

House _____ Amendment NO. _____

Offered By _____

1 AMEND Senate Committee Substitute for Senate Bill No. 892, Page 9, Section 56.840, Line 38, by inserting
2 after all of said section and line the following:

3
4 "70.227. 1. For purposes of this section, the following terms mean:

5 (1) "Local units", the same meaning given to the term under section 251.160;

6 (2) "Transportation planning boundary", the same meaning given to the term under section 251.160.

7 2. Notwithstanding the provisions of sections 70.600 to 70.755 to the contrary, a metropolitan
8 planning organization organized under 23 U.S.C. Section 134 and designated by the governor shall be
9 considered a political subdivision for the purposes of sections 70.600 to 70.755, and employees of such
10 metropolitan planning organization shall be eligible for membership in the Missouri local government
11 employees' retirement system upon the metropolitan planning organization becoming an employer, as
12 defined in subdivision (11) of section 70.600.

13 3. Upon receipt of certified copies of resolutions recommending the dissolution of a metropolitan
14 planning organization adopted by the governing bodies of a majority of the local units within the
15 transportation planning boundary served by the metropolitan planning organization, and upon a finding that
16 all outstanding indebtedness of the metropolitan planning organization has been paid, including moneys
17 owed to any retirement plan or system in which the organization participates and has pledged to pay for the
18 unfunded accrued liability of its past and current employees, and all unexpended funds returned to the local
19 units that supplied them or adequate provision made for the funds, the governor shall issue a certificate of
20 dissolution of the organization, which shall thereupon cease to exist. If such organization was formally
21 incorporated as a Missouri nonprofit corporation, the secretary of state shall issue such certificate of
22 dissolution.

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

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

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

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

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

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

Action Taken _____ Date _____

1 182.701;

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

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

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

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

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

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

42 7. The trustees shall serve without compensation. The board of trustees shall elect from its
43 membership a chairman and a vice chairman. The board of trustees shall appoint an executive director who
44 shall serve as the administrative officer of the retirement system and as secretary to the board of trustees. It
45 shall employ one or more persons, firms or corporations experienced in the investment of moneys to serve as
46 investment counsel to the board of trustees. The compensation of all persons engaged by the board of
47 trustees and all other expenses of the board necessary for the operation of the retirement system shall be paid
48 at such rates and in such amounts as the board of trustees shall approve, and shall be paid from the
49 investment income.

50 8. The board of trustees shall keep in convenient form such data as shall be necessary for actuarial
51 valuations of the various funds of the retirement system and for checking the experience of the system.

52 9. The board of trustees shall keep a record of all its proceedings which shall be open to public
53 inspection. It shall prepare annually and furnish to the board of education and to each member of the

1 retirement system who so requests a report showing the fiscal transactions of the retirement system for the
 2 preceding fiscal year, the amount of accumulated cash and securities of the system, and the last balance sheet
 3 showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities
 4 of the retirement system.

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

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

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

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

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

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

27 16. The rate of contribution payable by the employers shall equal one and ninety-nine one-
 28 hundredths percent, effective July 1, 1993; three and ninety-nine one-hundredths percent, effective July 1,
 29 1995; five and ninety-nine one-hundredths percent, effective July 1, 1996; seven and one-half percent
 30 effective January 1, 1999, and for subsequent calendar years through 2013. For calendar year 2014 and each
 31 subsequent year, the rate of contribution payable by the employers for each year shall be determined ~~[by the~~
 32 ~~actuary for the retirement system in the manner]~~ as provided in ~~[subsection]~~ subsections 4 and 6 of section
 33 169.350 and shall be certified by the board of trustees to the employers at least six months prior to the date
 34 such rate is to be effective.

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

39 169.324. 1. The annual service retirement allowance payable pursuant to section 169.320 shall be
 40 the retirant's number of years of creditable service multiplied by a percentage of the retirant's average final
 41 compensation, determined as follows:

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

47 (2) A retirant whose number of years of creditable service is greater than thirty-four and one-quarter
 48 on August 28, 1993, shall receive an annual service retirement allowance payable pursuant to section
 49 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service as
 50 of August 28, 1993, multiplied by one and three-fourths percent of the person's average final compensation
 51 but shall not receive a greater annual service retirement allowance based on additional years of creditable
 52 service after August 28, 1993;

53 (3) A retirant who was an active member of the retirement system at any time on or after June 30,

1 1999, and who either retires before January 1, 2014, or is a member of the retirement system on December
2 31, 2013, and remains a member continuously to retirement shall receive an annual service retirement
3 allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's
4 number of years of creditable service multiplied by two percent of the person's average final compensation,
5 subject to a maximum of sixty percent of the person's final compensation;

