

House _____ Amendment NO. _____

Offered By

1 AMEND Senate Committee Substitute for Senate Bill No. 270, Page 1, In the title, Line 3, by deleting the
2 words, "members of the boards of trustees of"; and

3
4 Further amend said bill, Page 1, Section A, Line 3, by inserting after all of said line the following:

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

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

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

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

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

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

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

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

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

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

37 (1) Sixty cents plus one and five-tenths percent of the member's final average salary for each year of
38 membership service;

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

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

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

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

13 OR

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

19 OR

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

25 OR

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

36 OR

37 Option 6. Upon the death of the member prior to the member having received sixty monthly
38 payments of the member's reduced allowance, the remainder of the sixty monthly payments of the reduced
39 allowance shall be paid to such beneficiary as the member shall have nominated in the member's election of
40 the option or in a subsequent nomination. If there is no beneficiary so nominated who survives the member
41 for the remainder of the sixty monthly payments, the total of the remainder of such sixty monthly payments
42 shall be paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or
43 estate of the last person, in that order of precedence, to receive a monthly allowance in a lump sum payment.
44 If the total of the sixty payments paid to the retired individual and the beneficiary of the retired individual is
45 less than the total of the member's accumulated contributions, the difference shall be paid to the beneficiary in
46 a lump sum.

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

51 (a) If the member or a person retired on disability retirement dies after acquiring twenty-five or more
52 years of creditable service or after attaining the age of fifty-five years and acquiring five or more years of
53 creditable service and before retirement, except retirement with disability benefits, and the person named by
54 the member as the member's beneficiary has an insurable interest in the life of the deceased member, the

1 designated beneficiary may elect to receive either survivorship benefits under option 2 or a payment of the
2 accumulated contributions of the member. If survivorship benefits under option 2 are elected and the member
3 at the time of death would have been eligible to receive an actuarial equivalent of the member's retirement
4 allowance, the designated beneficiary may further elect to defer the option 2 payments until the date the
5 member would have been eligible to receive the retirement allowance provided in subsection 1 or 2 of this
6 section;

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

14 4. If the total of the retirement or disability allowance paid to an individual before the death of the
15 individual is less than the accumulated contributions at the time of retirement, the difference shall be paid to
16 the beneficiary of the individual, or to the surviving spouse, surviving children in equal shares, surviving
17 parents in equal shares, or estate of the individual in that order of precedence. If an optional benefit as
18 provided in option 2, 3 or 4 in subsection 3 of this section had been elected, and the beneficiary dies after
19 receiving the optional benefit, and if the total retirement allowance paid to the retired individual and the
20 beneficiary of the retired individual is less than the total of the contributions, the difference shall be paid to the
21 surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of the
22 beneficiary, in that order of precedence, unless the retired individual designates a different recipient with the
23 board at or after retirement.

24 5. If a member dies and his or her financial institution is unable to accept the final payment or
25 payments due to the member, the final payment or payments shall be paid to the beneficiary of the member or,
26 if there is no beneficiary, to the surviving spouse, surviving children in equal shares, surviving parents in
27 equal shares, or estate of the member, in that order of precedence, unless otherwise stated. If the beneficiary
28 of a deceased member dies and his or her financial institution is unable to accept the final payment or
29 payments, the final payment or payments shall be paid to the surviving spouse, surviving children in equal
30 shares, surviving parents in equal shares, or estate of the member, in that order of precedence, unless otherwise
31 stated.

32 6. If a member dies before receiving a retirement allowance, the member's accumulated contributions
33 at the time of the death of the member shall be paid to the beneficiary of the member or, if there is no
34 beneficiary, to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or to
35 the estate of the member, in that order of precedence; except that, no such payment shall be made if the
36 beneficiary elects option 2 in subsection 3 of this section, unless the beneficiary dies before having received
37 benefits pursuant to that subsection equal to the accumulated contributions of the member, in which case the
38 amount of accumulated contributions in excess of the total benefits paid pursuant to that subsection shall be
39 paid to the surviving spouse, surviving children in equal shares, surviving parents in equal shares, or estate of
40 the beneficiary, in that order of precedence.

