-of-living adjustments paid pursuant to section 104.1045 will commence on the
46 anniversary of the retiree's annuity starting date coincident with or next following July 1, 2000;

47 (5) Any retiree or other person described in this section who elects coverage under the
48 year 2000 plan based on service rendered as a member of the general assembly or as a statewide
49 elected official shall receive an annuity under the year 2000 plan calculated pursuant to the
50 provisions of section 104.1084 using the current monthly pay at the time of the election with
51 future COLAs calculated pursuant to subsection 7 of section 104.1084.

52 3. Each person who is an employee and covered by the closed plan and not a retiree of
53 the closed plan on July 1, 2000, shall elect whether or not to change to year 2000 plan coverage
54 prior to the last business day of the month before the person's annuity starting date, and if such
55 election has not been made within such time, annuity payments due beginning on and after the
56 month of the annuity starting date shall be made the month following the receipt by the
57 appropriate system of such election and any other information required by the year 2000 plan
58 created by sections 104.1003 to 104.1093; provided, such election must be after the person has
59 received from the year 2000 plan a written comparison of the person's closed plan coverage and
60 the person's potential year 2000 plan coverage and the election must be made in writing on a
61 form furnished by the appropriate board. If such person dies after the annuity starting date but
62 before making such election and providing such other information, no benefits shall be paid
63 except as required pursuant to section 104.420 or subsection 2 of section 104.372 for members
64 of the general assembly.

65 4. Each person who is not an employee and not a retiree and is eligible for a deferred
66 annuity from the closed plan on July 1, 2000, shall elect whether or not to change to the year
67 2000 plan coverage prior to the last business day of the month before the person's annuity
68 starting date, and if such election has not been made within such time, annuity payments due
69 beginning on and after the month of the annuity starting date shall be made the month following
70 the receipt by the appropriate system of such election and any other information required by the
71 year 2000 plan created by sections 104.1003 to 104.1093; provided, the election must be after
72 the person has received from the year 2000 plan a written comparison of the person's closed plan
73 coverage and the person's potential year 2000 plan coverage and the election must be made in
74 writing on a form furnished by the appropriate board. If such person dies after the annuity
75 starting date but before making such election and providing such other information, no benefits
76 shall be paid except as required pursuant to section 104.420 or subsection 2 of section 104.372
77 for members of the general assembly.

78 5. Each person who is not an employee and not a retiree and is eligible for a deferred
79 annuity from the closed plan and returns to covered employment on or after July 1, 2000, shall
80 be covered under the closed plan; provided, such person shall elect whether or not to change to

81 the year 2000 plan coverage prior to the last business day of the month before the person's
82 annuity starting date, and if such election has not been made within such time, annuity payments
83 due beginning on and after the month of the annuity starting date shall be made the month
84 following the receipt by the appropriate system of such election and any other information
85 required by the year 2000 plan created by sections 104.1003 to 104.1093 and the election must
86 be after the person has received from the year 2000 plan a written comparison of the person's
87 closed plan coverage and the person's potential year 2000 plan coverage and the election must
88 be made in writing on a form furnished by the appropriate board. If such person dies after the
89 annuity starting date but before making such election and providing such other information, no
90 benefits shall be paid except as required under section 104.420 or subsection 2 of section
91 104.372 for members of the general assembly.

92 6. Each person who is not an employee and not a retiree and not eligible for a deferred
93 annuity from the closed plan but has forfeited creditable service with the closed plan and
94 becomes an employee on or after August 28, 2002, shall be changed to year 2000 plan coverage
95 and upon receiving credited service continuously for one year shall receive credited service for
96 all such forfeited creditable service under the closed plan.

97 7. Each person who was employed as a member of the general assembly through
98 December 31, 2000, covered under the closed plan, and has served at least two full biennial
99 assemblies as defined in subdivision [(24)] **(25)** of subsection 1 of section 104.010 but who is
100 not eligible for a deferred annuity under the closed plan shall be eligible to receive benefits under
101 the new plan pursuant to subdivision (5) of subsection 2 of this section upon meeting the age
102 requirements under the new plan.

