

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND House Committee Substitute for Senate Bill No. 283, Page 1, Section A, Line 4, by  
2 inserting immediately after said section and line the following:

3  
4 "50.1175. The right of a person to an annuity, pension benefit, funds, retirement allowance,  
5 right to a return on accumulated contributions, allowance options, property, or right created by or  
6 accrued, accruing or paid to any person pursuant to sections 50.1000 to 50.1300, including any  
7 defined contribution account created pursuant to sections 50.1210 to 50.1260 and any deferred  
8 compensation plan created pursuant to section 50.1300 shall not be subject to execution,  
9 garnishment, attachment, writ of sequestration, the operation of bankruptcy or insolvency laws [, a  
10 qualified domestic relations order as defined in 26 U.S.C. Section 414(p) or 29 U.S.C. Section  
11 1056(d), or any other domestic relations order] or to any other claim or process of law whatsoever  
12 except for the collection of child support and maintenance after a member begins receiving  
13 payments, and shall be unassignable except as specifically provided in sections 50.1000 to 50.1300.

14 70.600. The following words and phrases as used in sections 70.600 to 70.755, unless a  
15 different meaning is plainly required by the context, shall mean:

16 (1) "Accumulated contributions", the total of all amounts deducted from the compensations  
17 of a member and standing to the member's credit in his or her individual account in the members  
18 deposit fund, together with investment credits thereon;

19 (2) "Actuarial equivalent", a benefit of equal reserve value;

20 (3) "Allowance", the total of the annuity and the pension. All allowances shall be paid not  
21 later than the tenth day of each calendar month;

22 (4) "Annuity", a monthly amount derived from the accumulated contributions of a member  
23 and payable by the system throughout the life of a person or for a temporary period;

24 (5) "Beneficiary", any person who is receiving or designated to receive a system benefit,  
25 except a retiree;

26 (6) "Benefit program", a schedule of benefits or benefit formulas from which the amounts of  
27 system benefits can be determined;

28 (7) "Board of trustees" or "board", the board of trustees of the system;

29 (8) "Compensation", the remuneration paid an employee by a political subdivision or by an  
30 elected fee official of the political subdivision for personal services rendered by the employee for the  
31 political subdivision or for the elected fee official in the employee's public capacity; provided, that  
32 for an elected fee official, "compensation" means that portion of his or her fees which is net after  
33 deduction of (a) compensation paid by such elected fee official to his or her office employees, if any,  
34 and (b) the ordinary and necessary expenses paid by such elected fee official and attributable to the  
35 operation of his or her office. In cases where an employee's compensation is not all paid in money,  
36 the political subdivision shall fix the reasonable value of the employee's compensation not paid in

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1 money. In determining compensation no consideration shall be given to:

2 (a) Any nonrecurring single sum payment paid by an employer;  
 3 (b) Employer contributions to any employee benefit plan or trust;  
 4 (c) Any other unusual or nonrecurring remuneration; or  
 5 (d) Compensation in excess of the limitations set forth in Internal Revenue Code Section  
 6 401(a)(17). The limitation on compensation for eligible employees shall not be less than the amount  
 7 which was allowed to be taken into account under the system as in effect on July 1, 1993. For  
 8 purposes of this paragraph, an "eligible employee" is an individual who was a member of the system  
 9 before the first plan year beginning after December 31, 1995;

10 (9) "Credited service", the total of a member's prior service and membership service, to the  
 11 extent such service is standing to the member's credit as provided in sections 70.600 to 70.755;

12 (10) "Employee", any person regularly employed by a political subdivision who receives  
 13 compensation from the political subdivision for personal services rendered the political subdivision,  
 14 including any elected official of the political subdivision whose position requires his or her regular  
 15 personal services and who is compensated wholly or in part on a fee basis, and including the  
 16 employees of such elected fee officials who may be compensated by such elected fee officials. The  
 17 term "employee" may include any elected county official. The term "employee" shall not include  
 18 any person:

19 (a) Who is not an elected official of the political subdivision and who is included as an active  
 20 member in any other plan similar in purpose to this system by reason of his or her employment with  
 21 his or her political subdivision, except the federal Social Security Old Age, Survivors, and Disability  
 22 Insurance Program, as amended; or

23 (b) Who acts for the political subdivision under contract; or

24 (c) Who is paid wholly on a fee basis, except elected officials and their employees; or

25 (d) Who holds the position of mayor, presiding judge, president or chairman of the political  
 26 subdivision or is a member of the governing body of the political subdivision; except that, such an  
 27 official of a political subdivision having ten or more other employees may become a member if the  
 28 official is covered under the federal Social Security Old Age, Survivors, and Disability Insurance  
 29 Program, as amended, by reason of such official's employment with his or her political subdivision,  
 30 by filing written application for membership with the board after the date the official qualifies for  
 31 such position or within thirty days after the date his or her political subdivision becomes an  
 32 employer, whichever date is later;

33 (11) "Employer", any political subdivision which has elected to have all its eligible  
 34 employees covered by the system;

35 (12) "Final average salary", the monthly average of the compensations paid an employee  
 36 during the period of sixty or, if an election has been made in accordance with section 70.656,  
 37 thirty-six consecutive months of credited service producing the highest monthly average, which  
 38 period is contained within the period of one hundred twenty consecutive months of credited service  
 39 immediately preceding his or her termination of membership. Should a member have less than sixty  
 40 or, if an election has been made in accordance with section 70.656, thirty-six months of credited  
 41 service, "final average salary" means the monthly average of compensation paid the member during  
 42 his or her total months of credited service;

43 (13) "Fireman", any regular or permanent employee of the fire department of a political  
 44 subdivision, including a probationary fireman. The term "fireman" shall not include:

45 (a) Any volunteer fireman; or

46 (b) Any civilian employee of a fire department, except as provided in section 70.631; or

