

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Committee Substitute for Senate Bill No. 270,
2 Page 13, Section 86.320, Line 22, by inserting after all of said line the following:

3
4 "169.070. 1. The retirement allowance of a member whose age at retirement is sixty years or
5 more and whose creditable service is five years or more, or whose sum of age and creditable service
6 equals eighty years or more, or who has attained age fifty-five and whose creditable service is
7 twenty-five years or more or whose creditable service is thirty years or more regardless of age, may
8 be the sum of the following items, not to exceed one hundred percent of the member's final average
9 salary:

10 (1) Two and five-tenths percent of the member's final average salary for each year of
11 membership service;

12 (2) Six-tenths of the amount payable for a year of membership service for each year of prior
13 service not exceeding thirty years. In lieu of the retirement allowance otherwise provided in
14 subdivisions (1) and (2) of this subsection, a member may elect to receive a retirement allowance of:

15 (3) Two and four-tenths percent of the member's final average salary for each year of
16 membership service, if the member's creditable service is twenty-nine years or more but less than
17 thirty years, and the member has not attained age fifty-five;

18 (4) Two and thirty-five-hundredths percent of the member's final average salary for each
19 year of membership service, if the member's creditable service is twenty-eight years or more but less
20 than twenty-nine years, and the member has not attained age fifty-five;

21 (5) Two and three-tenths percent of the member's final average salary for each year of
22 membership service, if the member's creditable service is twenty-seven years or more but less than
23 twenty-eight years, and the member has not attained age fifty-five;

24 (6) Two and twenty-five-hundredths percent of the member's final average salary for each
25 year of membership service, if the member's creditable service is twenty-six years or more but less
26 than twenty-seven years, and the member has not attained age fifty-five;

27 (7) Two and two-tenths percent of the member's final average salary for each year of
28 membership service, if the member's creditable service is twenty-five years or more but less than
29 twenty-six years, and the member has not attained age fifty-five;

30 (8) [Between July 1, 2001, and July 1, 2014,] Two and fifty-five hundredths percent of the
31 member's final average salary for each year of membership service, if the member's creditable
32 service is thirty-one years or more regardless of age.

33 2. In lieu of the retirement allowance provided in subsection 1 of this section, a member
34 whose age is sixty years or more on September 28, 1975, may elect to have the member's retirement
35 allowance calculated as a sum of the following items:

36 (1) Sixty cents plus one and five-tenths percent of the member's final average salary for each

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1 year of membership service;

2 (2) Six-tenths of the amount payable for a year of membership service for each year of prior
3 service not exceeding thirty years;

4 (3) Three-fourths of one percent of the sum of subdivisions (1) and (2) of this subsection for
5 each month of attained age in excess of sixty years but not in excess of age sixty-five.

6 3. (1) In lieu of the retirement allowance provided either in subsection 1 or 2 of this section,
7 collectively called "option 1", a member whose creditable service is twenty-five years or more or
8 who has attained the age of fifty-five with five or more years of creditable service may elect in the
9 member's application for retirement to receive the actuarial equivalent of the member's retirement
10 allowance in reduced monthly payments for life during retirement with the provision that:

11 Option 2. Upon the member's death the reduced retirement allowance shall be continued
12 throughout the life of and paid to such person as has an insurable interest in the life of the member as
13 the member shall have nominated in the member's election of the option, and provided further that if
14 the person so nominated dies before the retired member, the retirement allowance will be increased
15 to the amount the retired member would be receiving had the retired member elected option 1;

16 OR

17 Option 3. Upon the death of the member three-fourths of the reduced retirement allowance
18 shall be continued throughout the life of and paid to such person as has an insurable interest in the
19 life of the member and as the member shall have nominated in an election of the option, and
20 provided further that if the person so nominated dies before the retired member, the retirement
21 allowance will be increased to the amount the retired member would be receiving had the member
22 elected option 1;

23 OR

24 Option 4. Upon the death of the member one-half of the reduced retirement allowance shall
25 be continued throughout the life of, and paid to, such person as has an insurable interest in the life of
26 the member and as the member shall have nominated in an election of the option, and provided
27 further that if the person so nominated dies before the retired member, the retirement allowance shall
28 be increased to the amount the retired member would be receiving had the member elected option 1;