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

44 8. Notwithstanding any provisions of sections 169.010 to 169.141 to the contrary, if a member ceases
45 to be a public school employee after acquiring five or more years of membership service in Missouri, the
46 member may at the option of the member leave the member's contributions with the retirement system and
47 claim a retirement allowance any time after reaching the minimum age for voluntary retirement. When the
48 member's claim is presented to the board, the member shall be granted an allowance as provided in sections
49 169.010 to 169.141 on the basis of the member's age, years of service, and the provisions of the law in effect
50 at the time the member requests the member's retirement to become effective.

51 9. The retirement allowance of a member retired because of disability shall be nine-tenths of the
52 allowance to which the member's creditable service would entitle the member if the member's age were sixty,
53 or fifty percent of one-twelfth of the annual salary rate used in determining the member's contributions during
54 the last school year for which the member received a year of creditable service immediately prior to the

1 member's disability, whichever is greater, except that no such allowance shall exceed the retirement allowance
2 to which the member would have been entitled upon retirement at age sixty if the member had continued to
3 teach from the date of disability until age sixty at the same salary rate.

4 10. Notwithstanding any provisions of sections 169.010 to 169.141 to the contrary, from October 13,
5 1961, the contribution rate pursuant to sections 169.010 to 169.141 shall be multiplied by the factor of
6 two-thirds for any member of the system for whom federal Old Age and Survivors Insurance tax is paid from
7 state or local tax funds on account of the member's employment entitling the person to membership in the
8 system. The monetary benefits for a member who elected not to exercise an option to pay into the system a
9 retroactive contribution of four percent on that part of the member's annual salary rate which was in excess of
10 four thousand eight hundred dollars but not in excess of eight thousand four hundred dollars for each year of
11 employment in a position covered by this system between July 1, 1957, and July 1, 1961, as provided in
12 subsection 10 of this section as it appears in RSMo, 1969, shall be the sum of:

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

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

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

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

23 11. The monetary benefits for each other member for whom federal Old Age and Survivors Insurance
24 tax is or was paid at any time from state or local funds on account of the member's employment entitling the
25 member to membership in the system shall be the sum of:

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

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

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

32 12. Any retired member of the system who was retired prior to September 1, 1972, or beneficiary
33 receiving payments under option 1 or option 2 of subsection 3 of this section, as such option existed prior to
34 September 1, 1972, will be eligible to receive an increase in the retirement allowance of the member of two
35 percent for each year, or major fraction of more than one-half of a year, which the retired member has been
36 retired prior to July 1, 1975. This increased amount shall be payable commencing with January, 1976, and
37 shall thereafter be referred to as the member's retirement allowance. The increase provided for in this
38 subsection shall not affect the retired member's eligibility for compensation provided for in section 169.580 or
39 169.585, nor shall the amount being paid pursuant to these sections be reduced because of any increases
40 provided for in this section.

41 13. If the board of trustees determines that the cost of living, as measured by generally accepted
42 standards, increases two percent or more in the preceding fiscal year, the board shall increase the retirement
43 allowances which the retired members or beneficiaries are receiving by two percent of the amount being
44 received by the retired member or the beneficiary at the time the annual increase is granted by the board with
45 the provision that the increases provided for in this subsection shall not become effective until the fourth
46 January first following the member's retirement or January 1, 1977, whichever later occurs, or in the case of
47 any member retiring on or after July 1, 2000, the increase provided for in this subsection shall not become
48 effective until the third January first following the member's retirement, or in the case of any member retiring
49 on or after July 1, 2001, the increase provided for in this subsection shall not become effective until the
50 second January first following the member's retirement. Commencing with January 1, 1992, if the board of
51 trustees determines that the cost of living has increased five percent or more in the preceding fiscal year, the
52 board shall increase the retirement allowances by five percent. The total of the increases granted to a retired
53 member or the beneficiary after December 31, 1976, may not exceed eighty percent of the retirement
54 allowance established at retirement or as previously adjusted by other subsections. If the cost of living