47 (c) Any person temporarily employed as a fireman for an emergency;

48 (14) "Member", any employee included in the membership of the system;

(15) "Membership service", employment as an employee with the political subdivision from and after the date such political subdivision becomes an employer, which employment is creditable as service hereunder;

(16) "Minimum service retirement age", age sixty for a member who is neither a policeman nor a fireman; "minimum service retirement age", age fifty-five for a member who is a policeman or a fireman;

(17) "Pension", a monthly amount derived from contributions of an employer and payable by the system throughout the life of a person or for a temporary period;

(18) "Policeman", any regular or permanent employee of the police department of a political subdivision, including a probationary policeman. The term "policeman" shall not include:

(a) Any civilian employee of a police department, except as provided in section 70.631; or

(b) Any person temporarily employed as a policeman for an emergency;

(19) "Political subdivision", any governmental subdivision of this state created pursuant to the laws of this state, and having the power to tax, except public school districts; a board of utilities or a board of public works which is required by charter or ordinance to establish the compensation of employees of the utility separate from the compensation of other employees of the city may be considered a political subdivision for purposes of sections 70.600 to 70.755; a joint municipal utility commission may be considered a political subdivision for purposes of sections 70.600 to 70.755;

(20) "Prior service", employment as an employee with the political subdivision prior to the date such political subdivision becomes an employer, which employment is creditable as service hereunder;

(21) "Regular interest" or "investment credits", such reasonable rate or rates per annum, compounded annually, as the board shall adopt annually;

(22) "Reserve", the present value of all payments to be made on account of any system benefit based upon such tables of experience and regular interest as the board shall adopt from time to time;

(23) "Retirant", a former member receiving a system allowance by reason of having been a member;

(24) "Retirement system" or "system", the Missouri local government employees' retirement system.

Further amend said bill, Page 2, Section 70.621, Line 24, by inserting immediately after said section and line the following:

"70.631. 1. Each political subdivision may, by majority vote of its governing body, elect to cover emergency police dispatchers and jailers as policemen members of the system and emergency fire dispatchers and emergency medical service personnel as firemen members of the system. The clerk or secretary of the political subdivision shall certify an election concerning the coverage of emergency police dispatchers and jailers as policemen members of the system and emergency fire dispatchers and emergency medical service personnel as firemen members of the system to the board within ten days after such vote. The date on which the political subdivision's election becomes effective shall be the first day of the calendar month specified by such governing body, the first day of the calendar month next following receipt by the board of the certification of the election, or the effective date of the political subdivision's becoming an employer, whichever is the latest date. Such election shall not be changed after the effective date. If the election is made, the coverage provisions shall be applicable to the past and future employment with the employer by present and future employees.

2. If an employer elects to cover emergency police dispatchers and jailers as policemen

1 members of the system and emergency fire dispatchers and emergency medical service personnel as  
 2 firemen members of the system, the employer contributions shall be correspondingly changed  
 3 effective the same date as the effective date of the political subdivision's election.

4 3. The limitation on increases in an employer's contributions provided by subsection 6 of  
 5 section 70.730 shall not apply to any contribution increase resulting from an employer making an  
 6 election under the provisions of this section."; and

7  
 8 Further amend said bill, Page 5, Section 86.200, Line 114, by inserting immediately after said  
 9 section and line the following:

10  
 11 "86.207. 1. Except as provided herein, all persons who become policemen and all policemen  
 12 who enter or reenter the service of [the] any city not within a county after the first day of October,  
 13 1957, become members as a condition of their employment and shall receive no pensions or  
 14 retirement allowance from any other pension or retirement system supported wholly or in part by the  
 15 city not within a county or the state of Missouri, nor shall they be required to make contributions  
 16 under any other pension or retirement system of the city not within a county or the state of Missouri  
 17 for the same period of service, anything to the contrary notwithstanding. Any employee of a city not  
 18 within a county who is earning creditable service in a retirement plan established by said city under  
 19 section 95.540 and subsequently becomes a policeman may elect to remain a member of said  
 20 retirement plan and shall not be required to become a member of a police retirement system  
 21 established under section 86.200. However, an employee of a city not within a county who is  
 22 earning creditable service in a retirement plan established by said city under section 95.540 and who  
 23 subsequently becomes a policeman may elect to transfer membership and creditable service to the  
 24 police retirement system created under section 86.200. Such transfers are subject to the conditions  
 25 and requirements contained in section 105.691 and are also subject to any existing agreements  
 26 between the said retirement plans, provided however, transfers completed prior to January 1, 2016  
 27 shall occur without regard to the vesting requirements of the receiving plan, contained in section  
 28 105.691. As part of the transfer process described herein, the respective retirement plans may  
 29 require the employee to acknowledge and agree as a condition of transfer that any election made  
 30 under this section is irrevocable, constitutes a waiver of any right to receive retirement and disability  
 31 benefits except as provided by the police retirement system, and that plan terms may be modified in  
 32 the future.

33 2. If any member ceases to be in service for more than one year unless the member has  
 34 attained the age of fifty-five or has twenty years or more of creditable service, or if the member  
 35 withdraws the member's accumulated contributions or if the member receives benefits under the  
 36 retirement system or dies, the member thereupon ceases to be a member; except in the case of a  
 37 member who has served in the Armed Forces of the United States and has subsequently been  
 38 reinstated as a policeman. A member who has terminated employment as a police officer, has  
 39 actually retired and is receiving retirement benefits under the system shall be considered a retired  
 40 member.

41 3. A reserve officer shall not be considered a member of the system for the purpose of  
 42 determining creditable service, nor shall any contributions be due. A reserve officer shall not be  
 43 entitled to any benefits from the system other than those awarded when the reserve officer originally  
 44 retired under section 86.250, nor shall service as a reserve officer prohibit distribution of those  
 45 benefits."; and

46  
 47 Further amend said bill, Page 13, Section 86.320, Line 22, by inserting immediately after said  
 48 section and line the following:

1  
2 "86.1110. 1. Whenever a member is given a leave of absence for military service and returns  
3 to employment after discharge from the service, such member shall be entitled to creditable service  
4 for the years of employment prior to the leave of absence.

