

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 283, Page 13, Section 86.320, Line 22, by
2 inserting after all of said line the following:

3 "169.141. 1. Any person receiving a retirement allowance under sections 169.010 to
4 169.140, and who elected a reduced retirement allowance under subsection 3 of section 169.070 with
5 his spouse as the nominated beneficiary, may nominate a successor beneficiary under either of the
6 following circumstances:

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

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

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

20 3. Any person receiving a retirement allowance under sections 169.010 to 169.140, and who
21 elected a reduced retirement allowance under subsection 3 of section 169.070 with his or her spouse
22 as the nominated beneficiary may have the retirement allowance increased to the amount the retired
23 member would be receiving had the retired member elected option 1 if:

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

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

28 (3) The person would have received a reduced retirement allowance under subsection 3 of
29 section 169.070.

30
31 Any such increase in the retirement allowance shall be effective upon the receipt of an application
32 for such increase and a certified copy of the decree of dissolution that meets the requirements of this
33 section.

34 169.291. 1. The general administration and the responsibility for the proper operation of the
35 retirement system are hereby vested in a board of trustees of twelve persons who shall be resident
36 taxpayers of the school district, as follows:

Action Taken _____ Date _____

Action Taken _____ Date _____

(1) Four trustees to be appointed for terms of four years by the board of education; provided, however, that the terms of office of the first four trustees so appointed shall begin immediately upon their appointment and shall expire one, two, three, and four years from the date the retirement system becomes operative, respectively;

(2) Until the election in 2016, four trustees to be elected for terms of four years by and from the members of the retirement system; provided, however, that the terms of office of the first four trustees so elected shall begin immediately upon their election and shall expire one, two, three, and four years from the date the retirement system becomes operative, respectively, but beginning at the election in 2016, three trustees;

(3) Beginning at the election in 2016, one trustee shall be a person employed as a teacher or administrator at a charter school, as "charter school" is defined in section 169.270, elected for a term of four years by and from the members of the retirement system;

(4) The ninth trustee shall be the superintendent of schools of the school district;

[(4)] (5) The tenth trustee shall be one retirant of the retirement system elected for a term of four years beginning the first day of January immediately following August 13, 1986, by the retirants of the retirement system;

[(5)] (6) The eleventh trustee shall be appointed for a term of four years beginning the first day of January immediately following August 13, 1990, by the board of trustees described in subdivision (3) of section 182.701;

[(6)] (7) The twelfth trustee shall be a retirant of the retirement system elected for a term of four years beginning the first day of January immediately following August 28, 1992, by the retirants of the retirement system.

2. If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled, except that the board of trustees may appoint a qualified person to fill the vacancy in the office of an elected member until the next regular election at which time a member shall be elected for the unexpired term. No vacancy or vacancies on the board of trustees shall impair the power of the remaining trustees to administer the retirement system pending the filling of such vacancy or vacancies.

3. In the event of a lapse of the school district's corporate organization as described in subsections 1 and 4 of section 162.081, the general administration and responsibility for the proper operation of the retirement system shall continue to be vested in a twelve-person board of trustees, all of whom shall be resident taxpayers of a city, other than a city not within a county, of four hundred thousand or more. In such event, if vacancies occur in the offices of the four trustees appointed, prior to the lapse, by the board of education, or in the offices of the four trustees elected, prior to the lapse, by the members of the retirement system, or in the office of trustee held, prior to the lapse, by the superintendent of schools in the school district, as provided in subdivisions (1), (2) and (3) of subsection 1 of this section, the board of trustees shall appoint a qualified person to fill each vacancy and subsequent vacancies in the office of trustee for terms of up to four years, as determined by the board of trustees.

4. Each trustee shall, before assuming the duties of a trustee, take the oath of office before the court of the judicial circuit or one of the courts of the judicial circuit in which the school district is located that so far as it devolves upon the trustee, such trustee shall diligently and honestly administer the affairs of the board of trustees and that the trustee will not knowingly violate or willingly permit to be violated any of the provisions of the law applicable to the retirement system. Such oath shall be subscribed to by the trustee making it and filed in the office of the clerk of the circuit court.

