

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

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

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

3  
4 "169.460. 1. Any member may retire and receive a normal pension upon his or her written  
5 application to the board of trustees setting forth at what time not less than fifteen days nor more than  
6 one hundred eighty days subsequent to the execution and filing of such application he or she desires  
7 to be retired; provided, that the member at the time so specified for his or her retirement either (a)  
8 shall have attained age sixty-five or (b) shall have attained an age which when added to the number  
9 of years of credited service of such member shall total a sum not less than ~~[eighty-five]~~ eighty. For  
10 purposes of computing any member's age under this section, the board shall, if necessary, add to his  
11 or her actual age any accumulated and unused days of sick leave included in his or her credited  
12 service.

13 2. Upon retirement ~~[pursuant to]~~ under subsection 1 of this section, a member shall receive  
14 an annual pension payable in monthly installments in the following manner:

15 (1) A member hired prior to January 1, 2018, shall receive an annual pension payable in  
16 monthly installments equal to his or her number of years of credited service multiplied by two  
17 percent of his or her average final compensation subject to a maximum pension of sixty percent of  
18 his or her average final compensation[-] ; or

19 (2) A member hired for the first time on or after January 1, 2018, shall receive an annual  
20 pension payable in monthly installments equal to his or her number of years of credited service  
21 multiplied by one and three-fourths percent of such member's average final compensation subject to  
22 a maximum pension of sixty percent of the member's average final compensation.

23 3. A member who is not eligible for normal pension pursuant to subsection 1 of this section  
24 but who has attained age sixty and has five or more years of credited service may make application  
25 in the same manner as pursuant to subsection 1 of this section for an early pension. His or her early  
26 pension shall be computed pursuant to subsection 2 of this section, but shall be reduced by five-  
27 ninths of one percent for each month such member's early retirement date precedes the earliest date  
28 he or she could have received a normal pension pursuant to subsection 1 of this section had his or  
29 her service continued.

30 4. Upon the written application of the member or of the employing board, any active  
31 member who has five or more years of credited service with such board and does not qualify for a  
32 normal pension pursuant to subsection 1 of this section may be retired by the board of trustees, not  
33 less than fifteen days and not more than one hundred eighty days next following the date of filing  
34 such application, and receive a disability pension, provided, that the medical board after a medical  
35 examination of such member or such member's medical records shall certify that such member is  
36 unable to further perform his or her duties due to mental or physical incapacity, and that such

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1 incapacity is likely to be permanent and that such member should be retired; or, provided the  
2 member furnishes evidence of the receipt of disability benefits under the federal Old Age, Survivors  
3 and Disability Insurance System of the Social Security Act. The determination of the board of  
4 trustees in the matter shall be final and conclusive. A member being retired pursuant to this  
5 subsection who has accumulated unused vacation and sick leave may elect to have the  
6 commencement of his or her disability pension deferred for more than one hundred eighty days  
7 during the period he or she is entitled to vacation and sick pay.

8 5. Upon retirement for disability, a member shall receive a disability pension until such time  
9 as he or she meets the requirements for a normal pension pursuant to subsection 1 of this section, at  
10 which time his or her disability pension will be deemed to be a normal pension. The member's  
11 disability pension shall be the larger of:

12 (1) A normal pension based on his or her credited service to the date of his or her retirement  
13 for disability and calculated as if he or she were age sixty-five; or

14 (2) One-fourth of his or her average final compensation; except that such benefit shall not  
15 exceed the normal pension which he or she would have received upon retirement if his or her  
16 service had continued and he or she had satisfied the eligibility requirements of subsection 1 of this  
17 section and had his or her final average compensation been unchanged.

18 6. Once each year during the first five years following retirement for disability and once in  
19 every three-year period thereafter while receiving a disability pension, the board of trustees may,  
20 and shall, require any member receiving a disability pension who has not yet become eligible for a  
21 normal pension pursuant to subsection 1 of this section to undergo a medical examination at a place  
22 designated by the medical board or by a physician or physicians designated by such board. If any  
23 such member receiving a disability pension refuses to submit to such medical examination, his or  
24 her benefit may be discontinued until his or her withdrawal of such refusal, and if his or her refusal  
25 continues for one year, all rights in and to his or her pension may be revoked by the board of  
26 trustees.

27 7. If the board of trustees finds that any member receiving a disability pension is engaged in  
28 or is able to engage in a gainful occupation paying more than the difference between his or her  
29 disability pension plus benefits, if any, to which he or she and his or her family are eligible under  
30 the federal Old Age, Survivors and Disability Insurance System of the Social Security Act and the  
31 current rate of monthly compensation for the position he or she held at retirement, then the amount  
32 of his or her disability pension shall be reduced to an amount which together with the amount  
33 earnable by him or her shall equal such current rate of monthly compensation. The decisions of the  
34 board of trustees in regard to such modification of disability benefits shall be final and conclusive.

