

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

Offered By

1 AMEND Senate Bill No. 296, Page 2, Section 86.207, Line 44, by inserting after all of said section  
2 and line the following:

3  
4 "104.1091. 1. Notwithstanding any provision of the year 2000 plan to the contrary, each  
5 person who first becomes an employee on or after January 1, 2011, shall be a member of the year  
6 2000 plan subject to the provisions of this section.

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

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

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

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

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

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

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

35 7. The minimum credited service requirements of five years contained in sections 104.1018,  
36 104.1030, 104.1036, and 104.1051 shall be ten years for members covered by this section. The

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1 normal and early retirement eligibility requirements in this section shall apply for purposes of  
2 administering section 104.1087.

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

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

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

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

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

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

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

47 (7) The beneficiary of any member who made contributions shall receive a refund upon the  
48 member's death equal to the amount, if any, of such contributions and interest credited thereon less

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

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

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

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

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

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

44 Option 4. A retiree's life annuity shall be reduced to eighty-six percent of the annuity  
45 otherwise payable. If the retiree dies before having received one hundred eighty monthly payments,  
46 the reduced annuity shall be continued for the remainder of the one hundred eighty-month period to  
47 the retiree's designated beneficiary provided that if there is no beneficiary surviving the retiree, the  
48 present value of the remaining annuity payments shall be paid as provided under subsection 3 of

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

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

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

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

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

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

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

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

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

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

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

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

42 104.1092. 1. In lieu of retirement annuity benefits otherwise payable under the closed plan  
 43 or year 2000 plan, any member who has terminated employment, is entitled to a deferred annuity,  
 44 and has not yet reached normal retirement age or eligibility may make a one-time election to receive  
 45 a lump sum payment equal to a percentage of the present value of such member's deferred annuity  
 46 should a board choose to establish such a program by board rule pursuant to section 104.1063.

47 2. Any such election under subsection 1 of this section may be made by the member  
 48 beginning on a date as established by the board under such program but not after May 31, 2018.

1 After May 31, 2018, no such election shall be made and retirement annuity benefits will only be  
2 paid as otherwise provided by law under this Chapter.

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

9  
10 Further amend said bill and page, Section B, Line 3, by inserting after the word "section" the words  
11 "86.207 of section"; and

12  
13 Further amend said bill and page, Section B, Line 6, by inserting after the word "section" the words  
14 "86.207 of section"; and

15  
16 Further amend said bill by amending the title, enacting clause, and intersectional references  
17 accordingly.