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

12 (5) Notwithstanding the provisions of subdivisions (1) to (4) of this subsection, effective January 1,
13 1996, any retirant who retired on, before or after January 1, 1996, with at least twenty years of creditable
14 service shall receive at least three hundred dollars each month as a retirement allowance, or the actuarial
15 equivalent thereof if the retirant elected any of the options available under section 169.326. Any retirant who
16 retired with at least ten years of creditable service shall receive at least one hundred fifty dollars each month
17 as a retirement allowance, plus fifteen dollars for each additional full year of creditable service greater than
18 ten years but less than twenty years (or the actuarial equivalent thereof if the retirant elected any of the
19 options available under section 169.326). Any beneficiary of a deceased retirant who retired with at least ten
20 years of creditable service and elected one of the options available under section 169.326 shall also be
21 entitled to the actuarial equivalent of the minimum benefit provided by this subsection, determined from the
22 option chosen.

23 2. Except as otherwise provided in sections 169.331 and 169.585, payment of a retirant's retirement
24 allowance will be suspended for any month for which such person receives remuneration from the person's
25 employer or from any other employer in the retirement system established by section 169.280 for the
26 performance of services except any such person other than a person receiving a disability retirement
27 allowance under section 169.322 may serve as a nonregular substitute, part-time or temporary employee for
28 not more than six hundred hours in any school year without becoming a member and without having the
29 person's retirement allowance discontinued, provided that through such substitute, part-time, or temporary
30 employment, the person may earn no more than fifty percent of the annual salary or wages the person was
31 last paid by the employer before the person retired and commenced receiving a retirement allowance,
32 adjusted for inflation. If a person exceeds such hours limit or such compensation limit, payment of the
33 person's retirement allowance shall be suspended for the month in which such limit was exceeded and each
34 subsequent month in the school year for which the person receives remuneration from any employer in the
35 retirement system. In addition to the conditions set forth above, the restrictions of this subsection shall also
36 apply to any person retired and currently receiving a retirement allowance under sections 169.270 to 169.400,
37 other than for disability, who is employed by a third party or is performing work as an independent
38 contractor if the services performed by such person are provided to or for the benefit of any employer in the
39 retirement system established under section 169.280. The retirement system may require the employer
40 receiving such services, the third-party employer, the independent contractor, and the retirant subject to this
41 subsection to provide documentation showing compliance with this subsection. If such documentation is not
42 provided, the retirement system may deem the retirant to have exceeded the limitations provided for in this
43 subsection. If a retirant is reemployed by any employer in any capacity, whether pursuant to this section, or
44 section 169.331 or 169.585, or as a regular employee, the amount of such person's retirement allowance
45 attributable to service prior to the person's first retirement date shall not be changed by the reemployment. If
46 the person again becomes an active member and earns additional creditable service, upon the person's second
47 retirement the person's retirement allowance shall be the sum of:

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

52 (2) An additional retirement allowance computed using the benefit formula in effect on the person's
53 second retirement date, the person's creditable service following reemployment, and the person's average

1 final annual compensation as of the second retirement date.

2
3 The sum calculated pursuant to this subsection shall not exceed the greater of sixty percent of the person's
4 average final compensation as of the second retirement date or the amount determined pursuant to
5 subdivision (1) of this subsection. Compensation earned prior to the person's first retirement date shall be
6 considered in determining the person's average final compensation as of the second retirement date if such
7 compensation would otherwise be included in determining the person's average final compensation.

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

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

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

24 (b) The actuarially required contribution rate, ~~[after]~~ before adjusting for the effect of the proposed
25 increase, may not exceed the then applicable employer and member contribution rate as determined under
26 ~~[subsection]~~ subsections 4, 5, and 6 of section 169.350;

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

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

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

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

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

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

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

1 169.350. 1. All of the assets of the retirement system (other than tangible real or personal property
2 owned by the retirement system for use in carrying out its duties, such as office supplies and furniture) shall
3 be credited, according to the purpose for which they are held, in either the employees' contribution fund or
4 the general reserve fund.

5 (1) The employees' contribution fund shall be the fund in which shall be accumulated the
6 contributions of the members. The employer shall, except as provided in subdivision (5) of this subsection,
7 cause to be deducted from the compensation of each member on each and every payroll, for each and every
8 payroll period, the pro rata portion of five and nine-tenths percent of his annualized compensation. Effective
9 January 1, 1999, through December 31, 2013, the employer shall deduct an additional one and six-tenths
10 percent of the member's annualized compensation. For 2014 and for each subsequent year, the employer
11 shall deduct from each member's annualized compensation the rate of contribution determined for such year
12 ~~[by the actuary for the retirement system in the manner]~~ as provided in ~~[subsection]~~ subsections 4, 5, and 6 of
13 this section.