35 8. If any member receiving a disability pension is restored to service as an employee, he or  
36 she shall again become an active member of the retirement system and contribute thereunder. His or  
37 her credited service at the time of his or her retirement for disability shall be restored and the excess  
38 of his or her accumulated contributions at his or her retirement for disability over the total disability  
39 pension payments which he or she received shall be credited to his or her account.

40 9. If a member with fewer than five years credited service ceases to be an employee, except  
41 by death, he or she shall be paid the amount of his or her accumulated contributions in accordance  
42 with applicable provisions of the Internal Revenue Code.

43 10. If a member with five years or more credited service ceases to be an employee, except  
44 by death or retirement, he or she shall be paid on demand the amount of his or her accumulated  
45 contributions, or he or she may leave his or her accumulated contributions with the retirement  
46 system and be an inactive member and claim a retirement benefit at any time after he or she reaches  
47 the minimum age for retirement, except that if such a member's accumulated contributions do not  
48 exceed the involuntary distribution limits under provisions of the Internal Revenue Code, the

member must elect to become an inactive member within thirty days of employment separation to avoid application of the involuntary distribution provisions of the Internal Revenue Code. When an inactive member presents his or her valid claim to the board of trustees, he or she shall be granted a benefit at such time and for such amount as is available pursuant to subsection 2 or 3 of this section in accordance with the provisions of law in effect at the time his or her active membership ceased. The accumulated contributions of an inactive member may be withdrawn at any time upon ninety days' notice or such shorter notice as is approved by the board of trustees. If an inactive member dies before retirement, his or her accumulated contributions shall be paid to his or her designated beneficiary, if living, otherwise to the estate of the member. A member's accumulated contributions shall not be paid to him or her so long as he or she remains in service as an employee.

11. Any member upon retirement shall receive his or her pension payable throughout life subject to the provision that if his or her death occurs before he or she has received total benefits at least as large as his or her accumulated contributions at retirement, the difference shall be paid in one sum to his or her designated beneficiary, if living, otherwise to the estate of the retired member.

12. Prior to the date of retirement pursuant to subsection 2, 3, or 4 of this section, a member may elect to receive the actuarial equivalent of his or her pension in a lesser amount, payable throughout life under one of the following options with the provision that:

Option 1. Upon his or her death, his or her pension shall be continued throughout the life of and paid to his or her beneficiary, or

Option 2. Upon his or her death, one-half of his or her pension shall be continued throughout the life of and paid to his or her beneficiary, or

Option 3. Upon his or her death, his or her pension shall be continued throughout the life of and paid to his or her beneficiary, provided that in the event his or her designated beneficiary predeceases him or her, then his or her pension shall be adjusted effective the first day of the month following the month in which his or her designated beneficiary died to the amount determined pursuant to subsection 2 or 3 of this section at the time of his or her retirement, or

Option 4. Upon his or her death, one-half of his or her pension shall be continued throughout the life of and paid to his or her beneficiary, provided that in the event his or her designated beneficiary predeceases him or her, then his or her pension shall be adjusted effective the first day of the month following the month in which his or her designated beneficiary died to the amount determined pursuant to subsection 2 or 3 of this section at the time of his or her retirement.

Option 5. Prior to age sixty-two the member will receive an increased pension, where the total pension prior to age sixty-two is approximately equal to the pension after age sixty-two plus the member's estimated federal Social Security benefit, provided that the reduced pension after age sixty-two is not less than one-half the pension the member could have received had no option been elected. A member may elect a combination of Option 1 and Option 5, or Option 2 and Option 5. The survivor benefits payable to a beneficiary, other than the spouse of the retired member, under any of the foregoing options shall in no event exceed fifty percent of the actuarial equivalent of the pension determined pursuant to subsection 2 or 3 of this section at the time of retirement.

13. If an option has been elected pursuant to subsection 12 of this section, and both the retired member and beneficiary die before receiving total benefits as large as the member's accumulated contributions at retirement, the difference shall be paid to the designated beneficiary of the person last entitled to benefits, if living, otherwise to the estate of the person last entitled to benefits.