5 2. Except as provided in subsection 3 of this section, a member who served on active duty in  
6 the Armed Forces of the United States and who became a member, or returned to membership, after  
7 discharge under honorable conditions, may elect prior to retirement to purchase creditable service  
8 equivalent to such service in the Armed Forces, not to exceed two years, provided the member is not  
9 receiving and is not eligible to receive retirement credits or benefits from any other public or private  
10 retirement plan for the service to be purchased, other than a United States military service retirement  
11 system or United States Social Security benefits attributable to such military service, and an affidavit  
12 so stating is filed by the member with the retirement system. A member electing to make such  
13 purchase shall pay to the retirement system an amount equal to the actuarial cost of the additional  
14 benefits attributable to the additional service credit to be purchased, as of the date the member elects  
15 to make such purchase. Payment in full of the amount due from a member electing to purchase  
16 creditable service under this subsection shall be made over a period not to exceed five years,  
17 measured from the date of election, or prior to the commencement date for payment of benefits to  
18 the member from the retirement system, whichever is earlier, including interest on unpaid balances  
19 compounded annually at the interest rate assumed from time to time for actuarial valuations of the  
20 retirement system. If payment in full including interest is not made within the prescribed period, any  
21 partial payments made by the member shall be refunded, and no creditable service attributable to  
22 such election, or as a result of any such partial payments, shall be allowed; provided that if a benefit  
23 commencement date occurs because of the death or disability of a member who has made an election  
24 under this subsection and if the member is current in payments under an approved installment plan at  
25 the time of the death or disability, such election shall be valid if the member, the surviving spouse, or  
26 other person entitled to benefit payments pays the entire balance of the remaining amount due,  
27 including interest to the date of such payment, within sixty days after the member's death or  
28 disability. The time of a disability shall be deemed to be the time when such member is retired by  
29 the board of police commissioners for reason of disability as provided in sections 86.900 to 86.1280.

30 3. Notwithstanding any other provision of sections 86.900 to 86.1280, on or after August 28,  
31 2015, a member who [is on leave of absence for military service during any portion of which leave  
32 the United States is in a state of declared war, or a compulsory draft is in effect for any of the  
33 military branches of the United States, or any units of the military reserves of the United States,  
34 including the National Guard, are mobilized for combat military operations,] returns to service from  
35 a leave of absence for active duty military service and who becomes entitled to reemployment rights  
36 and other employment benefits under Title 38, Chapter 43 of the U.S. Code, relating to employment  
37 and reemployment rights of members of the uniformed services by meeting the requirements for  
38 such rights and benefits under Section 4312 of said chapter, or the corresponding provisions of any  
39 subsequent applicable federal statute, shall be entitled to service credit for the time spent in such  
40 military service for all purposes of sections 86.900 to 86.1280 [and such member shall not be  
41 required to pay any member contributions for such time. If it becomes necessary for the years of  
42 such service to be included in the calculation of such member's compensation for any purpose, such  
43 member shall be deemed to have received the same compensation throughout such period of service  
44 as the member's base annual salary immediately prior to the commencement of such leave of  
45 absence; provided, however, that the foregoing provisions of this subsection shall apply only to such  
46 portion of such leave with respect to which the cumulative length of the absence and of all previous  
47 absences from a position of employment with the employer by reason of service in the uniformed  
48 services does not exceed five years except for such period of any such excess as meets the

requirements for exceptions to such five-year limitation set forth in the aforesaid Section 4312] only to the extent such member pays any required member contributions for such time. The amount of required member contributions shall be calculated on the base compensation the member would have received during such leave period. The total amount of service credit that will be granted at the member contribution rate is limited to a maximum of five years. The retirement board may waive the required contributions for military leave of absence, not to exceed three years of creditable service, if the member provides duty orders under Title 10 or Title 32 U.S.C. and discharge from active duty documentation in the form of a DD214 or NGB23.

86.1270. 1. A retirement plan under sections 86.900 to 86.1280 is a qualified plan under the provisions of applicable federal law. The benefits and conditions of a retirement plan under sections 86.900 to 86.1280 shall always be adjusted to ensure that the tax-exempt status is maintained.

2. The retirement board shall administer the retirement system in a manner as to retain at all times qualified status under Section 401(a) of the Internal Revenue Code.

3. The retirement board shall hold in trust the assets of the retirement system for the exclusive benefit of the members and their beneficiaries and for defraying reasonable administrative expenses of the system. No part of such assets shall, at any time prior to the satisfaction of all liabilities with respect to members and their beneficiaries, be used for or diverted to any purpose other than such exclusive benefit or to any purpose inconsistent with sections 86.900 to 86.1280.

4. A member's benefit shall be one hundred percent vested and nonforfeitable upon the member's attainment of normal retirement age, which shall be the earlier of:

(1) Completion of twenty-five years of service for Tier I members and twenty-seven years of service for Tier II members;

(2) Age sixty for any Tier I member who has completed at least ten years of creditable service or age sixty for any Tier II member who has completed at least fifteen years of creditable service;

(3) Age seventy without regard to years of service; or

(4) To the extent funded, upon the termination of the system established under sections 86.900 to 86.1280 or any partial termination which affects the members or any complete discontinuance of contributions by the city to the system. Amounts representing forfeited nonvested benefits of terminated members shall not be used to increase benefits payable from the system but may be used to reduce contributions for future plan years.

5. Distribution of benefits shall begin not later than April first of the year following the later of the calendar year during which the member becomes seventy and one-half years of age or the calendar year in which the member retires, and shall otherwise conform to Section 401(a)(9) of the Internal Revenue Code.