14 (2) The employer shall pay all such deductions and any amount it may elect to pay pursuant to
15 subdivision (5) of this subsection to the retirement system at once. The retirement system shall credit such
16 deductions and such amounts to the individual account of each member from whose compensation the
17 deduction was made or with respect to whose compensation the amount was paid pursuant to subdivision (5)
18 of this subsection. In determining the deduction for a member in any payroll period, the board of trustees
19 may consider the rate of compensation payable to such member on the first day of the payroll period as
20 continuing throughout such period.

21 (3) The deductions provided for herein are declared to be a part of the compensation of the member
22 and the making of such deductions shall constitute payments by the member out of the person's
23 compensation and such deductions shall be made notwithstanding that the amount actually paid to the
24 member after such deductions is less than the minimum compensation provided by law for any member.
25 Every member shall be deemed to consent to the deductions made and provided for herein, and shall receipt
26 for the person's full compensation, and the making of the deduction and the payment of compensation less
27 the deduction shall be a full and complete discharge and acquittance of all claims and demands whatsoever
28 for services rendered during the period covered by the payment except as to benefits provided by sections
29 169.270 to 169.400.

30 (4) The accumulated contributions with interest of a member withdrawn by the person or paid to the
31 person's estate or designated beneficiary in the event of the person's death before retirement shall be paid
32 from the employees' contribution fund. Upon retirement of a member the member's accumulated
33 contributions with interest shall be transferred from the employees' contribution fund to the general reserve
34 fund.

35 (5) The employer may elect to pay on behalf of all members all or part of the amount that the
36 members would otherwise be required to contribute to the employees' contribution fund pursuant to
37 subdivision (1) of this subsection. Such amounts paid by the employer shall be in lieu of members'
38 contributions and shall be treated for all purposes of sections 169.270 to 169.400 as contributions made by
39 members. Notwithstanding any other provision of this chapter to the contrary, no member shall be entitled to
40 receive such amounts directly. The election shall be made by a duly adopted resolution of the employer's
41 board and shall remain in effect for at least one year from the effective date thereof. The election may be
42 thereafter terminated only by an affirmative act of the employer's board notwithstanding any limitation in the
43 term thereof in the adopting resolution. Any such termination resolution shall be adopted at least sixty days
44 prior to the effective date thereof, and the effective date thereof shall coincide with a fiscal year-end of the
45 employer. In the absence of such a termination resolution, the election shall remain in effect from fiscal year
46 to fiscal year.

47 2. The general reserve fund shall be the fund in which shall be accumulated all reserves for the
48 payment of all benefit expenses and other demands whatsoever upon the retirement system except those
49 items heretofore allocated to the employees' contribution fund.

50 (1) All contributions by the employer, except those the employer elects to make on behalf of the
51 members pursuant to subdivision (5) of subsection 1 of this section, shall be credited to the general reserve
52 fund.

53 (2) Should a retirant be restored to active service and again become a member of the retirement

1 system, the excess, if any, of the person's accumulated contributions over benefits received by the retirant
 2 shall be transferred from the general reserve fund to the employees' contribution fund and credited to the
 3 person's account.

4 3. Gifts, devises, bequests and legacies may be accepted by the board of trustees and deposited in
 5 the general reserve fund to be held, invested and used at its discretion for the benefit of the retirement system
 6 except where specific direction for the use of a gift is made by a donor.

7 4. Beginning in 2013, the actuary for the retirement system shall annually calculate the rate of
 8 employer contributions and member contributions for 2014 and for each subsequent calendar year through
 9 2018, expressed as a level percentage of the annualized compensation of the members, subject to the
 10 following:

11 (1) The rate of contribution for any calendar year shall be determined based on an actuarial valuation
 12 of the retirement system as of the first day of the prior calendar year. Such actuarial valuation shall be
 13 performed using the actuarial cost method and actuarial assumptions adopted by the board of trustees and in
 14 accordance with accepted actuarial standards of practice in effect at the time the valuation is performed, as
 15 promulgated by the actuarial standards board or its successor;

16 (2) The target combined employer and member contribution rate shall be the amount actuarially
 17 required to cover the normal cost and amortize any unfunded accrued actuarial liability over a period that
 18 shall not exceed thirty years from the date of the valuation;

19 (3) The target combined rate as so determined shall be allocated equally between the employer
 20 contribution rate and the member contribution rate, provided, however, that the level rate of contributions to
 21 be paid by the employers and the level rate of contributions to be deducted from the compensation of
 22 members for any calendar year shall each be limited as follows:

23 (a) The contribution rate shall not be less than seven and one-half percent;

24 (b) The contribution rate shall not exceed nine percent; and

25 (c) Changes in the contribution rate from year to year shall be in increments of one-half percent such
 26 that the contribution rate for any year shall not be greater than or less than the rate in effect for the prior year
 27 by more than one-half percent;

28 (4) The board of trustees shall certify to the employers the contribution rate for the following
 29 calendar year no later than six months prior to the date such rate is to be effective.