14. If an active member dies while an employee and with five or more years of credited service and a dependent of the member is designated as beneficiary to receive his or her accumulated contributions, such beneficiary may, in lieu thereof, request that benefits be paid under option 1, subsection 12 of this section, as if the member had attained age sixty, if the member was

less than sixty years of age at the time of his or her death, and had retired under such option as of the date of death, provided that under the same circumstances a member may provide by written designation that benefits must be paid pursuant to option 1 to such beneficiary. In addition to benefits received under option 1, subsection 12 of this section, a surviving spouse receiving benefits under this subsection shall receive sixty dollars per month for each unmarried dependent child of the deceased member who is under twenty-two years of age and is in the care of the surviving spouse; provided, that if there are more than three such unmarried dependent children one hundred eighty dollars shall be divided equally among them. A "dependent beneficiary" for the purpose of this subsection only shall mean either the surviving spouse or a person who at the time of the death of the member was receiving at least one-half of his or her support from the member, and the determination of the board of trustees as to whether a person is a dependent shall be final.

15. In lieu of accepting the payment of the accumulated contributions of a member who dies after having at least eighteen months of credited service and while an employee, an eligible beneficiary or, if no surviving eligible beneficiary, the unmarried dependent children of the member under twenty-two years of age may elect to receive the benefits pursuant to subdivision (1), (2), (3), or (4) of this subsection. An "eligible beneficiary" is the surviving spouse, unmarried dependent children under twenty-two years of age or dependent parents of the member, if designated as beneficiary. A "dependent" is one receiving at least one-half of his or her support from the member at his or her death.

(1) A surviving spouse who is sixty-two years of age at the death of the member or upon becoming such age thereafter, and who was married to the member at least one year, may receive sixty dollars per month for life. A spouse may receive this benefit after receiving benefits pursuant to subdivision (2) of this subsection;

(2) A surviving spouse who has in his or her care an unmarried dependent child of the deceased member under twenty-two years of age may receive sixty dollars per month plus sixty dollars per month for each child under twenty-two years of age but not more than a total of two hundred forty dollars per month;

(3) If no benefits are payable pursuant to subdivision (2) of this subsection, unmarried dependent children under the age of twenty-two may receive sixty dollars each per month; provided that if there are more than three such children one hundred eighty dollars per month shall be divided equally among them;

(4) A dependent parent upon attaining sixty-two years of age may receive sixty dollars per month as long as not remarried provided no benefits are payable at any time pursuant to subdivision (1), (2), or (3) of this subsection. If there are two dependent parents entitled to benefits, sixty dollars per month shall be divided equally between them;

(5) If the benefits pursuant to this subsection are elected and the total amount paid is less than an amount equal to the accumulated contributions of a member at his or her death, the difference shall be payable to the beneficiary or the estate of the beneficiary last entitled to benefits.

16. If a member receiving a normal pension again becomes an active member, his or her pension benefit payments shall cease during such membership and shall be resumed upon subsequent retirement together with such pension benefit as shall accrue by reason of his or her latest period of membership. Except as otherwise provided in section 105.269, a retired member may not receive a pension benefit for any month for which he or she receives compensation from an employing board, except he or she may serve as a part-time or temporary employee for not to exceed sixty days in any calendar year without becoming a member and without having his or her pension benefit discontinued. A retired member may also serve as a member of the board of trustees and receive any reimbursement for expenses allowed him or her because of such service without becoming an active member and without having his or her pension benefit discontinued or

1 reduced.

2 17. Upon approval of the board of trustees, any member may make contributions in addition  
3 to those required. Any additional contributions shall be accumulated at interest and paid in addition  
4 to the benefits provided hereunder. The board of trustees shall make such rules and regulations as it  
5 deems appropriate in connection with additional contributions including limitations on amounts of  
6 contributions and methods of payment of benefits.

7 18. Notwithstanding any other provisions of this section, any member retiring on or after  
8 age sixty-five who has five or more years of credited service shall be entitled to an annual pension  
9 of the lesser of (a) an amount equal to his or her number of years of credited service multiplied by  
10 one hundred twenty dollars, or (b) one thousand eight hundred dollars. Upon the death of such  
11 member, any benefits payable to the beneficiary of such member shall be computed as otherwise  
12 provided.

13 169.490. 1. All the assets of the retirement system shall be held as one fund.

14 [~~1.-~~] 2. (1) For any member hired before January 1, 2018, the employing board shall cause  
15 to be deducted from the compensation of each member at every payroll period five percent of his or  
16 her compensation~~[, and]~~ .

17 (2) Beginning January 1, 2018, the percentage in subdivision (1) of this subsection shall  
18 increase one-half of one percent annually until such time as the percentage equals nine percent.

19 (3) For any member hired for the first time on or after January 1, 2018, the employing  
20 board shall cause to be deducted from the compensation of each member at every payroll period  
21 nine percent of such member's compensation.