103 8. The retirees and persons described in subsections 2 and 4 of this section shall be
104 eligible for benefits under those subsections pursuant to subsection 8 of section 104.610.

105 9. A member may change a member's plan election made under this section at any time
106 prior to the system mailing or electronically transferring the first annuity payment to such
107 member.

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

3 2. If a member terminates employment and is eligible to receive an annuity pursuant to
4 the year 2000 plan, or becomes a vested former member at the time of termination, the member's
5 or former member's unused sick leave as reported through the financial and human resources
6 system maintained by the office of administration **by the last department that employed the**
7 **member prior to retirement**, or if a department's employees are not paid salaries or wages
8 through such system, as reported directly by the department **that last employed the member**
9 **prior to retirement**, for which the member has not been paid will be converted to credited

10 service at the time of application for retirement benefits. The member shall receive one-twelfth
11 of a year of credited service for each one hundred and sixty-eight hours of such unused sick
12 leave. The employing department shall not certify unused sick leave unless such unused sick
13 leave could have been used by the member for sickness or injury. The rate of accrual of sick
14 leave for purposes of computing years of service pursuant to this section shall be no greater than
15 ten hours per month. Such credited service shall not be used in determining the member's
16 eligibility for retirement or final average pay. Such credited service shall be added to the
17 credited service in the last position of employment held as a member of the system.

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

21 4. In calculating any annuity, "credited service" means a period expressed as whole years
22 and any fraction of a year measured in twelfths that begins on the date an employee commences
23 employment in a covered position and ends on the date such employee's membership terminates
24 pursuant to section 104.1018 plus any additional period for which the employee is credited with
25 service pursuant to this section.

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

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

46 balance. If a member who purchased credited service pursuant to this subsection dies prior to
47 retirement, the surviving spouse may, upon written request, receive a refund of the amount
48 contributed for such purchase of such credited service, provided the surviving spouse is not
49 entitled to survivorship benefits payable pursuant to the provisions of section 104.1030.

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

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

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

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

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

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

104.1030. 1. If a member with five or more years of credited service or a vested former
2 member dies before such member's or such vested former member's annuity starting date, the
3 applicable annuity provided in this section shall be paid.

4 2. The member's surviving spouse who was married to the member at the date of death
5 shall receive an annuity computed as if such member had:

6 (1) Retired on the date of death with a normal retirement annuity based upon credited
7 service and final average pay to the date of death, and without reduction if the member's age was
8 younger than normal retirement eligibility;

9 (2) Elected option 2 provided for in section 104.1027; and

10 (3) Designated such spouse as beneficiary under such option.

11 3. If a spouse annuity is not payable pursuant to the provisions of subsection 2 of this
12 section, or when a spouse annuity has ceased to be payable, eighty percent of an annuity
13 computed in the same manner as if the member had retired on the date of death with a normal
14 retirement annuity based upon credited service and final average pay to the date of death and
15 without reduction if the member's age at death was younger than normal retirement eligibility
16 shall be divided equally among the dependent children of the deceased member. A child shall
17 be a dependent child until death or attainment of age twenty-one, whichever occurs first;
18 provided the age twenty-one maximum shall be extended for any child who has been found
19 totally incapacitated by a court of competent jurisdiction. **Benefits otherwise payable to a child**
20 **under eighteen years of age shall be payable to the surviving parent as a natural guardian**
21 **of such child if such parent has custody or assumes custody of such minor child or to the**
22 **legal conservator of such child until such child attains age eighteen.** Upon a child ceasing
23 to be a dependent child, that child's portion of the dependent annuity shall cease to be paid, and
24 the amounts payable to any remaining dependent children shall be proportionately increased.