5. Each trustee shall be entitled to one vote in the board of trustees. Seven trustees shall constitute a quorum at any meeting of the board of trustees. At any meeting of the board of trustees

1 where a quorum is present, the vote of at least seven of the trustees in support of a motion, resolution
2 or other matter is necessary to be the decision of the board; provided, however, that in the event of a
3 lapse in the school district's corporate organization as described in subsections 1 and 4 of section
4 162.081, a majority of the trustees then in office shall constitute a quorum at any meeting of the
5 board of trustees, and the vote of a majority of the trustees then in office in support of a motion,
6 resolution or other matter shall be necessary to be the decision of the board.

7 6. The board of trustees shall have exclusive original jurisdiction in all matters relating to or
8 affecting the funds herein provided for, including, in addition to all other matters, all claims for
9 benefits or refunds, and its action, decision or determination in any matter shall be reviewable in
10 accordance with chapter 536 or chapter 621. Subject to the limitations of sections 169.270 to
11 169.400, the board of trustees shall, from time to time, establish rules and regulations for the
12 administration of funds of the retirement system, for the transaction of its business, and for the
13 limitation of the time within which claims may be filed.

14 7. The trustees shall serve without compensation. The board of trustees shall elect from its
15 membership a chairman and a vice chairman. The board of trustees shall appoint an executive
16 director who shall serve as the administrative officer of the retirement system and as secretary to the
17 board of trustees. It shall employ one or more persons, firms or corporations experienced in the
18 investment of moneys to serve as investment counsel to the board of trustees. The compensation of
19 all persons engaged by the board of trustees and all other expenses of the board necessary for the
20 operation of the retirement system shall be paid at such rates and in such amounts as the board of
21 trustees shall approve, and shall be paid from the investment income. 8. The board of trustees
22 shall keep in convenient form such data as shall be necessary for actuarial valuations of the various
23 funds of the retirement system and for checking the experience of the system.

24 9. The board of trustees shall keep a record of all its proceedings which shall be open to
25 public inspection. It shall prepare annually and furnish to the board of education and to each
26 member of the retirement system who so requests a report showing the fiscal transactions of the
27 retirement system for the preceding fiscal year, the amount of accumulated cash and securities of the
28 system, and the last balance sheet showing the financial condition of the system by means of an
29 actuarial valuation of the assets and liabilities of the retirement system.

30 10. The board of trustees shall have, in its own name, power to sue and to be sued, to enter
31 into contracts, to own property, real and personal, and to convey the same; but the members of such
32 board of trustees shall not be personally liable for obligations or liabilities of the board of trustees or
33 of the retirement system.

34 11. The board of trustees shall arrange for necessary legal advice for the operation of the
35 retirement system.

36 12. The board of trustees shall designate a medical board to be composed of three or more
37 physicians who shall not be eligible for membership in the system and who shall pass upon all
38 medical examinations required under the provisions of sections 169.270 to 169.400, shall investigate
39 all essential statements and certificates made by or on behalf of a member in connection with an
40 application for disability retirement and shall report in writing to the board of trustees its conclusions
41 and recommendations upon all matters referred to it.

42 13. The board of trustees shall designate an actuary who shall be the technical advisor of the
43 board of trustees on matters regarding the operation of the retirement system and shall perform such
44 other duties as are required in connection therewith. Such person shall be qualified as an actuary by
45 membership as a Fellow of the Society of Actuaries or by similar objective standards.

46 14. At least once in each five-year period the actuary shall make an investigation into the
47 actuarial experience of the members, retirants and beneficiaries of the retirement system and, taking
48 into account the results of such investigation, the board of trustees shall adopt for the retirement

1 system such actuarial assumptions as the board of trustees deems necessary for the financial
2 soundness of the retirement system.