1 increases less than five percent, the board of trustees may determine the percentage of increase to be made in
2 retirement allowances, but at no time can the increase exceed five percent per year. If the cost of living
3 decreases in a fiscal year, there will be no increase in allowances for retired members on the following January
4 first.

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

12 16. Notwithstanding any other provision of law, any person retired prior to September 28, 1983, who
13 is receiving a reduced retirement allowance under option 1 or option 2 of subsection 3 of this section, as such
14 option existed prior to September 28, 1983, and whose beneficiary nominated to receive continued retirement
15 allowance payments under the elected option dies or has died, shall upon application to the board of trustees
16 have his or her retirement allowance increased to the amount he or she would have been receiving had the
17 option not been elected, actuarially adjusted to recognize any excessive benefits which would have been paid
18 to him or her up to the time of application.

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

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

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

45 19. Notwithstanding any other provisions of law to the contrary, any person retired prior to May 26,
46 1994, and any designated beneficiary of such a retired member who was deceased prior to July 1, 1999, shall
47 be made, constituted, appointed and employed by the board as a special consultant on the matters of
48 education, retirement or aging and upon request shall give written or oral opinions to the board in response to
49 such requests. Beginning September 1, 1996, as compensation for such service, the member shall have added,
50 pursuant to this subsection, to the member's monthly annuity as provided by this section a dollar amount equal
51 to the lesser of sixty dollars or the product of two dollars multiplied by the member's number of years of
52 creditable service. Beginning September 1, 1999, the designated beneficiary of the deceased member shall as
53 compensation for such service have added, pursuant to this subsection, to the monthly annuity as provided by
54 this section a dollar amount equal to the lesser of sixty dollars or the product of two dollars multiplied by the

1 member's number of years of creditable service. The total compensation provided by this section including
2 the compensation provided by this subsection shall be used in calculating any future cost-of-living
3 adjustments provided by subsection 13 of this section.

4 20. Any member who has retired prior to July 1, 1998, and the designated beneficiary of a deceased
5 retired member shall be made, constituted, appointed and employed by the board as a special consultant on the
6 matters of education, retirement and aging, and upon request shall give written or oral opinions to the board in
7 response to such requests. As compensation for such duties the person shall receive a payment equivalent to
8 eight and seven-tenths percent of the previous month's benefit, which shall be added to the member's or
9 beneficiary's monthly annuity and which shall not be subject to the provisions of subsections 13 and 14 of this
10 section for the purposes of the limit on the total amount of increases which may be received.

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

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

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

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

37 169.141. 1. Any person receiving a retirement allowance under sections 169.010 to 169.140, and
38 who elected a reduced retirement allowance under subsection 3 of section 169.070 with his spouse as the
39 nominated beneficiary, may nominate a successor beneficiary under either of the following circumstances:

40 (1) If the nominated beneficiary precedes the retired person in death, the retired person may, upon
41 remarriage, nominate the new spouse under the same option elected in the application for retirement;

42 (2) If the marriage of the retired person and the nominated beneficiary is dissolved, and if the
43 dissolution decree provides for sole retention by the retired person of all rights in the retirement allowance, the
44 retired person may, upon remarriage, nominate the new spouse under the same option elected in the
45 application for retirement.

46 2. Any nomination of a successor beneficiary under subdivision (1) or (2) of subsection 1 of this
47 section must be made in accordance with procedures established by the board of trustees, and must be filed
48 within ninety days of May 6, 1993, or within [ninety days] one year of the remarriage, whichever later occurs.
49 Upon receipt of a successor nomination filed in accordance with those procedures, the board shall adjust the
50 retirement allowance to reflect actuarial considerations of that nomination as well as previous beneficiary and
51 successor beneficiary nominations.