29 OR

30 Option 5. Upon the death of the member prior to the member having received one hundred
31 twenty monthly payments of the member's reduced allowance, the remainder of the one hundred
32 twenty monthly payments of the reduced allowance shall be paid to such beneficiary as the member
33 shall have nominated in the member's election of the option or in a subsequent nomination. If there is
34 no beneficiary so nominated who survives the member for the remainder of the one hundred twenty
35 monthly payments, the total of the remainder of such one hundred twenty monthly payments shall be
36 paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or
37 estate of the last person, in that order of precedence, to receive a monthly allowance in a lump sum
38 payment. If the total of the one hundred twenty payments paid to the retired individual and the
39 beneficiary of the retired individual is less than the total of the member's accumulated contributions,
40 the difference shall be paid to the beneficiary in a lump sum;

41 OR

42 Option 6. Upon the death of the member prior to the member having received sixty monthly
43 payments of the member's reduced allowance, the remainder of the sixty monthly payments of the
44 reduced allowance shall be paid to such beneficiary as the member shall have nominated in the
45 member's election of the option or in a subsequent nomination. If there is no beneficiary so
46 nominated who survives the member for the remainder of the sixty monthly payments, the total of
47 the remainder of such sixty monthly payments shall be paid to the surviving spouse, surviving
48 children in equal shares, surviving parents in equal shares, or estate of the last person, in that order of

1 precedence, to receive a monthly allowance in a lump sum payment. If the total of the sixty
2 payments paid to the retired individual and the beneficiary of the retired individual is less than the
3 total of the member's accumulated contributions, the difference shall be paid to the beneficiary in a
4 lump sum.

5 (2) The election of an option may be made only in the application for retirement and such
6 application must be filed prior to the date on which the retirement of the member is to be effective.
7 If either the member or the person nominated to receive the survivorship payments dies before the
8 effective date of retirement, the option shall not be effective, provided that:

9 (a) If the member or a person retired on disability retirement dies after acquiring twenty-five
10 or more years of creditable service or after attaining the age of fifty-five years and acquiring five or
11 more years of creditable service and before retirement, except retirement with disability benefits, and
12 the person named by the member as the member's beneficiary has an insurable interest in the life of
13 the deceased member, the designated beneficiary may elect to receive either survivorship benefits
14 under option 2 or a payment of the accumulated contributions of the member. If survivorship
15 benefits under option 2 are elected and the member at the time of death would have been eligible to
16 receive an actuarial equivalent of the member's retirement allowance, the designated beneficiary may
17 further elect to defer the option 2 payments until the date the member would have been eligible to
18 receive the retirement allowance provided in subsection 1 or 2 of this section;

19 (b) If the member or a person retired on disability retirement dies before attaining age
20 fifty-five but after acquiring five but fewer than twenty-five years of creditable service, and the
21 person named as the member's beneficiary has an insurable interest in the life of the deceased
22 member, the designated beneficiary may elect to receive either a payment of the member's
23 accumulated contributions, or survivorship benefits under option 2 to begin on the date the member
24 would first have been eligible to receive an actuarial equivalent of the member's retirement
25 allowance, or to begin on the date the member would first have been eligible to receive the
26 retirement allowance provided in subsection 1 or 2 of this section.

27 4. If the total of the retirement or disability allowance paid to an individual before the death
28 of the individual is less than the accumulated contributions at the time of retirement, the difference
29 shall be paid to the beneficiary of the individual, or to the surviving spouse, surviving children in
30 equal shares, surviving parents in equal shares, or estate of the individual in that order of precedence.
31 If an optional benefit as provided in option 2, 3 or 4 in subsection 3 of this section had been elected,
32 and the beneficiary dies after receiving the optional benefit, and if the total retirement allowance
33 paid to the retired individual and the beneficiary of the retired individual is less than the total of the
34 contributions, the difference shall be paid to the surviving spouse, surviving children in equal shares,
35 surviving parents in equal shares, or estate of the beneficiary, in that order of precedence, unless the
36 retired individual designates a different recipient with the board at or after retirement.

37 5. If a member dies and his or her financial institution is unable to accept the final payment
38 or payments due to the member, the final payment or payments shall be paid to the beneficiary of the
39 member or, if there is no beneficiary, to the surviving spouse, surviving children in equal shares,
40 surviving parents in equal shares, or estate of the member, in that order of precedence, unless
41 otherwise stated. If the beneficiary of a deceased member dies and his or her financial institution is
42 unable to accept the final payment or payments, the final payment or payments shall be paid to the
43 surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of
44 the member, in that order of precedence, unless otherwise stated.