3 15. On the basis of such actuarial assumptions as the board of trustees adopts, the actuary
4 shall make annual valuations of the assets and liabilities of the funds of the retirement system.

5 16. The rate of contribution payable by the employers shall equal one and ninety-nine
6 one-hundredths percent, effective July 1, 1993; three and ninety-nine one-hundredths percent,
7 effective July 1, 1995; five and ninety-nine one-hundredths percent, effective July 1, 1996; seven and
8 one-half percent effective January 1, 1999, and for subsequent calendar years through 2013. For
9 calendar year 2014 and each subsequent year, the rate of contribution payable by the employers for
10 each year shall be determined by the actuary for the retirement system in the manner provided in
11 subsection 4 of section 169.350 and shall be certified by the board of trustees to the employers at
12 least six months prior to the date such rate is to be effective.

13 17. In the event of a lapse of a school district's corporate organization as described in
14 subsections 1 and 4 of section 162.081, no retirement system, nor any of the assets of any retirement
15 system, shall be transferred to or merged with another retirement system without prior approval of
16 such transfer or merge by the board of trustees of the retirement system.

17 169.324. 1. The annual service retirement allowance payable pursuant to section 169.320
18 shall be the retirant's number of years of creditable service multiplied by a percentage of the retirant's
19 average final compensation, determined as follows:

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

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

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

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

45 (5) Notwithstanding the provisions of subdivisions (1) to (4) of this subsection, effective
46 January 1, 1996, any retirant who retired on, before or after January 1, 1996, with at least twenty
47 years of creditable service shall receive at least three hundred dollars each month as a retirement
48 allowance, or the actuarial equivalent thereof if the retirant elected any of the options available under

section 169.326. Any retirant who retired with at least ten years of creditable service shall receive at least one hundred fifty dollars each month as a retirement allowance, plus fifteen dollars for each additional full year of creditable service greater than ten years but less than twenty years (or the actuarial equivalent thereof if the retirant elected any of the options available under section 169.326). Any beneficiary of a deceased retirant who retired with at least ten years of creditable service and elected one of the options available under section 169.326 shall also be entitled to the actuarial equivalent of the minimum benefit provided by this subsection, determined from the option chosen.

2. Except as otherwise provided in sections 169.331, 169.580 and 169.585, payment of a retirant's retirement allowance will be suspended for any month for which such person receives remuneration from the person's employer or from any other employer in the retirement system established by section 169.280 for the performance of services except any such person other than a person receiving a disability retirement allowance under section 169.322 may serve as a nonregular substitute, part-time or temporary employee for not more than six hundred hours in any school year without becoming a member and without having the person's retirement allowance discontinued, provided that through such substitute, part-time, or temporary employment, the person may earn no more than fifty percent of the annual salary or wages the person was last paid by the employer before the person retired and commenced receiving a retirement allowance, adjusted for inflation. If a person exceeds such hours limit or such compensation limit, payment of the person's retirement allowance shall be suspended for the month in which such limit was exceeded and each subsequent month in the school year for which the person receives remuneration from any employer in the retirement system. In addition to the conditions set forth above, this subsection shall apply to any person retired and currently receiving a retirement allowance under sections 169.270 to 169.400, other than for disability, who is employed by a third party or is performing work as an independent contractor if such person is performing work in a district included in the retirement system as a temporary or long-term substitute teacher or in any other position that would normally require that person to be duly certificated under the laws governing the certification of teachers in Missouri if such person was employed by the district. The retirement system may require the district, the third-party employer, the independent contractor, and the retiree subject to this subsection to provide documentation showing compliance with this subsection. If such documentation is not provided, the retirement system may deem the retiree to have exceeded the limitations provided in this subsection. If a retirant is reemployed by any employer in any capacity, whether pursuant to this section, or section 169.331, 169.580, or 169.585, or as a regular employee, the amount of such person's retirement allowance attributable to service prior to the person's first retirement date shall not be changed by the reemployment. If the person again becomes an active member and earns additional creditable service, upon the person's second retirement the person's retirement allowance shall be the sum of:

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

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

1 compensation.