52 3. Any person receiving a retirement allowance under sections 169.010 to 169.140, and who elected a
53 reduced retirement allowance under subsection 3 of section 169.070 with his or her spouse as the nominated
54 beneficiary may have the retirement allowance increased to the amount the retired member would be receiving

1 had the retired member elected option 1 if:

2 (1) The marriage of the retired person and the nominated spouse is dissolved on or after September 1,
3 2015;

4 (2) If the dissolution decree provides for sole retention by the retired person of all rights in the
5 retirement allowance; and

6 (3) The person would have received under subsection 3 of section 169.070.

7
8 Any such increase in the retirement allowance shall be effective upon the receipt of an application for such
9 increase and a certified copy of the decree of dissolution that meets the requirements of this section."; and

10
11 Further amend said bill, Page 5, Section 169.291, Line 142, by inserting after all of said line the following:

12
13 "169.324. 1. The annual service retirement allowance payable pursuant to section 169.320 shall be
14 the retirant's number of years of creditable service multiplied by a percentage of the retirant's average final
15 compensation, determined as follows:

16 (1) A retirant whose last employment as a regular employee ended prior to June 30, 1999, shall
17 receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly
18 installments for life equal to the retirant's number of years of creditable service multiplied by one and
19 three-fourths percent of the person's average final compensation, subject to a maximum of sixty percent of the
20 person's average final compensation;

21 (2) A retirant whose number of years of creditable service is greater than thirty-four and one-quarter
22 on August 28, 1993, shall receive an annual service retirement allowance payable pursuant to section 169.320
23 in equal monthly installments for life equal to the retirant's number of years of creditable service as of August
24 28, 1993, multiplied by one and three-fourths percent of the person's average final compensation but shall not
25 receive a greater annual service retirement allowance based on additional years of creditable service after
26 August 28, 1993;

27 (3) A retirant who was an active member of the retirement system at any time on or after June 30,
28 1999, and who either retires before January 1, 2014, or is a member of the retirement system on December 31,
29 2013, and remains a member continuously to retirement shall receive an annual service retirement allowance
30 payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of
31 years of creditable service multiplied by two percent of the person's average final compensation, subject to a
32 maximum of sixty percent of the person's final compensation;

33 (4) A retirant who becomes a member of the retirement system on or after January 1, 2014, including
34 any retirant who was a member of the retirement system before January 1, 2014, but ceased to be a member for
35 any reason other than retirement, shall receive an annual service retirement allowance payable pursuant to
36 section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable
37 service multiplied by one and three-fourths percent of the person's average final compensation, subject to a
38 maximum of sixty percent of the person's average final compensation;

39 (5) Notwithstanding the provisions of subdivisions (1) to (4) of this subsection, effective January 1,
40 1996, any retirant who retired on, before or after January 1, 1996, with at least twenty years of creditable
41 service shall receive at least three hundred dollars each month as a retirement allowance, or the actuarial
42 equivalent thereof if the retirant elected any of the options available under section 169.326. Any retirant who
43 retired with at least ten years of creditable service shall receive at least one hundred fifty dollars each month as
44 a retirement allowance, plus fifteen dollars for each additional full year of creditable service greater than ten
45 years but less than twenty years (or the actuarial equivalent thereof if the retirant elected any of the options
46 available under section 169.326). Any beneficiary of a deceased retirant who retired with at least ten years of
47 creditable service and elected one of the options available under section 169.326 shall also be entitled to the
48 actuarial equivalent of the minimum benefit provided by this subsection, determined from the option chosen.