25 4. For the purpose of computing the amount of an annuity payable pursuant to this
26 section, if the board finds that the death was the natural and proximate result of a personal injury
27 or disease arising out of and in the course of his or her actual performance of duty as an
28 employee, then the minimum annuity to such member's spouse or, if no spouse benefits are
29 payable, the minimum annuity that shall be divided among and paid to such member's dependent
30 children shall be fifty percent of final average pay. The credited service requirement of
31 subsection 1 of this section shall not apply to any annuity payable pursuant to this subsection.

32 5. The provisions of this section shall apply to members of the general assembly and
33 statewide elected officials except that the credited service and monthly pay requirements
34 described in section 104.1084 shall apply notwithstanding any other language to the contrary
35 contained in this section.

 104.1039. If a retiree is employed as an employee by a department, the retiree shall not
2 receive an annuity payment for any calendar month in which the retiree is so employed. While
3 reemployed the retiree shall be considered to be a new employee with no previous credited
4 service and must accrue credited service continuously for at least one year in order to receive any

5 additional annuity. Such retiree shall receive an additional annuity in addition to the original
6 annuity, calculated based only on the credited service and the pay earned by such retiree during
7 reemployment and paid in accordance with the annuity option originally elected; provided such
8 retiree who ceases to receive an annuity pursuant to this section shall not receive such additional
9 annuity if such retiree is employed by a department in a position that is covered by a
10 state-sponsored defined benefit retirement plan not created pursuant to this chapter. The original
11 annuity and any additional annuity shall be paid commencing as of the end of the first month
12 after the month during which the retiree's reemployment terminates. **Cost-of-living adjustments**
13 **paid under section 104.1045 shall not accrue while a retiree is employed as described in this**
14 **section. Any future cost-of-living adjustments paid after the retiree terminates such**
15 **employment will be paid in the same month as the retiree's original annual benefit**
16 **increases were paid.**

104.1051. 1. Any annuity provided pursuant to the year 2000 plan is marital property
2 and a court of competent jurisdiction may divide such annuity between the parties to any action
3 for dissolution of marriage if at the time of the dissolution the member has at least five years of
4 credited service pursuant to sections 104.1003 to 104.1093. A division of benefits order issued
5 pursuant to this section:

6 (1) Shall not require the applicable retirement system to provide any form or type of
7 annuity or retirement plan not selected by the member;

8 (2) Shall not require the applicable retirement system to commence payments until the
9 member's annuity starting date;

10 (3) Shall identify the monthly amount to be paid to the former spouse, which shall be
11 expressed as a percentage and which shall not exceed fifty percent of the amount of the member's
12 annuity accrued during all or part of the period of the marriage of the member and former spouse
13 and which shall be based on the member's vested annuity on the date of the dissolution of
14 marriage or an earlier date as specified in the order, which amount shall be adjusted
15 proportionately upon the annuity starting date if the member's annuity is reduced due to the
16 receipt of an early retirement annuity or the member's annuity is reduced pursuant to section
17 104.1027 under an annuity option in which the member named the alternate payee as beneficiary
18 prior to the dissolution of marriage;

19 (4) Shall not require the payment of an annuity amount to the member and former spouse
20 which in total exceeds the amount which the member would have received without regard to the
21 order;

22 (5) Shall provide that any annuity increases, additional years of credited service,
23 increased final average pay, increased pay pursuant to subsections 2 and 5 of section 104.1084,
24 or other type of increases accrued after the date of the dissolution of marriage and any temporary

25 annuity received pursuant to subsection 4 of section 104.1024 shall accrue solely to the benefit
26 of the member; except that on or after September 1, 2001, any cost-of-living adjustment (COLA)
27 due after the annuity starting date shall not be considered to be an increase accrued after the date
28 of termination of marriage and shall be part of the monthly amount subject to division pursuant
29 to any order issued after September 1, 2001;

30 (6) Shall terminate upon the death of either the member or the former spouse, whichever
31 occurs first;

32 (7) Shall not create an interest which is assignable or subject to any legal process;

33 (8) Shall include the name, address, **and** date of birth[, and Social Security number] of
34 both the member and the former spouse, and the identity of the retirement system to which it
35 applies;