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

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

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

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

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

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

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

29 4. This section does not guarantee an annual increase to any retirant.

30 5. If an inactive member becomes an active member after June 30, 2001, and after a break in
31 service, unless the person earns at least four additional years of creditable service without another
32 break in service, upon retirement the person's retirement allowance shall be calculated separately for
33 each separate period of service ending in a break in service. The retirement allowance shall be the
34 sum of the separate retirement allowances computed for each such period of service using the benefit
35 formula in effect, the person's average final compensation as of the last day of such period of service
36 and the creditable service the person earned during such period of service; provided, however, if the
37 person earns at least four additional years of creditable service without another break in service, all
38 of the person's creditable service prior to and including such service shall be aggregated and, upon
39 retirement, the retirement allowance shall be computed using the benefit formula in effect and the
40 person's average final compensation as of the last day of such period of four or more years and all of
41 the creditable service the person earned prior to and during such period.

42 6. Notwithstanding anything contained in this section to the contrary, the amount of the
43 annual service retirement allowance payable to any retirant pursuant to the provisions of sections
44 169.270 to 169.400, including any adjustments made pursuant to subsection 3 of this section, shall at
45 all times comply with the provisions and limitations of Section 415 of the Internal Revenue Code of
46 1986, as amended, and the regulations thereunder, the terms of which are specifically incorporated
47 herein by reference.

48 7. All retirement systems established by the laws of the state of Missouri shall develop a

1 procurement action plan for utilization of minority and women money managers, brokers and
 2 investment counselors. Such retirement systems shall report their progress annually to the joint
 3 committee on public employee retirement and the governor's minority advocacy commission.

4 169.450. 1. The general administration and responsibility for the proper operation of the
 5 retirement system and for making effective the provisions of sections 169.410 to 169.540 are hereby
 6 vested in a board of trustees of eleven persons, as follows:

7 (1) Four trustees to be appointed for terms of four years by the board of education; provided,
 8 however, that their terms shall be fixed so the terms of one of the trustees so appointed shall expire
 9 each year. The members of such board of trustees appointed by the board of education may be
 10 members of the board of education or other individuals deemed qualified to hold such positions by
 11 the board of education;

12 (2) Four trustees to be elected for terms of four years by and from the active members of the
 13 retirement system who shall hold office as trustees only while active members; provided, however,
 14 that their terms shall be fixed so that the terms of one of the trustees so elected shall expire each year;
 15 and provided further, that [not more than] at least two of such persons shall be teachers and [two] not
 16 more than one shall be [nonteachers] a nonteacher, and beginning in 2016, one shall be a person
 17 employed as a teacher or administrator at a charter school, as "charter school" is defined in section
 18 169.270, and elected for a term of four years by the members of the retirement system. For the
 19 purposes of this subsection, a school administrator shall not be eligible for the positions established
 20 pursuant to this subdivision and shall be eligible for the position established pursuant to subdivision
 21 (4) of this subsection;

22 (3) Two trustees, who shall be retired members, to be elected for terms of four years by and
 23 from the retired members of the retirement system; provided, however, that the terms of office of the
 24 first two trustees so elected shall begin immediately upon their election and shall expire two and four
 25 years from the date of their election, respectively; and provided further, that not more than one of
 26 such persons shall be a teacher and one shall be a nonteacher;

27 (4) One member, who shall be a school administrator, to be elected for a term of four years
 28 by and from the active members of the retirement system who shall hold office as a trustee only
 29 while an active member; except that, the initial term of office of such trustee shall expire on
 30 December 31, 1999.

31 2. If a vacancy occurs in the office of trustee, the vacancy shall be filled for the unexpired
 32 term in the same manner as the office was previously filled. No vacancy or vacancies on the board
 33 of trustees shall impair the power of the remaining trustees to administer the retirement system
 34 pending the filling of such vacancies.

