

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for House Bill No. 2431, Page 15, Section 70.748, Line 22, by
2 inserting after all of the said section and line the following:

3
4 "86.200. The following words and phrases as used in sections 86.200 to 86.366, unless a different
5 meaning is plainly required by the context, shall have the following meanings:

6 (1) "Accumulated contributions", the sum of all mandatory contributions deducted from the
7 compensation of a member and credited to the member's individual account, together with members' interest
8 thereon;

9 (2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of mortality tables
10 and interest assumptions adopted by the board of trustees;

11 (3) "Average final compensation":

12 (a) With respect to a member who earns no creditable service on or after October 1, 2001, the
13 average earnable compensation of the member during the member's last three years of creditable service as a
14 police officer, or if the member has had less than three years of creditable service, the average earnable
15 compensation of the member's entire period of creditable service;

16 (b) With respect to a member who is not participating in the DROP pursuant to section 86.251 on
17 October 1, 2001, who did not participate in the DROP at any time before such date, and who earns any
18 creditable service on or after October 1, 2001, the average earnable compensation of the member during the
19 member's last two years of creditable service as a policeman, or if the member has had less than two years of
20 creditable service, then the average earnable compensation of the member's entire period of creditable
21 service;

22 (c) With respect to a member who is participating in the DROP pursuant to section 86.251 on
23 October 1, 2001, or whose participation in DROP ended before such date, who returns to active participation
24 in the system pursuant to section 86.251, and who terminates employment as a police officer for reasons other
25 than death or disability before earning at least two years of creditable service after such return, the portion of
26 the member's benefit attributable to creditable service earned before DROP entry shall be determined using
27 average final compensation as defined in paragraph (a) of this subdivision; and the portion of the member's
28 benefit attributable to creditable service earned after return to active participation in the system shall be
29 determined using average final compensation as defined in paragraph (b) of this subdivision;

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1 (d) With respect to a member who is participating in the DROP pursuant to section 86.251 on
2 October 1, 2001, or whose participation in the DROP ended before such date, who returns to active
3 participation in the system pursuant to section 86.251, and who terminates employment as a police officer
4 after earning at least two years of creditable service after such return, the member's benefit attributable to all
5 of such member's creditable service shall be determined using the member's average final compensation as
6 defined in paragraph (b) of this subdivision;

7 (e) With respect to a member who is participating in the DROP pursuant to section 86.251 on
8 October 1, 2001, or whose participation in DROP ended before such date, who returns to active participation
9 in the system pursuant to section 86.251, and whose employment as a police officer terminates due to death
10 or disability after such return, the member's benefit attributable to all of such member's creditable service
11 shall be determined using the member's average final compensation as defined in paragraph (b) of this
12 subdivision; and

13 (f) With respect to the surviving spouse or surviving dependent child of a member who earns any
14 creditable service on or after October 1, 2001, the average earnable compensation of the member during the
15 member's last two years of creditable service as a police officer or, if the member has had less than two years
16 of creditable service, the average earnable compensation of the member's entire period of creditable service;

17 (4) "Beneficiary", any person in receipt of a retirement allowance or other benefit;

18 (5) "Board of trustees", the board provided in sections 86.200 to 86.366 to administer the retirement
19 system;

20 (6) "Creditable service", prior service plus membership service as provided in sections 86.200 to
21 86.366;

22 (7) "DROP", the deferred retirement option plan provided for in section 86.251;

23 (8) "Earnable compensation", the annual salary [~~established under section 84.160 which~~] a member
24 would earn during one year on the basis of the member's rank or position, plus any additional compensation
25 for academic work and shift differential, that [~~may be provided~~] is set by any state or municipal body or
26 official [or board] now or hereafter authorized by law to employ and manage a permanent police force in such
27 cities. Such amount shall include the member's deferrals to a deferred compensation plan pursuant to Section
28 457 of the Internal Revenue Code or to a cafeteria plan pursuant to Section 125 of the Internal Revenue Code
29 or, effective October 1, 2001, to a transportation fringe benefit program pursuant to Section 132(f)(4) of the
30 Internal Revenue Code. "Earnable compensation" shall not include a member's additional compensation for
31 overtime, standby time, court time, nonuniform time or unused vacation time. Further, "earnable
32 compensation" shall not include any funds received by a member through a judgment or settlement of a legal
33 action or claim made or threatened by the member against any city not within a county if the funds are
34 intended to retroactively compensate the member for the salary differential between the member's actual rank
35 and the rank the member claims he or she should have received. Notwithstanding the foregoing, the earnable
36 compensation taken into account under the plan established pursuant to sections 86.200 to 86.366 with
37 respect to a member who is a noneligible participant, as defined in this subdivision, for any plan year
38 beginning on or after October 1, 1996, shall not exceed the amount of compensation that may be taken into
39 account under Section 401(a)(17) of the Internal Revenue Code, as adjusted for increases in the cost of living,

1 for such plan year. For purposes of this subdivision, a "noneligible participant" is an individual who first
2 becomes a member on or after the first day of the first plan year beginning after the earlier of:

3 (a) The last day of the plan year that includes August 28, 1995; or

4 (b) December 31, 1995;

5 (9) "Internal Revenue Code", the federal Internal Revenue Code of 1986, as amended;

6 (10) "Mandatory contributions", the contributions required to be deducted from the salary of each
7 member who is not participating in DROP in accordance with section 86.320;

8 (11) "Medical board", the health care organization appointed by the trustees of the police retirement
9 board and responsible for arranging and passing upon all medical examinations required under the provisions
10 of sections 86.200 to 86.366, which shall investigate all essential statements and certificates made by or on
11 behalf of a member in connection with an application for disability retirement and shall report in writing to
12 the board of trustees its conclusions and recommendations;

13 (12) "Member", a member of the retirement system as defined by sections 86.200 to 86.366;

14 (13) "Members' interest", interest on accumulated contributions at such rate as may be set from time
15 to time by the board of trustees;

16 (14) "Membership service", service as a policeman rendered since last becoming a member, except
17 in the case of a member who has served in the Armed Forces of the United States and has subsequently been
18 reinstated as a policeman, in which case "membership service" means service as a policeman rendered since
19 last becoming a member prior to entering such armed service;

20 (15) "Plan year" or "limitation year", the twelve consecutive-month period beginning each October
21 first and ending each September thirtieth;

22 (16) "Policeman" or "police officer", any member of the police force of such cities who holds a rank
23 in such police force;

24 (17) "Prior service", all service as a policeman rendered prior to the date the system becomes
25 operative or prior to membership service which is creditable in accordance with the provisions of sections
26 86.200 to 86.366;

27 (18) "Reserve officer", any member of the police reserve force of such cities, armed or unarmed,
28 who works less than full time, without compensation, and who, by his or her assigned function or as implied
29 by his or her uniform, performs duties associated with those of a police officer and who currently receives a
30 service retirement as provided by sections 86.200 to 86.366;

31 (19) "Retirement allowance", annual payments for life as provided by sections 86.200 to 86.366
32 which shall be payable in equal monthly installments or any benefits in lieu thereof granted to a member
33 upon termination of employment as a police officer and actual retirement;

34 (20) "Retirement system", the police retirement system of the cities as defined in sections 86.200 to
35 86.366;

36 (21) "Surviving spouse", the surviving spouse of a member who was the member's spouse at the time
37 of the member's death."; and

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