FIRST REGULAR SESSION HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 934

102ND GENERAL ASSEMBLY

0468H.03C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 57.952, 57.961, 57.967, and 57.991, RSMo, and to enact in lieu thereof four new sections relating to funding of the sheriffs' retirement system.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 57.952, 57.961, 57.967, and 57.991, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 57.952, 57.961, 57.967, and 57.991, to read as follows:

57.952. **1.** There is hereby authorized a "Sheriffs' Retirement Fund" which shall be under the management of a board of directors described in section 57.958. The board of directors shall be responsible for the administration and the investment of the funds of such sheriffs' retirement fund. [Neither] The general assembly [nor] and the governing body of a county [shall] may appropriate funds for deposit in the sheriffs' retirement fund. If insufficient funds are generated to provide the benefits payable pursuant to the provisions of sections 57.949 to 57.997, the board shall proportion the benefits according to the funds available.

9 2. The board may accept gifts, donations, grants, and bequests from public or 10 private sources to the sheriffs' retirement fund.

3. Each county shall make the payroll deductions for member contributions
mandated under section 57.961, and the county shall transmit such moneys to the board
for deposit into the sheriffs' retirement fund.

57.961. 1. On and after the effective date of the establishment of the system, as an 2 incident to his **or her** employment or continued employment, each person employed as an 3 elected or appointed sheriff of a county shall become a member of the system. Such

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

4 membership shall continue as long as the person continues to be an employee, or receives or
5 is eligible to receive benefits under the provisions of sections 57.949 to 57.997.

6 2. Notwithstanding any other provision to the contrary, each person who is a member of the system on or after January 1, 2024, shall be required to contribute five 7 percent of the member's pay to the retirement system. Such contribution shall be made 8 9 notwithstanding that the minimum salary or wages provided by law for any member shall thereby be changed. Each member shall be deemed to consent and agree to the 10 deduction made and provided for herein. Payment of a member's compensation less 11 such deduction shall be a full and complete discharge and acquittance of all claims and 12 demands whatsoever for services rendered by him or her to a county, except as to 13 benefits provided by this system. 14

15 3. The officer or officers responsible for making up the payrolls for each county shall cause the contribution provided for in this section to be deducted from the 16 compensation of the member in the employ of the county, on each and every payroll, for 17 each and every payroll to the date his or her membership terminates. When deducted, 18 19 each contribution shall be paid by the county to the system; the payments shall be made 20 in the manner and shall be accompanied by such supporting data as the board shall 21 from time to time prescribe. When paid to the system, each of the contributions shall be 22 credited to the member from whose compensation the contributions were deducted. 23 The contributions so deducted shall be treated as employee contributions for purposes 24 of determining the member's pay that is includable in the member's gross income for 25 federal income tax purposes.

4. Member contributions deducted and paid into the system by the county shall be paid from the same source of funds used for the payment of pay to a member. A deduction shall be made from each member's pay equal to the amount of the member's contributions picked up by the employer. This deduction, however, shall not reduce the member's pay for purposes of computing benefits under the retirement system under this chapter.

5. The contributions, although designated as employee contributions, shall be paid by the county in lieu of the contributions by the member. The member shall not have the option of choosing to receive the contributed amounts directly instead of having them paid by the county to the retirement system.

6. A former member who is not vested may request a refund of his or her contributions. Such refund shall be paid by the system after ninety days from the date of termination of employment or the request, whichever is later, and shall include all contributions made to any retirement plan administered by the system.

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40 [2.] 7. Beginning September 1, 1986, any city not within a county and any county having a charter form of government may elect, by a majority vote of its governing body, to 41 come under the provisions of sections 57.949 to 57.997 except for the provisions of section 42 43 57.955. Notice in writing of such election shall be given to the board, and the person 44 employed as sheriff of such county, as an incident of his contract of employment or continued 45 employment, shall become a member of the system on the first day of the month immediately 46 following the date the board receives notice. Such membership shall continue as long as the 47 person continues to be an employee, or receives or is eligible to receive benefits under the provisions of sections 57.949 to 57.997, and upon becoming a member he shall receive credit 48 for all prior service as if he had become a member on December 22, 1983. 49

8. Subject to the limitations under sections 57.949 to 57.997, the board shall have
the authority to formulate and adopt rules and regulations for the administration of
these provisions.

57.967. 1. The normal annuity of a retired member shall equal two percent of the final average compensation of the retired member multiplied by the number of years of creditable service of the retired member, except that the normal annuity shall not exceed seventy-five percent of the retired member's average final compensation. Such annuity shall be not less than one thousand dollars per month.

6 2. The board, at its last meeting of each calendar year, shall determine the monthly 7 amount for medical insurance premiums to be paid to each retired member during the next following calendar year. The monthly amount shall not exceed four hundred fifty dollars. 8 9 The monthly payments are at the discretion of the board on the advice of the actuary. The anticipated sum of all such payments during the year plus the annual normal cost plus the 10 11 annual amount to amortize the unfunded actuarial accrued liability in no more than thirty 12 years shall not exceed the anticipated moneys credited to the system pursuant to [section] 13 sections 57.952 and 57.955. The money amount granted here shall not be continued to any 14 survivor.

15 3. If a member with eight or more years of service dies before becoming eligible for retirement, the member's surviving spouse, if he or she has been married to the member for at 16 least two years prior to the member's death, shall be entitled to survivor benefits under option 17 1 as set forth in section 57.979 as if the member had retired on the date of the member's death. 18 19 The member's monthly benefit shall be calculated as the member's accrued benefit at his or 20 her death reduced by one-fourth of one percent per month for an early commencement from 21 the member's normal retirement date: age fifty-five with twelve or more years of creditable 22 service or age sixty-two with eight years of creditable service, to the member's date of death. 23 Such benefit shall be payable on the first day of the month following the member's death and shall be payable during the surviving spouse's lifetime. 24

57.991. **1.** For members of the system prior to December 31, 2023, the benefits provided for by sections 57.949 to 57.997 shall in no way affect any person's eligibility for retirement benefits under the local government employees' retirement system, sections 70.600 to 70.755, or any other local government retirement or pension system, or in any way have the effect of reducing retirement benefits in such systems, or reducing compensation or mileage reimbursement of employees, anything to the contrary notwithstanding.

7 2. Any new or returning member employed under this section, on or after 8 January 1, 2024, shall be subject to the following provisions:

9 (1) A member of another state or local retirement or pension system who begins 10 employment in a position covered by the sheriffs' retirement system shall become a 11 member of the sheriffs' retirement system no later than thirty days after beginning the 12 employment;

13 (2) Eligibility for and calculation of disability retirement, death benefits, and 14 refund of contributions are governed by the provisions of the retirement system to 15 which the member last made contributions. The final salary or highest average 16 compensation for each calculation shall be based on the highest compensation earned 17 while a member of either system. Each system shall pay its proportionate share, based 18 on the number of years of service credit, of the combined benefit; and

(3) Subject to the limitations under sections 57.949 to 57.997, the board shall
 have the authority to formulate and adopt rules and regulations for the administration
 of these provisions.

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