49 2. Except as otherwise provided in sections 169.331, 169.580 and 169.585, payment of a retirant's
50 retirement allowance will be suspended for any month for which such person receives remuneration from the
51 person's employer or from any other employer in the retirement system established by section 169.280 for the
52 performance of services except any such person other than a person receiving a disability retirement allowance
53 under section 169.322 may serve as a nonregular substitute, part-time or temporary employee for not more
54 than six hundred hours in any school year without becoming a member and without having the person's

1 retirement allowance discontinued, provided that through such substitute, part-time, or temporary
 2 employment, the person may earn no more than fifty percent of the annual salary or wages the person was last
 3 paid by the employer before the person retired and commenced receiving a retirement allowance, adjusted for
 4 inflation. If a person exceeds such hours limit or such compensation limit, payment of the person's retirement
 5 allowance shall be suspended for the month in which such limit was exceeded and each subsequent month in
 6 the school year for which the person receives remuneration from any employer in the retirement system. In
 7 addition to the conditions set forth above, this subsection shall apply to any person retired and currently
 8 receiving a retirement allowance under sections 169.270 to 169.400, other than for disability, who is
 9 employed by a third party or is performing work as an independent contractor if such person is performing
 10 work in a district included in the retirement system as a temporary or long-term substitute teacher or in any
 11 other position that would normally require that person to be duly certificated under the laws governing the
 12 certification of teachers in Missouri if such person was employed by the district. The retirement system may
 13 require the district, the third-party employer, the independent contractor, and the retiree subject to this
 14 subsection to provide documentation showing compliance with this subsection. If such documentation is not
 15 provided, the
 16 retirement system may deem the retiree to have exceeded the limitations provided in this subsection. If a
 17 retirant is reemployed by any employer in any capacity, whether pursuant to this section, or section 169.331,
 18 169.580, or 169.585, or as a regular employee, the amount of such person's retirement allowance attributable
 19 to service prior to the person's first retirement date shall not be changed by the reemployment. If the person
 20 again becomes an active member and earns additional creditable service, upon the person's second retirement
 21 the person's retirement allowance shall be the sum of:

22 (1) The retirement allowance the person was receiving at the time the person's retirement allowance
 23 was suspended, pursuant to the payment option elected as of the first retirement date, plus the amount of any
 24 increase in such retirement allowance the person would have received pursuant to subsection 3 of this section
 25 had payments not been suspended during the person's reemployment; and

26 (2) An additional retirement allowance computed using the benefit formula in effect on the person's
 27 second retirement date, the person's creditable service following reemployment, and the person's average final
 28 annual compensation as of the second retirement date. The sum calculated pursuant to this subsection shall
 29 not exceed the greater of sixty percent of the person's average final compensation as of the second retirement
 30 date or the amount determined pursuant to subdivision (1) of this subsection. Compensation earned prior to
 31 the person's first retirement date shall be considered in determining the person's average final compensation as
 32 of the second retirement date if such compensation would otherwise be included in determining the person's
 33 average final compensation.

34 3. The board of trustees shall determine annually whether the investment return on funds of the
 35 system can provide for an increase in benefits for retirants eligible for such increase. A retirant shall and will
 36 be eligible for an increase awarded pursuant to this section as of the second January following the date the
 37 retirant commenced receiving retirement benefits. Any such increase shall also apply to any monthly joint
 38 and survivor retirement allowance payable to such retirant's beneficiaries, regardless of age. The board shall
 39 make such determination as follows:

40 (1) After determination by the actuary of the investment return for the preceding year as of December
 41 thirty-first (the "valuation year"), the actuary shall recommend to the board of trustees what portion of the
 42 investment return is available to provide such benefits increase, if any, and shall recommend the amount of
 43 such benefits increase, if any, to be implemented as of the first day of the thirteenth month following the end
 44 of the valuation year, and first payable on or about the first day of the fourteenth month following the end of
 45 the valuation year. The actuary shall make such recommendations so as not to affect the financial soundness
 46 of the retirement system, recognizing the following safeguards:

47 (a) The retirement system's funded ratio as of January first of the year preceding the year of a
 48 proposed increase shall be at least one hundred percent after adjusting for the effect of the proposed increase.
 49 The funded ratio is the ratio of assets to the pension benefit obligation;

50 (b) The actuarially required contribution rate, after adjusting for the effect of the proposed increase,
 51 may not exceed the then applicable employer and member contribution rate as determined under subsection 4
 52 of section 169.350;

53 (c) The actuary shall certify to the board of trustees that the proposed increase will not impair the
 54 actuarial soundness of the retirement system;

1 (d) A benefit increase, under this section, once awarded, cannot be reduced in succeeding years;

2 (2) The board of trustees shall review the actuary's recommendation and report and shall, in their
3 discretion, determine if any increase is prudent and, if so, shall determine the amount of increase to be
4 awarded.

5 4. This section does not guarantee an annual increase to any retiree.

6 5. If an inactive member becomes an active member after June 30, 2001, and after a break in service,
7 unless the person earns at least four additional years of creditable service without another break in service,
8 upon retirement the person's retirement allowance shall be calculated separately for each separate period of
9 service ending in a break in service. The retirement allowance shall be the sum of the separate retirement
10 allowances computed for each such period of service using the benefit formula in effect, the person's average
11 final compensation as of the last day of such period of service and the creditable service the person earned
12 during such period of service; provided, however, if the person earns at least four additional years of
13 creditable service without another break in service, all of the person's creditable service prior to and including
14 such service shall be aggregated and, upon retirement, the retirement allowance shall be computed using the
15 benefit formula in effect and the person's average final compensation as of the last day of such period of four
16 or more years and all of the creditable service the person earned prior to and during such period.

17 6. Notwithstanding anything contained in this section to the contrary, the amount of the annual
18 service retirement allowance payable to any retiree pursuant to the provisions of sections 169.270 to 169.400,
19 including any adjustments made pursuant to subsection 3 of this section, shall at all times comply with the
20 provisions and limitations of Section 415 of the Internal Revenue Code of 1986, as amended, and the
21 regulations thereunder, the terms of which are specifically incorporated herein by reference.

22 7. All retirement systems established by the laws of the state of Missouri shall develop a procurement
23 action plan for utilization of minority and women money managers, brokers and investment counselors. Such
24 retirement systems shall report their progress annually to the joint committee on public employee retirement
25 and the governor's minority advocacy commission.

26 169.715. 1. Any person receiving a retirement allowance under sections 169.600 to 169.712, and
27 who elected a reduced retirement allowance under subsection 4 of section 169.670 with his spouse as the
28 nominated beneficiary, may nominate a successor beneficiary under either of the following circumstances:

29 (1) If the nominated beneficiary precedes the retired person in death, the retired person may, upon
30 remarriage, nominate the new spouse under the same option elected in the application for retirement;

31 (2) If the marriage of the retired person and the nominated beneficiary is dissolved, and if the
32 dissolution decree provides for sole retention by the retired person of all rights in the retirement allowance, the
33 retired person may, upon remarriage, nominate the new spouse under the same option elected in the
34 application for retirement.

35 2. Any nomination of a successor beneficiary under subdivision (1) or (2) of subsection 1 of this
36 section must be made in accordance with procedures established by the board of trustees, and must be filed
37 within ninety days of May 6, 1993, or within [ninety days] one year of the remarriage, whichever later occurs.
38 Upon receipt of a successor nomination filed in accordance with those procedures, the board shall adjust the
39 retirement allowance to reflect actuarial considerations of that nomination as well as previous beneficiary and
40 successor beneficiary nominations.

41 3. Any person receiving a retirement allowance under sections 169.600 to 169.715, and who elected a
42 reduced retirement allowance under subsection 3 of section 169.670 with his or her spouse as the nominated
43 beneficiary may have the retirement allowance increased to the amount the retired member would be receiving
44 had the retired member elected option 1 if:

45 (1) The marriage of the retired person and the nominated spouse is dissolved on or after September 1,
46 2015;

47 (2) If the dissolution decree provides for sole retention by the retired person of all rights in the
48 retirement allowance; and

49 (3) The person would have received under subsection 4 of section 169.670.