6. A member or beneficiary of a member shall not accrue a service retirement annuity, disability retirement annuity, death benefit, whether death occurs in the line of duty or otherwise, or any other benefit under sections 86.900 to 86.1280 in excess of the benefit limits applicable to the fund under Section 415 of the Internal Revenue Code. The retirement board shall reduce the amount of any benefit that exceeds those limits by the amount of the excess. If the total benefits under the retirement system and the benefits and contributions to which any member is entitled under any other qualified plan or plans maintained by the board of police commissioners that employs the member would otherwise exceed the applicable limits under Section 415 of the Internal Revenue Code, the benefits the member would otherwise receive from the retirement system shall be reduced to the extent necessary to enable the benefits to comply with Section 415 of the Internal Revenue Code.

7. The total salary taken into account for any purpose for any member of the retirement system shall not exceed two hundred thousand dollars per year, subject to periodic adjustments in

1 accordance with guidelines provided by the United States Secretary of the Treasury, and shall not  
 2 exceed such other limits as may be applicable at any given time under Section 401(a)(17) of the  
 3 Internal Revenue Code.

4 8. If the amount of any benefit is to be determined on the basis of actuarial assumptions that  
 5 are not otherwise specifically set forth for that purpose in sections 86.900 to 86.1280, the actuarial  
 6 assumptions to be used are those earnings and mortality assumptions being used on the date of the  
 7 determination by the retirement system's actuary and approved by the retirement board. The  
 8 actuarial assumptions being used at any particular time shall be attached as an addendum to a copy of  
 9 the retirement system's statute that is maintained by the retirement board and shall be treated for all  
 10 purposes as a part of sections 86.900 to 86.1280. The actuarial assumptions may be changed by the  
 11 retirement system's actuary annually if approved by the retirement board, but a change in actuarial  
 12 assumptions shall not result in any decrease in benefits accrued as of the effective date of the change.

13 9. Any member or beneficiary who is entitled to receive any distribution that is an eligible  
 14 rollover distribution, as defined by Section 402(c)(4) of the Internal Revenue Code, is entitled to  
 15 have that distribution transferred directly to another eligible retirement plan of the member's or  
 16 beneficiary's choice upon providing direction to the secretary of this retirement system regarding the  
 17 transfer in accordance with procedures established by the retirement board. Effective for  
 18 distributions made on or after January 1, 2010, a nonspouse beneficiary may elect to directly rollover  
 19 an eligible rollover distribution to an individual retirement account under Section 408(a) of the  
 20 Internal Revenue Code of 1986, as amended; to an individual retirement annuity under Section  
 21 408(b) of the Internal Revenue Code of 1986, as amended; or if the participant satisfies the  
 22 requirements for making a Roth contribution under Section 408(A)(c)(3)(B) of the Internal Revenue  
 23 Code of 1986, as amended, to a Roth individual retirement account.

24 10. For all distributions made after December 31, 2001:

25 (1) For the purposes of subsection 9 of this section, an eligible retirement plan shall also  
 26 mean an annuity contract described in Section 403(b) of the Internal Revenue Code and an eligible  
 27 plan under Section 457(b) of the Internal Revenue Code which is maintained by the state, political  
 28 subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state  
 29 and which agrees to separately account for amounts transferred into such plan from the retirement  
 30 system. The definition of eligible retirement plan shall also apply in the case of a distribution to a  
 31 surviving spouse or to a spouse or former spouse who is the alternate payee under a qualified  
 32 domestic relations order, as defined in Section 414(p) of the Internal Revenue Code; and

33 (2) For purposes of subsection 9 of this section, a portion of a distribution shall not fail to be  
 34 an eligible rollover distribution merely because the portion consists of after-tax employee  
 35 contributions which are not includable in gross income. However, such portion may be paid only to  
 36 an individual retirement account or annuity described in Section 408(a) or 408(b) of the Internal  
 37 Revenue Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of  
 38 the Internal Revenue Code that agrees to separately account for amounts so transferred, including  
 39 separately accounting for the portion of such distribution that is includable in gross income and the  
 40 portion of such distribution that is not so includable.

41 86.1500. 1. Whenever a member is given a leave of absence for military service and returns  
 42 to employment after discharge from the service, such member shall be entitled to creditable service  
 43 for the years of employment prior to the leave of absence.

44 2. Except as provided in subsection 3 of this section, a member who served on active duty in  
 45 the Armed Forces of the United States and who became a member, or returned to membership, after  
 46 discharge under honorable conditions, may elect prior to retirement to purchase creditable service  
 47 equivalent to such service in the Armed Forces, not to exceed two years, provided the member is not  
 48 receiving and is not eligible to receive retirement credits or benefits from any other public or private

retirement plan for the service to be purchased, other than a United States military service retirement system or United States Social Security benefits attributable to such military service, and an affidavit so stating is filed by the member with the retirement system. A member electing to make such purchase shall pay to the retirement system an amount equal to the actuarial cost of the additional benefits attributable to the additional service credit to be purchased, as of the date the member elects to make such purchase. Payment in full of the amount due from a member electing to purchase creditable service under this subsection shall be made over a period not to exceed five years, measured from the date of election, or prior to the commencement date for payment of benefits to the member from the retirement system, whichever is earlier, including interest on unpaid balances compounded annually at the interest rate assumed from time to time for actuarial valuations of the retirement system. If payment in full including interest is not made within the prescribed period, any partial payments made by the member shall be refunded, and no creditable service attributable to such election, or as a result of any such partial payments, shall be allowed; provided that if a benefit commencement date occurs because of the death or disability of a member who has made an election under this subsection and if the member is current in payments under an approved installment plan at the time of the death or disability, such election shall be valid if the member, the surviving spouse or other person entitled to benefit payments pays the entire balance of the remaining amount due, including interest to the date of such payment, within sixty days after the member's death or disability. The time of a disability shall be deemed to be the time when such member is determined by the retirement board to be totally and permanently disabled as provided in section 86.1560.

