#### FIRST REGULAR SESSION

## **SENATE BILL NO. 601**

#### 92ND GENERAL ASSEMBLY

INTRODUCED BY SENATORS GRIESHEIMER AND CAUTHORN.

Read 1st time February 26, 2003, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

1903L.01I

### AN ACT

To repeal sections 104.374 and 104.610, RSMo, and to enact in lieu thereof two new sections relating to retirement benefits for certain state employees.

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

Section A. Sections 104.374 and 104.610, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 104.374 and 104.610, to read as follows:

- 104.374. 1. The normal annuity of a member, other than a member of the general assembly or a member who served in an elective state office, shall be an amount equal to one and six-tenths percent of the average compensation of the member multiplied by the number of years of creditable service of the member. Years of membership service and twelfths of a year are to be used in calculating any annuity. Absences taken by an employee without compensation for sickness and injury of the employee of less than twelve months or for leave taken by an employee without compensation pursuant to the provisions of the Family and Medical Leave Act of 1993 shall be counted as years of creditable service.
- 2. In addition to the amount determined pursuant to subsection 1 of this section, the normal annuity of a uniformed member of the water patrol shall be increased by thirty-three and one-third percent of the benefit.
- 3. In addition to the amount determined pursuant to subsection 1 of this section, the normal annuity of a uniformed conservation agent shall be increased by thirty-three and one-third percent of the benefit.

**4.** Employees who are fully vested at the age of sixty-five years and who continue to be employed by an agency covered under the system or members of the general assembly who serve in the general assembly after the age of sixty-five years shall have added to their normal annuity when they retire or die an amount equal to the total of all annual cost-of-living increases that the retired members of the system received during the years between when the employee or member of the general assembly reached sixty-five years of age and the year that the employee or member of the general assembly terminated employment or died. In no event shall the total increase in compensation granted under this subsection and subsection 2 of section 104.612 exceed sixty-five percent of the person's normal annuity calculated at the time of retirement or death.

104.610. 1. Any person, who is receiving or hereafter may receive state retirement benefits from the Missouri state employees' retirement system other than a person with twelve or more years of service in statewide state elective office receiving benefits pursuant to the provisions of section 104.371, a legislators' retirement system, or the highways and transportation employees' and highway patrol retirement system, upon application to the board of trustees of the system from which he or she is receiving retirement benefits, shall be made, constituted, appointed and employed by the board as a special consultant on the problems of retirement, aging, and other state matters, for the remainder of the person's life, and upon request of the board, or other state agencies where such person was employed prior to retirement, give opinions, and be available to give opinions in writing, or orally, in response to such requests, as may be required, and for such services shall be compensated monthly, in an amount, which, when added to any monthly state retirement benefits received on his or her retirement, shall be equal to the state retirement benefits the person would be receiving currently if the person had benefited from changes in the law effecting increases in the rate in the formula for calculating benefits in his or her respective retirement system, for his or her type of employment or for those persons having accrued thirty-five or more years of creditable service, changes in the law pertaining to the age and service requirements for a normal annuity in his or her respective retirement system, made subsequent to the date of his or her retirement; except that in calculating such benefits the meaning of "average compensation" shall be that ascribed to it by the law in effect on the date on which the benefits pursuant to this section are calculated.

2. In lieu of any other benefits pursuant to the provisions of this section, any member of the Missouri state employees' retirement system who has or may hereafter

retire pursuant to the provisions of section 104.371, pertaining to those members who have held statewide state elective office for at least twelve years, may apply pursuant to this section to be employed as a special consultant and for such services shall be compensated monthly, in an amount, which, when added to any monthly state retirement benefits received initially on his or her retirement, shall be equal to the state retirement benefits the person would be receiving if the person had benefited from changes in the law affecting increases in compensation for statewide state elective offices, pursuant to house substitute for senate bill no. 528, second regular session of the eighty-second general assembly, any other provisions of the law to the contrary notwithstanding.