36 (9) Shall be consistent with any other division of benefits orders which are applicable
37 to the same member;

38 **(10) Shall not require the applicable retirement system to continue payments to the**
39 **alternate payee if the member's retirement benefit is suspended or waived as provided by**
40 **this chapter but such payments shall resume when the retiree begins to receive retirement**
41 **benefits in the future.**

42 2. A system shall provide the court having jurisdiction of a dissolution of a marriage
43 proceeding or the parties to the proceeding with information necessary to issue a division of
44 benefits order concerning a member of the system, upon written request from either the court,
45 the member, or the member's spouse, citing this section and identifying the case number and
46 parties.

47 3. A system shall have the discretionary authority to reject a division of benefits order
48 for the following reasons:

49 (1) The order does not clearly state the rights of the member and the former spouse;

50 (2) The order is inconsistent with any law governing the retirement system.

51 4. Any member of the closed plan who elected the year 2000 plan pursuant to section
52 104.1015 and then becomes divorced and subject to a division of benefits order shall have the
53 division of benefits order calculated pursuant to the provisions of the year 2000 plan.

104.1054. 1. The benefits provided to each member and each member's spouse,
2 beneficiary, or former spouse under the year 2000 plan are hereby made obligations of the state
3 of Missouri and are an incident of every member's continued employment with the state. No
4 alteration, amendment, or repeal of the year 2000 plan shall affect the then-existing rights of
5 members, or their spouses, beneficiaries or former spouses, but shall be effective only as to rights
6 which would otherwise accrue hereunder as a result of services rendered by a member after such
7 alteration, amendment, or repeal.

8 2. Except as otherwise provided in section 104.1051, any annuity, benefit, funds,
9 property, or rights created by, or accruing or paid to, any person covered under the year 2000
10 plan shall not be subject to execution, garnishment, attachment, writ of sequestration, or any
11 other process or claim whatsoever, and shall be unassignable, except with regard to the collection
12 of child support and maintenance, and except that a beneficiary may assign life insurance
13 proceeds. Any retiree may request the executive director, in writing, to withhold and pay on his
14 behalf to the proper person, from each of his monthly annuity payments, if the payment is large
15 enough, the contribution due from the retiree to any group providing state-sponsored life or
16 medical insurance and to the Missouri state employees charitable campaign.

17 3. The executive director shall, when requested in writing by a retiree, withhold and pay
18 over the funds authorized in subsection 2 of this section until such time as the request to do so
19 is revoked by the death or written revocation of the retiree.

20 4. In the event any amount is due a deceased member, survivor, or beneficiary who dies
21 after September 1, 2002, **and the member's survivor's, or beneficiary's financial institution**
22 **is unable to accept the final payments due to the member, survivor, or beneficiary,** such
23 amount shall be paid to the person or entity designated in writing as beneficiary to receive such
24 amount by such member, survivor, or beneficiary. The member, survivor, or beneficiary may
25 designate in writing a beneficiary to receive any final payment due after the death of a member,
26 survivor, or beneficiary pursuant to this chapter. If no living person or entity so designated as
27 beneficiary exists at the time of death, such amount shall be paid to the surviving spouse married
28 to the deceased member, survivor, or beneficiary at the time of death. If no surviving spouse
29 exists, such amount shall be paid to the surviving children [or their descendants] of such
30 member, survivor, or beneficiary in equal parts. If no surviving children [or any of their
31 descendants] exist, such amount shall be paid to the surviving parents of such member, survivor,
32 or beneficiary in equal parts. If no surviving parents exist, such amount shall be paid to the
33 surviving brothers[, or sisters[, or their descendants] of such member, survivor, or beneficiary
34 in equal parts. If no surviving brothers[, or sisters[, or their descendants] exist, payment may
35 be made as otherwise permitted by law. Notwithstanding this subsection, any amount due to a
36 deceased member as payment of all or part of a lump sum pursuant to subsection 6 of section
37 104.1024 shall be paid to the member's surviving spouse married to the member at the time of
38 death, and otherwise payment may be made as provided in this subsection. In the event any
39 amount that is due to a person from either system remains unclaimed [by such member] for a
40 period of four years or more, such amount shall automatically revert to the credit of the fund of
41 the member's system. If an application is made for such amount after such reversion, the board
42 shall pay such amount to the person from the board's fund, except that no interest shall be paid
43 on such amounts after the date of the reversion to the fund.