45 6. If a member dies before receiving a retirement allowance, the member's accumulated
46 contributions at the time of the death of the member shall be paid to the beneficiary of the member
47 or, if there is no beneficiary, to the surviving spouse, surviving children in equal shares, surviving
48 parents in equal shares, or to the estate of the member, in that order of precedence; except that, no

1 such payment shall be made if the beneficiary elects option 2 in subsection 3 of this section, unless
2 the beneficiary dies before having received benefits pursuant to that subsection equal to the
3 accumulated contributions of the member, in which case the amount of accumulated contributions in
4 excess of the total benefits paid pursuant to that subsection shall be paid to the surviving spouse,
5 surviving children in equal shares, surviving parents in equal shares, or estate of the beneficiary, in
6 that order of precedence.

7 7. If a member ceases to be a public school employee as herein defined and certifies to the
8 board of trustees that such cessation is permanent, or if the membership of the person is otherwise
9 terminated, the member shall be paid the member's accumulated contributions with interest.

10 8. Notwithstanding any provisions of sections 169.010 to 169.141 to the contrary, if a
11 member ceases to be a public school employee after acquiring five or more years of membership
12 service in Missouri, the member may at the option of the member leave the member's contributions
13 with the retirement system and claim a retirement allowance any time after reaching the minimum
14 age for voluntary retirement. When the member's claim is presented to the board, the member shall
15 be granted an allowance as provided in sections 169.010 to 169.141 on the basis of the member's
16 age, years of service, and the provisions of the law in effect at the time the member requests the
17 member's retirement to become effective.

18 9. The retirement allowance of a member retired because of disability shall be nine-tenths of
19 the allowance to which the member's creditable service would entitle the member if the member's
20 age were sixty, or fifty percent of one-twelfth of the annual salary rate used in determining the
21 member's contributions during the last school year for which the member received a year of
22 creditable service immediately prior to the member's disability, whichever is greater, except that no
23 such allowance shall exceed the retirement allowance to which the member would have been entitled
24 upon retirement at age sixty if the member had continued to teach from the date of disability until
25 age sixty at the same salary rate.

26 10. Notwithstanding any provisions of sections 169.010 to 169.141 to the contrary, from
27 October 13, 1961, the contribution rate pursuant to sections 169.010 to 169.141 shall be multiplied
28 by the factor of two-thirds for any member of the system for whom federal Old Age and Survivors
29 Insurance tax is paid from state or local tax funds on account of the member's employment entitling
30 the person to membership in the system. The monetary benefits for a member who elected not to
31 exercise an option to pay into the system a retroactive contribution of four percent on that part of the
32 member's annual salary rate which was in excess of four thousand eight hundred dollars but not in
33 excess of eight thousand four hundred dollars for each year of employment in a position covered by
34 this system between July 1, 1957, and July 1, 1961, as provided in subsection 10 of this section as it
35 appears in RSMo, 1969, shall be the sum of:

36 (1) For years of service prior to July 1, 1946, six-tenths of the full amount payable for years
37 of membership service;

38 (2) For years of membership service after July 1, 1946, in which the full contribution rate
39 was paid, full benefits under the formula in effect at the time of the member's retirement;

40 (3) For years of membership service after July 1, 1957, and prior to July 1, 1961, the benefits
41 provided in this section as it appears in RSMo, 1959; except that if the member has at least thirty
42 years of creditable service at retirement the member shall receive the benefit payable pursuant to that
43 section as though the member's age were sixty-five at retirement;

44 (4) For years of membership service after July 1, 1961, in which the two-thirds contribution
45 rate was paid, two-thirds of the benefits under the formula in effect at the time of the member's
46 retirement.

47 11. The monetary benefits for each other member for whom federal Old Age and Survivors
48 Insurance tax is or was paid at any time from state or local funds on account of the member's

1 employment entitling the member to membership in the system shall be the sum of:

2 (1) For years of service prior to July 1, 1946, six-tenths of the full amount payable for years
3 of membership service;

4 (2) For years of membership service after July 1, 1946, in which the full contribution rate
5 was paid, full benefits under the formula in effect at the time of the member's retirement;

6 (3) For years of membership service after July 1, 1957, in which the two-thirds contribution
7 rate was paid, two-thirds of the benefits under the formula in effect at the time of the member's
8 retirement.

9 12. Any retired member of the system who was retired prior to September 1, 1972, or
10 beneficiary receiving payments under option 1 or option 2 of subsection 3 of this section, as such
11 option existed prior to September 1, 1972, will be eligible to receive an increase in the retirement
12 allowance of the member of two percent for each year, or major fraction of more than one-half of a
13 year, which the retired member has been retired prior to July 1, 1975. This increased amount shall
14 be payable commencing with January, 1976, and shall thereafter be referred to as the member's
15 retirement allowance. The increase provided for in this subsection shall not affect the retired
16 member's eligibility for compensation provided for in section 169.580 or 169.585, nor shall the
17 amount being paid pursuant to these sections be reduced because of any increases provided for in this
18 section.