3. Notwithstanding any other provision of sections 86.1310 to 86.1640, on or after August 28, 2015, a member who [is on leave of absence for military service during any portion of which leave the United States is in a state of declared war, or a compulsory draft is in effect for any of the military branches of the United States, or any units of the military reserves of the United States, including the National Guard, are mobilized for combat military operations,] returns to service from a leave of absence for active duty military service and who becomes entitled to reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code, relating to employment and reemployment rights of members of the uniformed services by meeting the requirements for such rights and benefits under Section 4312 of said chapter, or the corresponding provisions of any subsequent applicable federal statute, shall be entitled to service credit for the time spent in such military service for all purposes of sections 86.1310 to 86.1640 [and such member shall not be required to pay any member contributions for such time. If it becomes necessary for the years of such service to be included in the calculation of such member's compensation for any purpose, such member shall be deemed to have received the same compensation throughout such period of service as the member's base annual salary immediately prior to the commencement of such leave of absence; provided, however, that the foregoing provisions of this subsection shall apply only to such portion of such leave with respect to which the cumulative length of the absence and of all previous absences from a position of employment with the employer by reason of service in the uniformed services does not exceed five years except for such period of any such excess as meets the requirements for exceptions to such five-year limitation set forth in the aforesaid Section 4312] only to the extent such member pays any required member contributions for such time. The amount of required member contributions shall be calculated on the base compensation the member would have received during such leave period. The total amount of service credit that will be granted at the member contribution rate is limited to a maximum of five years. The retirement board may waive the required contributions for military leave of absence, not to exceed three years of creditable service, if the member provides duty orders under Title 10 or Title 32 U.S.C. and discharge from active duty documentation in the form of a DD214 or NGB23.

86.1630. 1. A retirement plan under sections 86.1310 to 86.1640 is a qualified plan under



1 the provisions of applicable federal law. The benefits and conditions of a retirement plan under  
2 sections 86.1310 to 86.1640 shall always be adjusted to ensure that the tax-exempt status is  
3 maintained.

4 2. The retirement board shall administer this retirement system in such manner as to retain at  
5 all times qualified status under Section 401(a) of the Internal Revenue Code.

6 3. The retirement board shall hold in trust the assets of the retirement system for the  
7 exclusive benefit of the members and their beneficiaries and for defraying reasonable administrative  
8 expenses of the system. No part of such assets shall, at any time prior to the satisfaction of all  
9 liabilities with respect to members and their beneficiaries, be used for or diverted to any purpose  
10 other than such exclusive benefit or to any purpose inconsistent with sections 86.1310 to 86.1640.

11 4. A member's benefit shall be one hundred percent vested and nonforfeitable upon the  
12 member's attainment of normal retirement age, which shall be the earlier of:

13 (1) The attaining of the age of sixty-five or the member's tenth anniversary of employment,  
14 whichever is later for any Tier I member, or the attaining of the age of sixty-seven or the member's  
15 twentieth anniversary of employment, whichever is later for any Tier II member;

16 (2) For any Tier I member when the total sum of age and years of creditable service equals  
17 or exceeds eighty, or for any Tier II member when the total sum of age and years of creditable  
18 service equals or exceeds eighty-five; or

19 (3) To the extent funded, upon the termination of the system established under sections  
20 86.1310 to 86.1640 or any partial termination which affects the member or any complete  
21 discontinuance of contributions by the city to the system. Amounts representing forfeited nonvested  
22 benefits of terminated members shall not be used to increase benefits payable from the system but  
23 may be used to reduce contributions for future plan years.

24 5. Distribution of benefits shall begin not later than April first of the year following the later  
25 of the calendar year during which the member becomes seventy and one-half years of age or the  
26 calendar year in which the member retires, and shall otherwise conform to Section 401(a)(9) of the  
27 Internal Revenue Code.

28 6. A member or beneficiary of a member shall not accrue a service retirement annuity,  
29 disability retirement annuity, death benefit, whether death occurs in the line of duty or otherwise, or  
30 any other benefit under sections 86.1310 to 86.1640 in excess of the benefit limits applicable to the  
31 fund under Section 415 of the Internal Revenue Code. The retirement board shall reduce the amount  
32 of any benefit that exceeds the limits of this section by the amount of the excess. If the total benefits  
33 under the retirement system and the benefits and contributions to which any member is entitled  
34 under any other qualified plan or plans maintained by the board of police commissioners that  
35 employs the member would otherwise exceed the applicable limits under Section 415 of the Internal  
36 Revenue Code, the benefits the member would otherwise receive from the retirement system are  
37 reduced to the extent necessary to enable the benefits to comply with Section 415 of the Internal  
38 Revenue Code.

39 7. The total salary taken into account for any purpose for any member of the retirement  
40 system shall not exceed two hundred thousand dollars per year, subject to periodic adjustments in  
41 accordance with guidelines provided by the United States Secretary of the Treasury and may not  
42 exceed such other limits as may be applicable at any given time under Section 401(a)(17) of the  
43 Internal Revenue Code.

44 8. If the amount of any benefit is determined on the basis of actuarial assumptions that are  
45 not specifically set forth for that purpose in sections 86.1310 to 86.1640, the actuarial assumptions to  
46 be used are those earnings and mortality assumptions used on the date of the determination by the  
47 retirement system's actuary and approved by the retirement board. The actuarial assumptions used at  
48 any particular time shall be attached as an addendum to a copy of the retirement system's statute

maintained by the retirement board and shall be treated for all purposes as part of sections 86.1310 to 86.1640. The actuarial assumptions may be changed by the retirement system's actuary annually if approved by the retirement board, but a change in actuarial assumptions shall not result in any decrease in benefits accrued as of the effective date of the change.