50
51 Any such increase in the retirement allowance shall be effective upon the receipt of an application for
52 such increase and a certified copy of the decree of dissolution that meets the requirements of this section. "

53
54 Further amend said bill, Page 5, Section 169.450, Lines 3-4, by deleting the words "[eleven] twelve" and

1 inserting in lieu thereof the word "eleven"; and

2
3 Further amend said bill, page, and section, Lines 15-16, by deleting all of said lines and inserting in lieu
4 thereof the following:

5
6 "further, that [not more than] at least two of such persons shall be teachers and [two] not more than one be a
7 nonteacher[s], and beginning in 2016, one shall be a person employed as a teacher or administrator at a charter
8 school, as "charter school" is defined in section 169.270, and elected for a term of four years by the members
9 of the retirement system."; and

10
11 Further amend said bill, page, and section, Lines 30-33, by deleting all of said lines; and

12
13 Further amend said section, Page 7, Lines 80-81, by deleting the words "[Six] Seven" and inserting in lieu
14 thereof the word "Six"; and

15
16 Further amend said bill, Page 9, Section 169.450, Line 137, by inserting after all of said line the following:

17
18 "169.560. Any person retired and currently receiving a retirement allowance pursuant to sections
19 169.010 to 169.141, other than for disability, may be employed in any capacity in a district included in the
20 retirement system created by those sections on either a part-time or temporary-substitute basis not to exceed a
21 total of five hundred fifty hours in any one school year, and through such employment may earn up to fifty
22 percent of the annual compensation payable under the [employing] district's salary schedule for the position or
23 positions filled by the retiree, given such person's level of experience and education, without a discontinuance
24 of the person's retirement allowance. If the [employing] school district does not utilize a salary schedule, or if
25 the position in question is not subject to the [employing] district's salary schedule, a retiree employed in
26 accordance with the provisions of this section may earn up to fifty percent of the annual compensation paid to
27 the person or persons who last held such position or positions. If the position or positions did not previously
28 exist, the compensation limit shall be determined in accordance with rules duly adopted by the board of
29 trustees of the retirement system; provided that, it shall not exceed fifty percent of the annual compensation
30 payable for the position in the [employing] school district that is most comparable to the position filled by the
31 retiree. In any case where a retiree fills more than one position during the school year, the fifty-percent limit
32 on permitted earning shall be based solely on the annual compensation of the highest paid position occupied
33 by the retiree for at least one-fifth of the total hours worked during the year. Such a person shall not
34 contribute to the retirement system or to the public education employee retirement system established by
35 sections 169.600 to 169.715 because of earnings during such period of employment. If such a person is
36 employed in any capacity by such a district [on a regular, full-time basis,] in excess of the limitations set forth
37 in this section, the person shall not be eligible to receive the person's retirement allowance for any month
38 during which the person is so employed. In addition, such person [and] shall contribute to the retirement
39 system, if the person satisfies the retirement system's membership eligibility requirements. In addition to the
40 conditions set forth above, this section shall apply to any person retired and currently receiving a retirement
41 allowance under sections 169.010 to 169.141, other than for disability, who is employed by a third party or is
42 performing work as an independent contractor if such person is performing work in a district included in the
43 retirement system as a temporary or long-term substitute teacher or in any other position that would normally
44 require that person to be duly certificated under the laws governing the certification of teachers in Missouri if
45 such person was employed by the district. The retirement system may require the district, the third-party
46 employer, the independent contractor, and the retiree subject to this section to provide documentation showing
47 compliance with this section. If such documentation is not provided, the retirement system may deem the
48 retiree to have exceeded the limitations provided in this section.

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

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