

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 127
94TH GENERAL ASSEMBLY

Reported from the Special Committee on Retirement April 11, 2007 with recommendation that House Committee Substitute for Senate Bill No. 127 Do Pass by Consent. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

0330L.04C

AN ACT

To repeal sections 104.040 and 104.160, RSMo, and to enact in lieu thereof two new sections relating to the highway patrol retirement system.

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

Section A. Sections 104.040 and 104.160, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 104.040 and 104.160, to read as follows:

104.040. 1. Any member shall be entitled to creditable prior service within the meaning
2 of sections 104.010 to [104.270] **104.272** for all service in the United States Army, Navy, or
3 other armed services of the United States, or any women's auxiliary thereof in time of active
4 armed warfare, if such member was a state employee immediately prior to his or her entry into
5 the armed services and became an employee of the state within ninety days after termination of
6 such service by an honorable discharge or release to inactive status; the requirement of section
7 104.010 of duties during not less than one thousand hours for status as an "employee" shall not
8 apply to persons who apply for creditable prior service pursuant to the provisions of this section.
9 2. Any member of the system who served as an employee prior to the original effective
10 date of sections 104.010 to [104.270] **104.272**, but was not an employee on that date, shall be
11 entitled to creditable prior service that such member would have been entitled to had such
12 member become a member of the retirement system on the date of its inception if such member
13 has, or hereafter attains, one year of continuous membership service.

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.

14 3. Any employee who completes one continuous year of creditable service in the system
15 shall receive credit for service with a state department, if such service has not otherwise been
16 credited.

17 4. Any member who had served in the armed forces of the United States prior to
18 becoming a member, or who is otherwise ineligible pursuant to subsection 1 of this section or
19 other provisions of this chapter, and who became a member after his or her discharge under
20 honorable conditions may elect, prior to retirement, to purchase all of his or her creditable prior
21 service equivalent to such service in the armed forces, but not to exceed four years, if the
22 member is not receiving and is not eligible to receive retirement credits or benefits from any
23 other public or private retirement plan for the service to be purchased, and an affidavit so stating
24 shall be filed by the member with the retirement system. However, if the member is eligible to
25 receive retirement credits in a United States military service retirement system, the member shall
26 be permitted to purchase creditable prior service equivalent to his or her service in the armed
27 services, but not to exceed four years, any other provision of law to the contrary notwithstanding.
28 The purchase shall be effected by the member's paying to the retirement system an amount equal
29 to what would have been contributed by the state in his or her behalf had the member been a
30 member for the period for which the member is electing to purchase credit and had his or her
31 compensation during such period of membership been the same as the annual salary rate at which
32 the member was initially employed as a member, with the calculations based on the contribution
33 rate in effect on the date of his or her employment with simple interest calculated from date of
34 employment from which the member could first receive creditable service to the date of election
35 pursuant to this subsection. The payment shall be made over a period of not longer than two
36 years, measured from the date of election, and with simple interest on the unpaid balance.
37 Payments made for such creditable prior service pursuant to this subsection shall be treated by
38 the retirement system as would contributions made by the state and shall not be subject to any
39 prohibition on member contributions or refund provisions in effect at the time of enactment of
40 this subsection.

41 5. Any uniformed member of the highway patrol who served as a certified police officer
42 prior to becoming a member may elect, prior to retirement, to purchase all of his or her creditable
43 prior service equivalent to such service in the police force, but not to exceed four years, if he or
44 she is not receiving and is not eligible to receive credits or benefits from any other public or
45 private retirement plan for the service to be purchased, and an affidavit so stating shall be filed
46 by the member with the retirement system. The purchase shall be effected by the member's
47 paying to the retirement system an amount equal to what would have been contributed by the
48 state in his or her behalf had he or she been a member of the system for the period for which the
49 member is electing to purchase credit and had his compensation during such period been the

50 same as the annual salary rate at which the member was initially employed as a member, with
51 the calculations based on the contribution rate in effect on the date of his or her employment with
52 simple interest calculated from the date of employment from which the member could first
53 receive creditable service to the date of election pursuant to the provisions of this section. The
54 payment shall be made over a period of not longer than two years, measured from the date of
55 election, and with simple interest on the unpaid balance. Payments made for such creditable
56 prior service pursuant to the provisions of this section shall be treated by the retirement system
57 as would contributions made by the state and shall not be subject to any prohibition on member
58 contributions or refund provisions in effect at the time of enactment of this section.