9. Any member or beneficiary who is entitled to receive any distribution that is an eligible rollover distribution, as defined by Section 402(c)(4) of the Internal Revenue Code, is entitled to have that distribution transferred directly to another eligible retirement plan of the member's or beneficiary's choice upon providing direction to the secretary of the retirement system regarding the transfer in accordance with procedures established by the retirement board. Effective for distributions made on or after January 1, 2010, a nonspouse beneficiary may elect to directly rollover an eligible rollover distribution to an individual retirement account under Section 408(a) of the Internal Revenue Code of 1986, as amended; to an individual retirement annuity under Section 408(b) of the Internal Revenue Code of 1986, as amended; or if the participant satisfies the requirements for making a Roth contribution under Section 408(A)(c)(3)(B) of the Internal Revenue Code of 1986, as amended, to a Roth individual retirement account.

10. For all distributions made after December 31, 2001:

(1) For the purposes of subsection 9 of this section, an eligible retirement plan shall also mean an annuity described in Section 403(b) of the Internal Revenue Code and an eligible plan under Section 457(b) of the Internal Revenue Code that is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from the retirement system. The definition for eligible retirement plan shall also apply in the case of a distribution to a surviving spouse or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Internal Revenue Code; and

(2) For the purposes of subsection 9 of this section, a portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includable in gross income. However, such portion may be paid only to an individual retirement account or annuity described in Section 408(a) or 408(b) of the Internal Revenue Code, or to a qualified defined contribution plan described in Section 401(a) or 403(a) of the Internal Revenue Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution that is includable in gross income and the portion of such distribution that is not so includable.

94.579. 1. The governing body of any home rule city with more than one hundred fifty-one thousand five hundred but fewer than one hundred fifty-one thousand six hundred inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on all retail sales made within the city which are subject to sales tax under chapter 144. The tax authorized in this section shall not exceed one percent, and shall be imposed solely for the purpose of providing revenues for the operation of public safety departments, including police and fire departments, and for pension programs, and health care for employees and pensioners of the public safety departments. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The order or ordinance shall not become effective unless the governing body of the city submits to the voters residing within the city at a state general, primary, or special election a proposal to authorize the governing body of the city to impose a tax under this section. If the tax authorized in this section is not approved by the voters, then the city shall have an additional year during which to meet its required contribution payment beyond the time period described in section 105.683. If the city meets its required contribution payment in this time, then, notwithstanding the provisions of section 105.683 to the contrary, the delinquency shall not constitute a lien on the funds of the political subdivision, the board of such plan shall not be

1 authorized to compel payment by application for writ of mandamus, and the state treasurer and the  
 2 director of the department of revenue shall not withhold twenty-five percent of the certified  
 3 contribution deficiency from the total moneys due the political subdivision from the state. The  
 4 one-year extension shall only be available to the city on a one-time basis.

5 2. The ballot of submission for the tax authorized in this section shall be in substantially the  
 6 following form:

7 Shall ..... (insert the name of the city) impose a sales tax at a rate of ..... (up to  
 8 one) percent, solely for the purpose of providing revenues for the operation of public safety  
 9 departments of the city?

10 ☐ YES ☐ NO

11 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to  
 12 the question, place an "X" in the box opposite "NO".

13  
 14 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of  
 15 the question, then the tax shall become effective on the first day of the second calendar quarter  
 16 immediately following notification to the department of revenue. If a majority of the votes cast on  
 17 the question by the qualified voters voting thereon are opposed to the question, then the tax shall not  
 18 become effective unless and until the question is resubmitted under this section to the qualified  
 19 voters and such question is approved by a majority of the qualified voters voting on the question.

20 3. All revenue collected under this section by the director of the department of revenue on  
 21 behalf of any city, except for one percent for the cost of collection which shall be deposited in the  
 22 state's general revenue fund, shall be deposited in a special trust fund, which is hereby created and  
 23 shall be known as the "Public Safety Protection Sales Tax Fund", and shall be used solely for the  
 24 designated purposes. Moneys in the fund shall not be deemed to be state funds, and shall not be  
 25 commingled with any funds of the state. The director may make refunds from the amounts in the  
 26 trust fund and credited to the city for erroneous payments and overpayments made, and may redeem  
 27 dishonored checks and drafts deposited to the credit of such city. Any funds in the special trust fund  
 28 which are not needed for current expenditures shall be invested in the same manner as other funds  
 29 are invested. Any interest and moneys earned on such investments shall be credited to the fund. The  
 30 director shall keep accurate records of the amounts in the fund, and such records shall be open to the  
 31 inspection of the officers of such city and to the public. Not later than the tenth day of each month,  
 32 the director shall distribute all moneys deposited in the fund during the preceding month to the city.  
 33 Such funds shall be deposited with the treasurer of the city, and all expenditures of moneys from the  
 34 fund shall be by an appropriation ordinance enacted by the governing body of the city.

35 4. On or after the effective date of the tax, the director of revenue shall be responsible for the  
 36 administration, collection, enforcement, and operation of the tax, and sections 32.085 and 32.087  
 37 shall apply. In order to permit sellers required to collect and report the sales tax to collect the  
 38 amount required to be reported and remitted, but not to change the requirements of reporting or  
 39 remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies, the  
 40 governing body of the city may authorize the use of a bracket system similar to that authorized in  
 41 section 144.285, and notwithstanding the provisions of that section, this new bracket system shall be  
 42 used where this tax is imposed and shall apply to all taxable transactions. Beginning with the  
 43 effective date of the tax, every retailer in the city shall add the sales tax to the sale price, and this tax  
 44 shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same  
 45 manner as the purchase price. For purposes of this section, all retail sales shall be deemed to be  
 46 consummated at the place of business of the retailer.