30 5. The member contribution rate for 2019 and subsequent periods shall be nine percent of
 31 compensation unless a lower member contribution rate applies for any period beginning on or after July 1,
 32 2021, in accordance with the provisions of subdivision (4) of subsection 6 of this section.

33 6. The employer contribution rate for calendar year 2019 shall be ten and one-half percent. The
 34 employer contribution rate for the eighteen-month period beginning January 1, 2020, through June 30, 2021,
 35 shall be twelve percent. For the twelve-month period beginning July 1, 2021, and for each subsequent
 36 twelve-month period beginning July first each year, the employer contribution rate shall be determined as
 37 follows:

38 (1) The actuary shall determine the total actuarially required contribution based on an actuarial
 39 valuation of the retirement system as of the first day of the preceding calendar year. Such actuarial valuation
 40 shall be performed using the actuarial cost method and actuarial assumptions adopted by the board of trustees
 41 and in accordance with actuarial standards of practice applicable as of the valuation date. The total
 42 actuarially required contribution rate, including both employer and member contributions, shall be an amount
 43 determined in accordance with the board's current funding policy, expressed as a level percentage of the
 44 annualized compensation of the members;

45 (2) If the retirement system's funded ratio as of the first day of the preceding calendar year is below
 46 one hundred percent, the employer contribution rate shall be the greater of twelve percent or the difference
 47 between the total actuarially required contribution rate and the nine percent member contribution rate, subject
 48 to the limits on annual adjustments stated in subdivision (6) of this subsection;

49 (3) If the retirement system's funded ratio as of the first day of the preceding calendar year equals or
 50 exceeds one hundred percent and the total actuarially required contribution rate exceeds eighteen percent, the
 51 employer contribution rate shall be the difference between the total actuarially required contribution rate and
 52 the nine percent member contribution rate, subject to the limits on annual adjustments stated in subdivision
 53 (6) of this subsection;

(4) If the retirement system's funded ratio as of the first day of the preceding calendar year equals or exceeds one hundred percent and the total actuarially required contribution rate does not exceed eighteen percent, the total actuarially required contribution rate shall be allocated equally between the employer contribution rate and the member contribution rate. If the total actuarially required contribution rate falls below eighteen percent after being above eighteen percent for the preceding twelve-month period, the member contribution rate and the employer contribution rate shall be adjusted to one-half of the total actuarially required contribution rate for such period, regardless of the magnitude of the decrease from the rate in effect for the prior period, in order to equalize the employer and member contribution rates. Otherwise, adjustments in the contribution rates shall be limited by the annual adjustment limits stated in subdivision (6) of this subsection;

(5) If the retirement system's funded ratio as of the first day of the preceding calendar year again falls below one hundred percent, or if the total actuarially required contribution rate rises above eighteen percent, the provisions of subdivision (2) or (3) of this subsection shall apply, as applicable, subject to the limits on annual adjustments stated in subdivision (6) of this subsection;

(6) Except as stated in subdivision (4) of this subsection, in transitioning to the contribution rates prescribed in this subsection for periods beginning on or after July 1, 2021, the employer contribution rate and the member contribution rate, respectively, shall not increase by more than one percent or decrease by more than one-half percent for any period from the corresponding rate in effect immediately before such increase or decrease; and

(7) The board of trustees shall certify to the employers the contribution rate to be effective for July 1, 2021, and for each following July first, no later than six months prior to the date such rate is to be effective.

169.360. 1. Before the first of July of each year, the board of trustees shall certify to each employer the amounts which will become due and payable from each during the school year next following to the general reserve fund. The amount so certified shall be appropriated by each employer's board by a resolution explicitly directing the appropriate officials to pay the same, not later than July twenty-fifth of each year and transferred to the retirement system on or before December thirty-first of the same year.

2. Effective January 1, 2019, each employer shall transfer its employer contributions to the retirement system promptly following the end of each payroll period at the time the employer transfers member contributions.

278.157. 1. Notwithstanding the provisions of section 70.600 to the contrary, a soil and water conservation district organized under sections 278.060 to 278.155 shall be considered a political subdivision for the purposes of sections 70.600 to 70.755, and employees of such a soil and water conservation district shall be eligible for membership in the Missouri local government employees' retirement system upon the soil and water district becoming an "employer" as defined in subdivision (11) of section 70.600.

2. Prior to the soil and water commission declaring a soil and water conservation district disestablished under section 278.150, the soil and water commission shall make a determination that all outstanding indebtedness of the soil and water conservation district has been paid, including moneys owed to any retirement plan or system in which the soil and water conservation district participates and has pledged to pay for the unfunded accrued liability of past and current employees."; and

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