

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Committee Substitute for Senate Bill No. 309,
2 Page 8, Section 56.840, Line 25, by inserting immediately after all of said section and line the
3 following:
4

5 "104.1091. 1. Notwithstanding any provision of the year 2000 plan to the contrary, each
6 person who first becomes an employee on or after January 1, 2011, shall be a member of the year
7 2000 plan subject to the provisions of this section.

8 2. A member's normal retirement eligibility shall be as follows:

9 (1) The member's attainment of at least age sixty-seven and the completion of at least ten
10 years of credited service; or the member's attainment of at least age fifty-five with the sum of the
11 member's age and credited service equaling at least ninety; or, in the case of a member who is
12 serving as a uniformed member of the highway patrol and subject to the mandatory retirement
13 provisions of section 104.081, such member's attainment of at least age sixty or the attainment of at
14 least age fifty-five with ten years of credited service;

15 (2) For members of the general assembly, the member's attainment of at least age sixty-two
16 and the completion of at least three full biennial assemblies; or the member's attainment of at least
17 age fifty-five with the sum of the member's age and credited service equaling at least ninety;

18 (3) For statewide elected officials, the official's attainment of at least age sixty-two and the
19 completion of at least four years of credited service; or the official's attainment of at least age fifty-
20 five with the sum of the official's age and credited service equaling at least ninety.

21 3. A vested former member's normal retirement eligibility shall be based on the attainment
22 of at least age sixty-seven and the completion of at least ten years of credited service. 4. A
23 temporary annuity paid pursuant to subsection 4 of section 104.1024 shall be payable if the member
24 has attained at least age fifty-five with the sum of the member's age and credited service equaling at
25 least ninety; or in the case of a member who is serving as a uniformed member of the highway
26 patrol and subject to the mandatory retirement provisions of section 104.081, the temporary annuity
27 shall be payable if the member has attained at least age sixty, or at least age fifty-five with ten years
28 of credited service.

29 5. A member, other than a member who is serving as a uniformed member of the highway
30 patrol and subject to the mandatory retirement provisions of section 104.081, shall be eligible for an
31 early retirement annuity upon the attainment of at least age sixty-two and the completion of at least
32 ten years of credited service. A vested former member shall not be eligible for early retirement.

33 6. The provisions of subsection 6 of section 104.1021 and section 104.344 as applied
34 pursuant to subsection 7 of section 104.1021 and section 104.1090 shall not apply to members
35 covered by this section.

36 7. The minimum credited service requirements of five years contained in sections 104.1018,

Action Taken _____ Date _____

1 104.1030, 104.1036, and 104.1051 shall be ten years for members covered by this section. The
2 normal and early retirement eligibility requirements in this section shall apply for purposes of
3 administering section 104.1087.

4 8. A member shall be required to contribute four percent of the member's pay to the
5 retirement system, which shall stand to the member's credit in his or her individual account with the
6 system, together with investment credits thereon, for purposes of funding retirement benefits
7 payable under the year 2000 plan, subject to the following provisions:

8 (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C. Section
9 414(h)(2), shall pick up and pay the contributions that would otherwise be payable by the member
10 under this section. The contributions so picked up shall be treated as employer contributions for
11 purposes of determining the member's pay that is includable in the member's gross income for
12 federal income tax purposes;

13 (2) Member contributions picked up by the employer shall be paid from the same source of
14 funds used for the payment of pay to a member. A deduction shall be made from each member's
15 pay equal to the amount of the member's contributions picked up by the employer. This deduction,
16 however, shall not reduce the member's pay for purposes of computing benefits under the retirement
17 system pursuant to this chapter;

18 (3) Member contributions so picked up shall be credited to a separate account within the
19 member's individual account so that the amounts contributed pursuant to this section may be
20 distinguished from the amounts contributed on an after-tax basis;

21 (4) The contributions, although designated as employee contributions, shall be paid by the
22 employer in lieu of the contributions by the member. The member shall not have the option of
23 choosing to receive the contributed amounts directly instead of having them paid by the employer to
24 the retirement system;

25 (5) Interest shall be credited annually on June thirtieth based on the value in the account as
26 of July first of the immediately preceding year at a rate of four percent. Effective June 30, 2014,
27 and each June thirtieth thereafter, the interest crediting rate shall be equal to the investment rate that
28 is published by the United States Department of Treasury, or its successor agency, for fifty-two
29 week treasury bills for the relevant auction that is nearest to the preceding July first, or a successor
30 treasury bill investment rate as approved by the board if the fifty-two week treasury bill is no longer
31 issued. Interest credits shall cease upon termination of employment if the member is not a vested
32 former member. Otherwise, interest credits shall cease upon retirement or death;