47 5. All applicable provisions in sections 144.010 to 144.525 governing the state sales tax, and  
 48 section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax, and all

exemptions granted to agencies of government, organizations, and persons under sections 144.010 to 144.525 are hereby made applicable to the imposition and collection of the tax. The same sales tax permit, exemption certificate, and retail certificate required by sections 144.010 to 144.525 for the administration and collection of the state sales tax shall satisfy the requirements of this section, and no additional permit or exemption certificate or retail certificate shall be required; except that, the director of revenue may prescribe a form of exemption certificate for an exemption from the tax. All discounts allowed the retailer under the state sales tax for the collection of and for payment of taxes are hereby allowed and made applicable to the tax. The penalties for violations provided in section 32.057 and sections 144.010 to 144.525 are hereby made applicable to violations of this section. If any person is delinquent in the payment of the amount required to be paid under this section, or in the event a determination has been made against the person for the tax and penalties under this section, the limitation for bringing suit for the collection of the delinquent tax and penalties shall be the same as that provided in sections 144.010 to 144.525.

6. The governing body of any city that has adopted the sales tax authorized in this section may submit the question of repeal of the tax to the voters on any date available for elections for the city. The ballot of submission shall be in substantially the following form:

Shall ..... (insert the name of the city) repeal the sales tax imposed at a rate of ..... (up to one) percent for the purpose of providing revenues for the operation of public safety departments of the city?

☐ YES ☐ NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved.

If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

7. The governing body of any city that has adopted the sales tax authorized in this section shall submit the question of [repeal] continuation of the tax to the voters every five years from the date of its inception on a date available for elections for the city. The ballot of submission shall be in substantially the following form:

Shall ..... (insert the name of the city) [repeal the] continue collecting a sales tax imposed at a rate of ..... (up to one) percent for the purpose of providing revenues for the operation of public safety departments of the city?

☐ YES ☐ NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".

If a majority of the votes cast on the question by the qualified voters voting thereon are [in favor of repeal, that] opposed to continuation, repeal shall become effective on December thirty-first of the calendar year in which such [repeal was] continuation was failed to be approved. If a majority of the votes cast on the question by the qualified voters voting thereon are [opposed to the repeal] in favor of continuation, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters and [the repeal is] continuation fails to be

1 approved by a majority of the qualified voters voting on the question.

2 8. Whenever the governing body of any city that has adopted the sales tax authorized in this  
3 section receives a petition, signed by a number of registered voters of the city equal to at least two  
4 percent of the number of registered voters of the city voting in the last gubernatorial election, calling  
5 for an election to repeal the sales tax imposed under this section, the governing body shall submit to  
6 the voters of the city a proposal to repeal the tax. If a majority of the votes cast on the question by  
7 the qualified voters voting thereon are in favor of the repeal, the repeal shall become effective on  
8 December thirty-first of the calendar year in which such repeal was approved. If a majority of the  
9 votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the  
10 sales tax authorized in this section shall remain effective until the question is resubmitted under this  
11 section to the qualified voters and the repeal is approved by a majority of the qualified voters voting  
12 on the question.

13 9. If the tax is repealed or terminated by any means, all funds remaining in the special trust  
14 fund shall continue to be used solely for the designated purposes, and the city shall notify the  
15 director of the department of revenue of the action at least ninety days before the effective date of the  
16 repeal and the director may order retention in the trust fund, for a period of one year, of two percent  
17 of the amount collected after receipt of such notice to cover possible refunds or overpayment of the  
18 tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one  
19 year has elapsed after the effective date of abolition of the tax in such city, the director shall remit the  
20 balance in the account to the city and close the account of that city. The director shall notify each  
21 city of each instance of any amount refunded or any check redeemed from receipts due the city.

22 169.291. 1. The general administration and the responsibility for the proper operation of the  
23 retirement system are hereby vested in a board of trustees of twelve persons who shall be resident  
24 taxpayers of the school district, as follows:

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

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

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

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

38 [(4)] (5) The tenth trustee shall be one retirant of the retirement system elected for a term of  
39 four years beginning the first day of January immediately following August 13, 1986, by the  
40 retirants of the retirement system;

41 [(5)] (6) The eleventh trustee shall be appointed for a term of four years beginning the first  
42 day of January immediately following August 13, 1990, by the board of trustees described in  
43 subdivision (3) of section 182.701;

44 [(6)] (7) The twelfth trustee shall be a retirant of the retirement system elected for a term of  
45 four years beginning the first day of January immediately following August 28, 1992, by the  
46 retirants of the retirement system.

47 2. If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired  
48 term in the same manner as the office was previously filled, except that the board of trustees may

1 appoint a qualified person to fill the vacancy in the office of an elected member until the next regular  
2 election at which time a member shall be elected for the unexpired term. No vacancy or vacancies  
3 on the board of trustees shall impair the power of the remaining trustees to administer the retirement  
4 system pending the filling of such vacancy or vacancies.

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

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

23 5. Each trustee shall be entitled to one vote in the board of trustees. Seven trustees shall  
24 constitute a quorum at any meeting of the board of trustees. At any meeting of the board of trustees  
25 where a quorum is present, the vote of at least seven of the trustees in support of a motion, resolution  
26 or other matter is necessary to be the decision of the board; provided, however, that in the event of a  
27 lapse in the school district's corporate organization as described in subsections 1 and 4 of section  
28 162.081, a majority of the trustees then in office shall constitute a quorum at any meeting of the  
29 board of trustees, and the vote of a majority of the trustees then in office in support of a motion,  
30 resolution or other matter shall be necessary to be the decision of the board.

31 6. The board of trustees shall have exclusive original jurisdiction in all matters relating to or  
32 affecting the funds herein provided for, including, in addition to all other matters, all claims for  
33 benefits or refunds, and its action, decision or determination in any matter shall be reviewable in  
34 accordance with chapter 536 or chapter 621. Subject to the limitations of sections 169.270 to  
35 169.400, the board of trustees shall, from time to time, establish rules and regulations for the  
36 administration of funds of the retirement system, for the transaction of its business, and for the  
37 limitation of the time within which claims may be filed.