59 6. Any [uniformed] member of the [highway patrol] **system under section 104.030 or**
60 **104.170 who is an active employee and** who served as a nonfederal full-time public employee
61 in this state prior to becoming a member may elect, prior to retirement, to purchase all of his or
62 her creditable prior service equivalent to such service, but not to exceed four years, if he or she
63 is not receiving and is not eligible to receive credits or benefits from any other public plan for
64 the service to be purchased[, and an affidavit so stating shall be filed by the member with the
65 retirement system]. The purchase shall be effected by the member's paying to the retirement
66 system an amount equal to what would have been contributed by the state in his or her behalf had
67 he or she been a member of the system for the period for which the member is electing to
68 purchase credit and had his compensation during such period been the same as the annual salary
69 rate at which the member was initially employed as a member, with the calculations based on
70 the contribution rate in effect on the date of his or her employment with simple interest
71 calculated from the date of employment from which the member could first receive creditable
72 service to the date of election pursuant to the provisions of this section. The payment shall be
73 made over a period of not longer than two years, measured from the date of election, and with
74 simple interest on the unpaid balance. Payments made for such creditable prior service pursuant
75 to the provisions of this section shall be treated by the retirement system as would contributions
76 made by the state and shall not be subject to any prohibition on member contributions or refund
77 provisions in effect at the time of enactment of this section. **All purchase payments under this**
78 **subsection must be completed prior to retirement or prior to termination of employment.**
79 **If a member who purchased creditable service under this subsection dies prior to**
80 **retirement, the surviving spouse may, upon written request, receive a refund of the amount**
81 **contributed for such purchase of such creditable service. The surviving spouse shall not**
82 **be eligible for a refund under this subsection if he or she is entitled to survivorship benefits**
83 **payable under section 104.140. A member who is entitled to a deferred annuity under**
84 **section 104.035 shall be ineligible to purchase service under this subsection.**

104.160. The board of trustees shall consist of three members of the state highways and transportation commission elected by the members of the commission. The superintendent of the highway patrol and the director of the department of transportation shall serve as members by virtue of their respective offices, and their successors shall succeed them as members of the board of trustees. In addition, one member of the senate appointed by the president pro tem of the senate and one member of the house of representatives, appointed by the speaker of the house shall serve as members of the board of trustees. In addition to the appointed legislators, two active employee members of the system shall be elected by a plurality vote of the active employee members of the system, herein designated for four-year terms to commence July 1, 1982, and every four years thereafter. One elected member shall be elected from the active employees of the department of transportation and one elected member shall be elected from the active employees of the civilian or uniformed highway patrol. In addition to the two active employee members, [one retired member] **two retirees** of the system shall be elected to serve on the board by a plurality vote of the [retired members] **retirees** of the system. [The retired member] **One retiree** shall be elected by the retired employees of the transportation department and **one retiree shall be elected by** the retired [members] **employees** of the civilian or uniformed highway patrol. [The first retired member elected to the board shall serve for a term which shall commence on January 1, 1993, and expire on June 30, 1994. Subsequently elected retired members shall serve for four-year terms commencing on July 1, 1994, and every four years thereafter, which shall coincide with the terms of the active employee members of the board.] **The retiree serving on the board on August 28, 2007, shall continue to serve on the board as the representative of the retired employees of the transportation department until June 30, 2010. An election shall be held prior to January 1, 2008, for the retiree to be elected by the retired employees of the civilian or uniformed highway patrol with said term to commence on January 1, 2008, and expire on June 30, 2010. All terms of elected retired employees shall be for four years after June 30, 2010.** The board shall determine the procedures for nomination and election of the elective board members. Nominations may be entered by any member of the system, provided members of the system have a reasonable opportunity to vote.

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