22 (4) The amounts so deducted shall be transferred to the board of trustees and credited to the  
23 individual account of each member from whose compensation the deduction was made. In  
24 determining the amount earnable by a member in any payroll period, the board of trustees may  
25 consider the rate of earnable compensation payable to such member on the first day of the payroll  
26 period as continuing throughout such payroll period; it may omit deduction from compensation for  
27 any period less than a full payroll period if the employee was not a member on the first day of the  
28 payroll period; and to facilitate the making of the deductions, it may modify the deduction required  
29 of any member by such amount as shall not exceed one-tenth of one percent of the compensation  
30 upon the basis of which such deduction was made.

31 [~~(2)~~] (5) The deductions provided for herein are declared to be a part of the salary of the  
32 member and the making of such deductions shall constitute payments by the member out of his or  
33 her salary or earnings and such deductions shall be made notwithstanding that the minimum  
34 compensation provided by law for any member shall be reduced thereby. Every member shall be  
35 deemed to consent to the deductions made and provided for herein, and shall receipt for his or her  
36 full salary or compensation, and the making of said deductions and the payment of salary or  
37 compensation less said deduction shall be a full and complete discharge and acquittance of all  
38 claims and demands whatsoever for services rendered during the period covered by the payment  
39 except as to benefits provided by sections 169.410 to 169.540.

40 [~~(3)~~] (6) The employing board may elect to pay member contributions required by this  
41 section as an employer pick up of employee contributions under Section 414(h)(2) of the Internal  
42 Revenue Code of 1986, as amended, and such contributions picked up by the employing board shall  
43 be treated as contributions made by members for all purposes of sections 169.410 to 169.540.

44 [~~2.-~~] 3. If a retired member receiving a pension pursuant to sections 169.410 to 169.540 is  
45 restored to active service and again becomes an active member of the retirement system, there shall  
46 be credited to his or her individual account an amount equal to the excess, if any, of his or her  
47 accumulated contributions at retirement over the total pension benefits paid to him or her.

48 [~~3.-~~] 4. Annually, the actuary for the retirement system shall calculate each employer's

1 contribution as an amount equal to a certain percentage of the total compensation of all members  
 2 employed by that employer. The percentage shall be fixed on the basis of the liabilities of the  
 3 retirement system as shown by the annual actuarial valuation. The annual actuarial valuation shall  
 4 be made on the basis of such actuarial assumptions and the actuarial cost method adopted by the  
 5 board of trustees, provided that the actuarial cost method adopted shall be in accordance with  
 6 generally accepted actuarial standards and that the unfunded actuarial accrued liability, if any, shall  
 7 be amortized by level annual payments over a period not to exceed thirty years. The provisions of  
 8 this subsection shall expire on December 31, 2017. Thereafter subsection 5 of this section shall  
 9 apply.

10 5. For calendar year 2018, the rate of contribution payable by each employer shall equal  
 11 sixteen percent of the total compensation of all members employed by that employer. For calendar  
 12 year 2019, the rate of contribution payable by each employer shall equal fifteen percent of the total  
 13 compensation of all members employed by that employer. For calendar year 2020, the rate of  
 14 contribution payable by each employer shall equal fourteen percent of the total compensation of all  
 15 members employed by that employer. For calendar year 2021, the rate of contribution payable by  
 16 each employer shall equal thirteen percent of the total compensation of all members employed by  
 17 that employer. For calendar year 2022, the rate of contribution payable by each employer shall  
 18 equal twelve percent of the total compensation of all members employed by that employer. For  
 19 calendar year 2023, the rate of contribution payable by each employer shall equal eleven percent of  
 20 the total compensation of all members employed by that employer. For calendar year 2024, the rate  
 21 of contribution payable by each employer shall equal ten percent of the total compensation of all  
 22 members employed by that employer. For calendar year 2025 and subsequent calendar years, the  
 23 rate of contribution payable by each employer shall equal nine percent of the total compensation of  
 24 all members employed by that employer.

25 [4.] 6. The expense and contingency reserve shall be a reserve for investment contingencies  
 26 and estimated expenses of administration of the retirement system as determined annually by the  
 27 board of trustees.

28 [5-] 7. Gifts, devises, bequests and legacies may be accepted by the board of trustees to be  
 29 held and invested as a part of the assets of the retirement system and shall not be separately  
 30 accounted for except where specific direction for the use of a gift is made by a donor."; and

31  
 32 Further amend said bill and page, Section B, Lines 3-6, by deleting all of said lines and inserting in  
 33 lieu thereof the following:

34  
 35 "of Missouri airport officers from the Social Security Program, section 86.207 of section A of this  
 36 act is deemed necessary for the immediate preservation of the public health, welfare, peace and  
 37 safety, and is hereby declared to be an emergency act within the meaning of the constitution, and  
 38 section 86.207 of section A of this act shall be in full force and"; and

39  
 40 Further amend said bill by amending the title, enacting clause, and intersectional references  
 41 accordingly.  
 42