38 7. The trustees shall serve without compensation. The board of trustees shall elect from its  
39 membership a chairman and a vice chairman. The board of trustees shall appoint an executive  
40 director who shall serve as the administrative officer of the retirement system and as secretary to the  
41 board of trustees. It shall employ one or more persons, firms or corporations experienced in the  
42 investment of moneys to serve as investment counsel to the board of trustees. The compensation of  
43 all persons engaged by the board of trustees and all other expenses of the board necessary for the  
44 operation of the retirement system shall be paid at such rates and in such amounts as the board of  
45 trustees shall approve, and shall be paid from the investment income. 8. The board of trustees  
46 shall keep in convenient form such data as shall be necessary for actuarial valuations of the various  
47 funds of the retirement system and for checking the experience of the system.

48 9. The board of trustees shall keep a record of all its proceedings which shall be open to

1 public inspection. It shall prepare annually and furnish to the board of education and to each  
2 member of the retirement system who so requests a report showing the fiscal transactions of the  
3 retirement system for the preceding fiscal year, the amount of accumulated cash and securities of the  
4 system, and the last balance sheet showing the financial condition of the system by means of an  
5 actuarial valuation of the assets and liabilities of the retirement system.

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

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

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

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

22 14. At least once in each five-year period the actuary shall make an investigation into the  
23 actuarial experience of the members, retirants and beneficiaries of the retirement system and, taking  
24 into account the results of such investigation, the board of trustees shall adopt for the retirement  
25 system such actuarial assumptions as the board of trustees deems necessary for the financial  
26 soundness of the retirement system.

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

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

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

41 169.324. 1. The annual service retirement allowance payable pursuant to section 169.320  
42 shall be the retirant's number of years of creditable service multiplied by a percentage of the retirant's  
43 average final compensation, determined as follows:

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

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

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

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

(5) Notwithstanding the provisions of subdivisions (1) to (4) of this subsection, effective January 1, 1996, any retirant who retired on, before or after January 1, 1996, with at least twenty years of creditable service shall receive at least three hundred dollars each month as a retirement 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 compensation.

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

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

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

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

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

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

1 years;

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

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

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

18 6. Notwithstanding anything contained in this section to the contrary, the amount of the  
19 annual service retirement allowance payable to any retirant pursuant to the provisions of sections  
20 169.270 to 169.400, including any adjustments made pursuant to subsection 3 of this section, shall at  
21 all times comply with the provisions and limitations of Section 415 of the Internal Revenue Code of  
22 1986, as amended, and the regulations thereunder, the terms of which are specifically incorporated  
23 herein by reference.

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

28 169.450. 1. The general administration and responsibility for the proper operation of the  
29 retirement system and for making effective the provisions of sections 169.410 to 169.540 are hereby  
30 vested in a board of trustees of eleven persons, as follows:

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

36 (2) Four trustees to be elected for terms of four years by and from the active members of the  
37 retirement system who shall hold office as trustees only while active members; provided, however,  
38 that their terms shall be fixed so that the terms of one of the trustees so elected shall expire each year;  
39 and provided further, that [not more than] at least two of such persons shall be teachers and [two] not  
40 more than one shall be [nonteachers] a nonteacher, and beginning in 2016, one shall be a person  
41 employed as a teacher or administrator at a charter school, as "charter school" is defined in section  
42 169.270, and elected for a term of four years by the members of the retirement system. For the  
43 purposes of this subsection, a school administrator shall not be eligible for the positions established  
44 pursuant to this subdivision and shall be eligible for the position established pursuant to subdivision  
45 (4) of this subsection;

46 (3) Two trustees, who shall be retired members, to be elected for terms of four years by and  
47 from the retired members of the retirement system; provided, however, that the terms of office of the  
48 first two trustees so elected shall begin immediately upon their election and shall expire two and four

1 years from the date of their election, respectively; and provided further, that not more than one of  
2 such persons shall be a teacher and one shall be a nonteacher;

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

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

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

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

22 5. Each trustee shall, within ten days after such trustee's appointment or election, take an  
23 oath of office before the clerk of the circuit court of the judicial circuit in which the school district is  
24 located that, so far as it devolves upon the trustee, the trustee will diligently and honestly administer  
25 the affairs of the board of trustees and that the trustee will not knowingly violate or willingly permit  
26 to be violated any of the provisions of the law applicable to the retirement system. Such oath shall  
27 be subscribed to by the trustee making it and filed in the office of the clerk of the circuit court.

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

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

47 8. Subject to the limitations of sections 169.410 to 169.540, the board of trustees shall, from  
48 time to time, establish rules and regulations for the administration of the retirement system, for

1 eligibility for and determination of benefits under the retirement system, for the investment of  
2 retirement system assets, and for the transaction of the retirement system's business.

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

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

14 11. The board of trustees shall keep a record of all its proceedings which shall be open to  
15 public inspection. It shall prepare annually and send to the board of education and to each member  
16 of the retirement system a report showing the fiscal transactions of the retirement system for the  
17 preceding fiscal year, a detailed listing of all salaries and expenditures incurred by the trustees for its  
18 operation, the amount of the accumulated cash and securities of the system, and the last balance sheet  
19 showing the financial condition of the system by means of an actuarial valuation of the assets and  
20 liabilities of the retirement system. The board of trustees shall also prepare or cause to be prepared  
21 an annual report concerning the operation of the retirement system herein provided for, which report  
22 shall be sent by the chairman of the board of trustees to the board of education.

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

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

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

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

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

43 17. On the basis of the valuation the board of trustees shall certify the rates of contribution  
44 payable by the board of education."; and

45  
46 Further amend said bill by amending the title, enacting clause, and intersectional references  
47 accordingly.