35 3. In the event of a lapse of a school district's corporate organization as described in
 36 subsections 1 and 4 of section 162.081, or for any other reason, the general administration and the
 37 responsibility for the proper operation of the retirement system shall continue to be fully vested in
 38 the trustees then currently serving and such trustees shall continue to serve and be elected in the same
 39 manner as set forth in this statute as if no lapse had occurred, except that in the event of vacancies
 40 occurring in the office of trustees appointed by the board of education prior to the lapse, the board of
 41 trustees shall appoint a qualified person or persons to fill such vacancy or vacancies for terms of up
 42 to four years.

43 4. Trustees shall serve without compensation, and any trustee shall be reimbursed from the
 44 expense fund for all necessary expenses which the trustee may incur through service on the board of
 45 trustees.

46 5. Each trustee shall, within ten days after such trustee's appointment or election, take an
 47 oath of office before the clerk of the circuit court of the judicial circuit in which the school district is
 48 located that, so far as it devolves upon the trustee, the trustee will diligently and honestly administer

1 the affairs of the board of trustees and that the trustee will not knowingly violate or willingly permit
2 to be violated any of the provisions of the law applicable to the retirement system. Such oath shall
3 be subscribed to by the trustee making it and filed in the office of the clerk of the circuit court.

4 6. The circuit court of the judicial circuit in which the school district is located shall have
5 jurisdiction over the members of the board of trustees to require them to account for their official
6 conduct in the management and disposition of the funds and property committed to their charge; to
7 order, decree and compel payment by them to the public school retirement system of their school
8 district of all sums of money, and of the value of all property which may have been improperly
9 retained by them, or transferred to others, or which may have been lost or wasted by any violation of
10 their duties or abuse of their powers as such members of such board; to remove any such member
11 upon proof that the trustee has abused the trustee's trust or has violated the duties of the trustee's
12 office; to restrain and prevent any alienation or disposition of property of such public school
13 retirement system by the members, in cases where it may be threatened, or there is good reason to
14 apprehend that it is intended to be made in fraud of the rights and interests of such public school
15 retirement system. The jurisdiction conferred by sections 169.410 to 169.540 shall be exercised as in
16 ordinary cases upon petition, filed by the board of education of such school district, or by any two
17 members of the board of trustees. Such petition shall be heard in a summary manner after ten days'
18 notice in writing to the member complained of, and an appeal shall lie from the judgment of the
19 circuit court as in other causes and be speedily determined, but such appeal shall not operate under
20 any condition as a supersedeas of a judgment of removal from office.

21 7. Each trustee shall be entitled to one vote in the board of trustees. Six votes shall be
22 necessary for a decision by the trustees at any meeting of the board of trustees.

23 8. Subject to the limitations of sections 169.410 to 169.540, the board of trustees shall, from
24 time to time, establish rules and regulations for the administration of the retirement system, for
25 eligibility for and determination of benefits under the retirement system, for the investment of
26 retirement system assets, and for the transaction of the retirement system's business.

27 9. The board of trustees shall elect from its membership a chairman and shall, by majority
28 vote of its members, appoint a secretary, who may be, but need not be, one of its members. It shall
29 engage such actuarial and other services as shall be required to transact the business of the retirement
30 system. It shall also engage an investment counselor who shall be experienced in the investment of
31 moneys to advise the trustees on investments of the retirement system. The compensation of all
32 persons engaged by the board of trustees and all other expenses of the board necessary for the
33 operation of the retirement system shall be paid at such rates and in such amounts as the board of
34 trustees shall approve.

35 10. The board of trustees shall keep in convenient form such data as shall be necessary for
36 actuarial valuations of the assets of the retirement system and for checking the experience of the
37 system.

38 11. The board of trustees shall keep a record of all its proceedings which shall be open to
39 public inspection. It shall prepare annually and send to the board of education and to each member
40 of the retirement system a report showing the fiscal transactions of the retirement system for the
41 preceding fiscal year, a detailed listing of all salaries and expenditures incurred by the trustees for its
42 operation, the amount of the accumulated cash and securities of the system, and the last balance sheet
43 showing the financial condition of the system by means of an actuarial valuation of the assets and
44 liabilities of the retirement system. The board of trustees shall also prepare or cause to be prepared
45 an annual report concerning the operation of the retirement system herein provided for, which report
46 shall be sent by the chairman of the board of trustees to the board of education.