44 5. All annuities payable pursuant to the year 2000 plan shall be determined based upon
45 the law in effect on the last date of termination of employment.

46 6. The beneficiary of any member who purchased creditable service in the Missouri state
47 employees' retirement system shall receive a refund upon the member's death equal to the amount
48 of any purchase less any retirement benefits received by the member unless an annuity is payable
49 to a survivor or beneficiary as a result of the member's death. In such event, the beneficiary of
50 the survivor or beneficiary who received the annuity shall receive a refund upon the survivor's
51 or beneficiary's death equal to the amount of the member's purchase of services less any annuity
52 amounts received by the member and the survivor or beneficiary.

104.1060. 1. Should any error result in any person receiving more or less than the person
2 would have been entitled to receive had the error not occurred, the board shall correct such error,
3 and, as far as practicable, make future payments in such a manner that the actuarial equivalent
4 of the annuity to which such person was entitled shall be paid, and to this end may recover any
5 overpayments. In all cases in which [an] **such** error has been made, no such error shall be
6 corrected unless the system discovers or is notified of such error within ten years after the **initial**
7 date of error.

8 2. A person who knowingly makes a false statement, or falsifies or permits to be falsified
9 a record of the system, in an attempt to defraud the system shall be subject to fine or
10 imprisonment under the Missouri revised statutes.

11 3. A board shall not pay an annuity to any survivor or beneficiary who is charged with
12 the intentional killing of a member, retiree or survivor without legal excuse or justification. A
13 survivor or beneficiary who is convicted of such charge shall no longer be entitled to receive an
14 annuity. If the survivor or beneficiary is not convicted of such charge, the board shall resume
15 annuity payments and shall pay the survivor or beneficiary any annuity payments that were
16 suspended pending resolution of such charge.

476.515. 1. As used in sections 476.515 to 476.565, unless the context clearly indicates
2 otherwise, the following terms mean:

3 (1) "Beneficiary", a surviving spouse married to the deceased judge continuously for a
4 period of at least two years immediately preceding the judge's death or if there is no surviving
5 spouse eligible to receive benefits pursuant to sections 476.515 to 476.565, the term
6 "beneficiary" shall mean any [minor] child **under age twenty-one** of the deceased judge, who
7 shall share in the benefits on an equal basis with all other beneficiaries;

8 (2) "Benefit", a series of equal monthly payments payable during the life of a judge
9 retiring pursuant to the provisions of sections 476.515 to 476.565 or payable to a beneficiary as
10 provided in sections 476.515 to 476.565; all benefits paid pursuant to sections 476.515 to

11 476.565 in excess of any contributions made to the system by a judge shall be considered to be
12 a part of the compensation provided a judge for the judge's services;

13 (3) "Commissioner of administration", the commissioner of administration of the state
14 of Missouri;

15 (4) "Judge", any person who has served or is serving as a judge or commissioner of the
16 supreme court or of the court of appeals; or as a judge of any circuit court, probate court,
17 magistrate court, court of common pleas or court of criminal corrections of this state; as a justice
18 of the peace; or as commissioner or deputy commissioner of the circuit court appointed after
19 February 29, 1972;

20 (5) "Salary", the total compensation paid for personal services as a judge by the state or
21 any of its political subdivisions.

22 2. A surviving spouse whose benefits were terminated because of remarriage prior to
23 October 1, 1984, shall, upon written application to the board within six months after October 1,
24 1984, have the surviving spouse's rights as a beneficiary restored. Benefits shall resume as of
25 October 1, 1984.

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