19 13. If the board of trustees determines that the cost of living, as measured by generally
20 accepted standards, increases two percent or more in the preceding fiscal year, the board shall
21 increase the retirement allowances which the retired members or beneficiaries are receiving by two
22 percent of the amount being received by the retired member or the beneficiary at the time the annual
23 increase is granted by the board with the provision that the increases provided for in this subsection
24 shall not become effective until the fourth January first following the member's retirement or January
25 1, 1977, whichever later occurs, or in the case of any member retiring on or after July 1, 2000, the
26 increase provided for in this subsection shall not become effective until the third January first
27 following the member's retirement, or in the case of any member retiring on or after July 1, 2001, the
28 increase provided for in this subsection shall not become effective until the second January first
29 following the member's retirement. Commencing with January 1, 1992, if the board of trustees
30 determines that the cost of living has increased five percent or more in the preceding fiscal year, the
31 board shall increase the retirement allowances by five percent. The total of the increases granted to a
32 retired member or the beneficiary after December 31, 1976, may not exceed eighty percent of the
33 retirement allowance established at retirement or as previously adjusted by other subsections. If the
34 cost of living increases less than five percent, the board of trustees may determine the percentage of
35 increase to be made in retirement allowances, but at no time can the increase exceed five percent per
36 year. If the cost of living decreases in a fiscal year, there will be no increase in allowances for retired
37 members on the following January first.

38 14. The board of trustees may reduce the amounts which have been granted as increases to a
39 member pursuant to subsection 13 of this section if the cost of living, as determined by the board and
40 as measured by generally accepted standards, is less than the cost of living was at the time of the first
41 increase granted to the member; except that, the reductions shall not exceed the amount of increases
42 which have been made to the member's allowance after December 31, 1976. 15. Any
43 application for retirement shall include a sworn statement by the member certifying that the spouse
44 of the member at the time the application was completed was aware of the application and the plan of
45 retirement elected in the application.

46 16. Notwithstanding any other provision of law, any person retired prior to September 28,
47 1983, who is receiving a reduced retirement allowance under option 1 or option 2 of subsection 3 of
48 this section, as such option existed prior to September 28, 1983, and whose beneficiary nominated to

1 receive continued retirement allowance payments under the elected option dies or has died, shall
2 upon application to the board of trustees have his or her retirement allowance increased to the
3 amount he or she would have been receiving had the option not been elected, actuarially adjusted to
4 recognize any excessive benefits which would have been paid to him or her up to the time of
5 application.

6 17. Benefits paid pursuant to the provisions of the public school retirement system of
7 Missouri shall not exceed the limitations of Section 415 of Title 26 of the United States Code except
8 as provided pursuant to this subsection. Notwithstanding any other law to the contrary, the board of
9 trustees may establish a benefit plan pursuant to Section 415(m) of Title 26 of the United States
10 Code. Such plan shall be created solely for the purpose described in Section 415(m)(3)(A) of Title
11 26 of the United States Code. The board of trustees may promulgate regulations necessary to
12 implement the provisions of this subsection and to create and administer such benefit plan.

13 18. Notwithstanding any other provision of law to the contrary, any person retired before,
14 on, or after May 26, 1994, shall be made, constituted, appointed and employed by the board as a
15 special consultant on the matters of education, retirement and aging, and upon request shall give
16 written or oral opinions to the board in response to such requests. As compensation for such duties
17 the person shall receive an amount based on the person's years of service so that the total amount
18 received pursuant to sections 169.010 to 169.141 shall be at least the minimum amounts specified in
19 subdivisions (1) to (4) of this subsection. In determining the minimum amount to be received, the
20 amounts in subdivisions (3) and (4) of this subsection shall be adjusted in accordance with the
21 actuarial adjustment, if any, that was applied to the person's retirement allowance. In determining
22 the minimum amount to be received, beginning September 1, 1996, the amounts in subdivisions (1)
23 and (2) of this subsection shall be adjusted in accordance with the actuarial adjustment, if any, that
24 was applied to the person's retirement allowance due to election of an optional form of retirement
25 having a continued monthly payment after the person's death. Notwithstanding any other provision
26 of law to the contrary, no person retired before, on, or after May 26, 1994, and no beneficiary of such
27 a person, shall receive a retirement benefit pursuant to sections 169.010 to 169.141 based on the
28 person's years of service less than the following amounts:

- 29 (1) Thirty or more years of service, one thousand two hundred dollars;
- 30 (2) At least twenty-five years but less than thirty years, one thousand dollars;
- 31 (3) At least twenty years but less than twenty-five years, eight hundred dollars;
- 32 (4) At least fifteen years but less than twenty years, six hundred dollars.