33 (6) A vested former member or a former member who is not vested may request a refund of
34 his or her contributions and interest credited thereon. If such member is married at the time of such
35 request, such request shall not be processed without consent from the spouse. Such member is not
36 eligible to request a refund if such member's retirement benefit is subject to a division of benefit
37 order pursuant to section 104.1051. Such refund shall be paid by the system after ninety days from
38 the date of termination of employment or the request, whichever is later, and shall include all
39 contributions made to any retirement plan administered by the system and interest credited thereon.
40 A vested former member may not request a refund after such member becomes eligible for normal
41 retirement. A vested former member or a former member who is not vested who receives a refund
42 shall forfeit all the member's credited service and future rights to receive benefits from the system
43 and shall not be eligible to receive any long-term disability benefits; provided that any member or
44 vested former member receiving long-term disability benefits shall not be eligible for a refund. If
45 such member subsequently becomes an employee and works continuously for at least one year, the
46 credited service previously forfeited shall be restored if the member returns to the system the
47 amount previously refunded plus interest at a rate established by the board;

48 (7) The beneficiary of any member who made contributions shall receive a refund upon the

1 member's death equal to the amount, if any, of such contributions and interest credited thereon less
2 any retirement benefits received by the member unless an annuity is payable to a survivor or
3 beneficiary as a result of the member's death. In that event, the beneficiary of the survivor or
4 beneficiary who received the annuity shall receive a refund upon the survivor's or beneficiary's
5 death equal to the amount, if any, of the member's contributions less any annuity amounts received
6 by the member and the survivor or beneficiary.

7 9. The employee contribution rate, the benefits provided under the year 2000 plan to
8 members covered under this section, and any other provision of the year 2000 plan with regard to
9 members covered under this section may be altered, amended, increased, decreased, or repealed, but
10 only with respect to services rendered by the member after the effective date of such alteration,
11 amendment, increase, decrease, or repeal, or, with respect to interest credits, for periods of time
12 after the effective date of such alteration, amendment, increase, decrease, or repeal.

13 10. For purposes of members covered by this section, the options under section 104.1027
14 shall be as follows:

15 Option 1. A retiree's life annuity shall be reduced to a certain percent of the annuity
16 otherwise payable. Such percent shall be eighty-eight and one half percent adjusted as follows: if
17 the retiree's age on the annuity starting date is younger than sixty-seven years, an increase of three-
18 tenths of one percent for each year the retiree's age is younger than age sixty-seven years; and if the
19 beneficiary's age is younger than the retiree's age on the annuity starting date, a decrease of three-
20 tenths of one percent for each year of age difference; and if the retiree's age is younger than the
21 beneficiary's age on the annuity starting date, an increase of three-tenths of one percent for each
22 year of age difference; provided, after all adjustments the option 1 percent cannot exceed ninety-
23 four and one quarter percent. Upon the retiree's death, fifty percent of the retiree's reduced annuity
24 shall be paid to such beneficiary who was the retiree's spouse on the annuity starting date or as
25 otherwise provided by subsection 5 of this section.

26 Option 2. A retiree's life annuity shall be reduced to a certain percent of the annuity
27 otherwise payable. Such percent shall be eighty-one percent adjusted as follows: if the retiree's age
28 on the annuity starting date is younger than sixty-seven years, an increase of four-tenths of one
29 percent for each year the retiree's age is younger than sixty-seven years; and if the beneficiary's age
30 is younger than the retiree's age on the annuity starting date, a decrease of five-tenths of one percent
31 for each year of age difference; and if the retiree's age is younger than the beneficiary's age on the
32 annuity starting date, an increase of five-tenths of one percent for each year of age difference;
33 provided, after all adjustments the option 2 percent cannot exceed eighty-seven and three quarter
34 percent. Upon the retiree's death one hundred percent of the retiree's reduced annuity shall be paid
35 to such beneficiary who was the retiree's spouse on the annuity starting date or as otherwise
36 provided by subsection 5 of this section.

37 Option 3. A retiree's life annuity shall be reduced to ninety-three percent of the annuity
38 otherwise payable. If the retiree dies before having received one hundred twenty monthly
39 payments, the reduced annuity shall be continued for the remainder of the one hundred twenty-
40 month period to the retiree's designated beneficiary provided that if there is no beneficiary surviving
41 the retiree, the present value of the remaining annuity payments shall be paid as provided under
42 subsection 3 of section 104.620. If the beneficiary survives the retiree but dies before receiving the
43 remainder of such one hundred twenty monthly payments, the present value of the remaining
44 annuity payments shall be paid as provided under subsection 3 of section 104.620.