- 3. This compensation shall be consolidated with any other retirement benefits payable to the person, and shall be funded as provided in section 104.436.
- 4. This compensation shall be treated as any other state retirement benefits payable by the Missouri state employees' retirement system or the highways and transportation employees' and highway patrol retirement system are treated and shall not be subject to execution, garnishment, attachment, writ of sequestration, or any other process or claim whatsoever, and shall be unassignable, anything to the contrary notwithstanding.
- 5. The employment provided for by this section shall in no way affect any person's eligibility for retirement benefits pursuant to this chapter, or in any way have the effect of reducing retirement benefits, anything to the contrary notwithstanding.
- 6. In order to determine the total monthly state retirement compensation due each retiree who is eligible for the additional amount provided for in subsection 1 of this section, the following formula shall be used:
- (1) The retiree's base monthly retirement compensation shall be determined by dividing the sum of the retiree's annual normal annuity as of the effective date of any increase in the rate in the formula for calculating benefits in his or her respective retirement system plus any annual increases granted such retiree as a result of his or her being a consultant, by twelve;
- (2) The amount determined pursuant to subdivision (1) of this subsection shall be increased by an amount equal to the base monthly retirement compensation calculated pursuant to subdivision (1) of this subsection multiplied by the percentage increase in the rate in the formula;
- (3) The sum obtained from completing the calculations contained in subdivisions (1) and (2) of this subsection shall be the retiree's new total monthly

state retirement compensation. Any retiree who is eligible for the benefit provided in subsection 1 of this section whose benefit pursuant to subsection 1 of this section was not calculated in accordance with the procedure provided in this subsection shall have his or her total monthly retirement compensation for all months beginning on or after September 28, 1985, recalculated in accordance with this subsection.

- 7. The provisions of this section are severable. If any provision of this section is found by a court of competent jurisdiction to be unconstitutional or otherwise invalid, the remaining provisions of this section are valid unless the court finds that such valid provisions, standing alone, are incomplete and incapable of being executed in accordance with the legislative intent.
- 8. Any person who terminates employment or retires prior to July 1, 2000, shall be made, constituted, appointed and employed by the board as a special consultant on the problems of retirement, aging, and other state matters, for the remainder of the person's life, and upon request of the board, or other state agencies where such person was employed prior to retirement, give opinions, and be available to give opinions in writing, or orally, in response to such requests, as may be required, and for such services shall be eligible to elect to receive a retirement annuity pursuant to the year 2000 plan as provided in this chapter.
- 9. Any person who is receiving or hereafter may receive retirement benefits pursuant to section 104.374, and would qualify for a benefit pursuant to subsection 3 of section 104.374 if such person were an active employee, such person shall, upon application to the board of trustees of the system from which he or she is receiving retirement benefits, shall be made, constituted, appointed, and employed by the board as a special consultant on the problems of retirement, aging, and other state matters, for the remainder of the person's life, and upon request of the board, or other state agencies where such person was employed prior to retirement, give opinions, and be available to give opinions in writing, or orally, in response to such requests, as may be required, and for such services shall be compensated monthly, in an amount, which, when added to any monthly state retirement benefits received on his or her retirement, shall be equal to the retirement benefits the person would be receiving currently if the person had benefited from changes in the law effecting increases pursuant to subsection 3 of section 104.374.
- **10.** Effective August 28, 2000, any person otherwise eligible for survivor benefits due to the death of a member prior to retirement, who was married less than

two years to the member at the time of the member's death, shall, upon application to the board, be made, constituted, appointed and employed by the board as a special consultant on the problems of retirement, aging and other state matters. As a special consultant pursuant to the provisions of this subsection, the person shall begin to receive a survivor benefit in a monthly amount equal to what the system would have paid the person had the person been eligible for such survivor benefit upon the death of the member. Such benefit shall commence the first of the month following receipt by the system of an application from such person, but not earlier than September 1, 2000. In no event shall any retroactive benefits be paid.

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