33 19. Notwithstanding any other provisions of law to the contrary, any person retired prior to
34 May 26, 1994, and any designated beneficiary of such a retired member who was deceased prior to
35 July 1, 1999, shall be made, constituted, appointed and employed by the board as a special consultant
36 on the matters of education, retirement or aging and upon request shall give written or oral opinions
37 to the board in response to such requests. Beginning September 1, 1996, as compensation for such
38 service, the member shall have added, pursuant to this subsection, to the member's monthly annuity
39 as provided by this section a dollar amount equal to the lesser of sixty dollars or the product of two
40 dollars multiplied by the member's number of years of creditable service. Beginning September 1,
41 1999, the designated beneficiary of the deceased member shall as compensation for such service
42 have added, pursuant to this subsection, to the monthly annuity as provided by this section a dollar
43 amount equal to the lesser of sixty dollars or the product of two dollars multiplied by the member's
44 number of years of creditable service. The total compensation provided by this section including the
45 compensation provided by this subsection shall be used in calculating any future cost-of-living
46 adjustments provided by subsection 13 of this section.

47 20. Any member who has retired prior to July 1, 1998, and the designated beneficiary of a
48 deceased retired member shall be made, constituted, appointed and employed by the board as a

1 special consultant on the matters of education, retirement and aging, and upon request shall give
2 written or oral opinions to the board in response to such requests. As compensation for such duties
3 the person shall receive a payment equivalent to eight and seven-tenths percent of the previous
4 month's benefit, which shall be added to the member's or beneficiary's monthly annuity and which
5 shall not be subject to the provisions of subsections 13 and 14 of this section for the purposes of the
6 limit on the total amount of increases which may be received.

7 21. Any member who has retired shall be made, constituted, appointed and employed by the
8 board as a special consultant on the matters of education, retirement and aging, and upon request
9 shall give written or oral opinions to the board in response to such request. As compensation for
10 such duties, the beneficiary of the retired member, or, if there is no beneficiary, the surviving spouse,
11 surviving children in equal shares, surviving parents in equal shares, or estate of the retired member,
12 in that order of precedence, shall receive as a part of compensation for these duties a death benefit of
13 five thousand dollars.

14 22. Any member who has retired prior to July 1, 1999, and the designated beneficiary of a
15 retired member who was deceased prior to July 1, 1999, shall be made, constituted, appointed and
16 employed by the board as a special consultant on the matters of education, retirement and aging, and
17 upon request shall give written or oral opinions to the board in response to such requests. As
18 compensation for such duties, the person shall have added, pursuant to this subsection, to the
19 monthly annuity as provided by this section a dollar amount equal to five dollars times the member's
20 number of years of creditable service.

21 23. Any member who has retired prior to July 1, 2000, and the designated beneficiary of a
22 deceased retired member shall be made, constituted, appointed and employed by the board as a
23 special consultant on the matters of education, retirement and aging, and upon request shall give
24 written or oral opinions to the board in response to such requests. As compensation for such duties,
25 the person shall receive a payment equivalent to three and five-tenths percent of the previous month's
26 benefit, which shall be added to the member or beneficiary's monthly annuity and which shall not be
27 subject to the provisions of subsections 13 and 14 of this section for the purposes of the limit on the
28 total amount of increases which may be received.

29 24. Any member who has retired prior to July 1, 2001, and the designated beneficiary of a
30 deceased retired member shall be made, constituted, appointed and employed by the board as a
31 special consultant on the matters of education, retirement and aging, and upon request shall give
32 written or oral opinions to the board in response to such requests. As compensation for such duties,
33 the person shall receive a dollar amount equal to three dollars times the member's number of years of
34 creditable service, which shall be added to the member's or beneficiary's monthly annuity and which
35 shall not be subject to the provisions of subsections 13 and 14 of this section for the purposes of the
36 limit on the total amount of increases which may be received."; and
37

38 Further amend said bill, Page 26, Section 169.715, Line 33, by inserting after all of said line the
39 following:

40 "Section B. Because of the importance of providing an additional retirement allowance
41 option to Missouri teachers, section 169.070 of section A of this act is deemed necessary for the
42 immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be
43 an emergency act within the meaning of the constitution, and section 169.070 of section A of this act
44 shall be in full force and effect upon its passage and approval."; and
45

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