47 12. The board of trustees shall arrange for necessary legal advice for the operation of the
48 retirement system.

13. The board of trustees shall designate a medical board to be composed of three physicians, none of whom shall be eligible for benefits pursuant to sections 169.410 to 169.540, who shall arrange for and pass upon all medical examinations required pursuant to the provisions of sections 169.410 to 169.540, shall investigate all essential statements and certificates made by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the board of trustees its conclusions and recommendations upon all matters referred to it.

14. The actuary shall be the technical adviser of the board of trustees on matters regarding the operation of the system created by sections 169.410 to 169.540 and shall perform such other duties as are required in connection therewith. Such person shall be qualified as an actuary by membership as a fellow in the Society of Actuaries or by objective standards which are no less stringent than those established by the Society of Actuaries.

15. At least once in each five-year period the actuary shall make an investigation into the actuarial experience of the retirement system, and taking into account the results of such investigation of the experience, the board of trustees shall adopt for the retirement system such actuarial assumptions as shall be deemed necessary.

16. On the basis of such actuarial assumptions as the board of trustees shall adopt, the actuary shall make an annual valuation of the assets and liabilities of the funds of the retirement system.

17. On the basis of the valuation the board of trustees shall certify the rates of contribution payable by the board of education.

169.560. Any person retired and currently receiving a retirement allowance pursuant to sections 169.010 to 169.141, other than for disability, may be employed in any capacity in a district included in the retirement system created by those sections on either a part-time or temporary-substitute basis not to exceed a total of five hundred fifty hours in any one school year, and through such employment may earn up to fifty percent of the annual compensation payable under the [employing] district's salary schedule for the position or positions filled by the retiree, given such person's level of experience and education, without a discontinuance of the person's retirement allowance. If the [employing] school district does not utilize a salary schedule, or if the position in question is not subject to the [employing] district's salary schedule, a retiree employed in accordance with the provisions of this section may earn up to fifty percent of the annual compensation paid to the person or persons who last held such position or positions. If the position or positions did not previously exist, the compensation limit shall be determined in accordance with rules duly adopted by the board of trustees of the retirement system; provided that, it shall not exceed fifty percent of the annual compensation payable for the position in the [employing] school district that is most comparable to the position filled by the retiree. In any case where a retiree fills more than one position during the school year, the fifty-percent limit on permitted earning shall be based solely on the annual compensation of the highest paid position occupied by the retiree for at least one-fifth of the total hours worked during the year. Such a person shall not contribute to the retirement system or to the public education employee retirement system established by sections 169.600 to 169.715 because of earnings during such period of employment. If such a person is employed in any capacity by such a district [on a regular, full-time basis,] in excess of the limitations set forth in this section, the person shall not be eligible to receive the person's retirement allowance for any month during which the person is so employed. In addition, such person [and] shall contribute to the retirement system, if the person satisfies the retirement system's membership eligibility requirements. In addition to the conditions set forth above, this section shall apply to any person retired and currently receiving a retirement allowance under sections 169.010 to 169.141, other than for disability, who is employed by a third party or is performing work as an independent contractor if such person is performing work in a district included in the retirement system as a

temporary or long-term substitute teacher or in any other position that would normally require that person to be duly certificated under the laws governing the certification of teachers in Missouri if such person was employed by the district. The retirement system may require the district, the third-party employer, the independent contractor, and the retiree subject to this section to provide documentation showing compliance with this section. If such documentation is not provided, the retirement system may deem the retiree to have exceeded the limitations provided in this section.

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

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

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

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

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

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

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

(3) The person would have received a reduced retirement allowance under subsection 4 of section 169.670.

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

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