45 Option 4. A retiree's life annuity shall be reduced to eighty-six percent of the annuity
46 otherwise payable. If the retiree dies before having received one hundred eighty monthly payments,
47 the reduced annuity shall be continued for the remainder of the one hundred eighty-month period to
48 the retiree's designated beneficiary provided that if there is no beneficiary surviving the retiree, the

1 present value of the remaining annuity payments shall be paid as provided under subsection 3 of
 2 section 104.620. If the beneficiary survives the retiree but dies before receiving the remainder of
 3 such one hundred eighty monthly payments, the present value of the remaining annuity payments
 4 shall be paid as provided under subsection 3 of section 104.620.

5 11. The provisions of subsection 6 of section 104.1024 shall not apply to members covered
 6 by this section.

7 12. Effective January 1, 2018, a member who is not a statewide elected official or a member
 8 of the general assembly shall be eligible for retirement under this subsection subject to the following
 9 conditions:

10 (1) A member's normal retirement eligibility shall be based on the attainment of at least age
 11 sixty-seven and the completion of at least five years of credited service; or the member's attainment
 12 of at least age fifty-five with the sum of the member's age and credited service equaling at least
 13 ninety; or, in the case of a member who is serving as a uniformed member of the highway patrol and
 14 subject to the mandatory retirement provisions of section 104.081, such member's attainment of at
 15 least age sixty or the attainment of at least age fifty-five with five years of credited service;

16 (2) A vested former member's normal retirement eligibility shall be based on the attainment
 17 of at least age sixty-seven and the completion of at least five years of credited service;

18 (3) A temporary annuity paid under subsection 4 of section 104.1024 shall be payable if the
 19 member has attained at least age fifty-five with the sum of the member's age and credited service
 20 equaling at least ninety; or, in the case of a member who is serving as a uniformed member of the
 21 highway patrol and subject to the mandatory retirement provisions of section 104.081, the
 22 temporary annuity shall be payable if the member has attained at least age sixty, or at least age fifty-
 23 five with five years of credited service;

24 (4) A member, other than a member who is serving as a uniformed member of the highway
 25 patrol and subject to the mandatory retirement provisions of section 104.081, shall be eligible for an
 26 early retirement annuity upon the attainment of at least age sixty-two and the completion of at least
 27 five years of credited service. A vested former member shall not be eligible for early retirement;

28 (5) The normal and early retirement eligibility requirements in this subsection shall apply
 29 for purposes of administering section 104.1087;

30 (6) The survivor annuity payable under section 104.1030 for vested former members
 31 covered by this section shall not be payable until the deceased member would have reached his or
 32 her normal retirement eligibility under this subsection;

33 (7) The annual cost-of-living adjustment payable under section 104.1045 will not
 34 commence until the second anniversary of a vested former member's annuity starting date for
 35 members covered by this subsection;

36 (8) The unused sick leave credit granted under subsection 2 of section 104.1021 will not
 37 apply to members covered by this subsection unless the member terminates employment after
 38 reaching normal retirement eligibility or becoming eligible for an early retirement annuity under
 39 this subsection; and

40 (9) The minimum credited service requirements of five years contained in sections
 41 104.1018, 104.1030, 104.1036, and 104.1051 shall be five years for members covered by this
 42 subsection.

43 104.1092. 1. In lieu of retirement annuity benefits otherwise payable under the closed plan
 44 or year 2000 plan, any member who has terminated employment, is entitled to a deferred annuity,
 45 and has not yet reached normal retirement age or eligibility may make a one-time election to receive
 46 a lump sum payment equal to a percentage of the present value of such member's deferred annuity
 47 should a board choose to establish such a program by board rule pursuant to section 104.1063.

48 2. Any such election under subsection 1 of this section may be made by the member

1 beginning on a date as established by the board under such program but not after May 31, 2018.
2 After May 31, 2018, no such election shall be made and retirement annuity benefits will only be
3 paid as otherwise provided by law under this Chapter.

4 3. Any such member making such election under subsection 1 of this section shall forfeit all
5 such member's creditable or credited service and future rights to receive retirement annuity benefits
6 from the system under this Chapter and shall not be eligible to receive any long-term disability
7 benefits. If such member subsequently becomes an employee, such member shall be considered a
8 new employee with no prior credited service and shall be subject to the provisions of section
9 104.1091."; and

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