

SECOND REGULAR SESSION
[P E R F E C T E D]
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 994
94TH GENERAL ASSEMBLY

Reported from the Committee on Pensions, Veterans' Affairs and General Laws, February 7, 2008, with recommendation that the Senate Committee Substitute do pass.

Senate Committee Substitute for Senate Bill No. 994, adopted February 13, 2008.

Taken up for Perfection February 13, 2008. Bill declared Perfected and Ordered Printed.

TERRY L. SPIELER, Secretary.

4440S.03P

AN ACT

To repeal section 169.010, RSMo, and to enact in lieu thereof one new section relating to the public school retirement system of Missouri, with an emergency clause.

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

Section A. Section 169.010, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 169.010, to read as follows:

169.010. The following words and phrases, as used in sections 169.010 to
2 169.130, unless a different meaning is plainly required by the context, shall have
3 the following meanings:

4 (1) "Accumulated contributions" shall mean the sum of the annual
5 contributions a member has made to the retirement system through deductions
6 from the member's salary, plus interest compounded annually on each year's
7 contributions from the end of the school year during which such contributions
8 were made;

9 (2) "Board" shall mean the board of trustees provided for in sections
10 169.010 to 169.130;

11 (3) "Creditable service" shall mean prior service or membership service,
12 or the sum of the two, if the member has both to the member's credit;

13 (4) "District" shall mean public school, as herein defined;

14 (5) "Employ" shall have a meaning agreeable with that herein given to
15 employer and employee;

16 (6) "Employee" shall be synonymous with the term "teacher" as the same

17 is herein defined;

18 (7) "Employer" shall mean the district that makes payment directly to the
19 teacher or employee for such person's services;

20 (8) "Final average salary" shall mean the total compensation payable to
21 a member for any three consecutive years of creditable service, as elected by the
22 member, divided by thirty-six; with the proviso that any annual compensation
23 entering into the total compensation shall not exceed twelve thousand six
24 hundred dollars for any year prior to July 1, 1967; and with the proviso that the
25 board may set a maximum percentage of increase in annual compensation from
26 one year to the next in the final average salary period. In no instance shall the
27 maximum percentage of increase in annual compensation from one year to the
28 next in the final average salary period exceed ten percent **for the**
29 **superintendent of schools or other certified central office personnel of**
30 **a school district or twenty percent for any other member.** This limit will
31 not apply to increases due to bonafide changes in position or employer increases
32 required by state statute, or districtwide salary schedule adjustments for
33 previously unrecognized education-related services;

34 (9) "Member" shall mean a person who holds membership in the
35 retirement system;

36 (10) "Membership service" shall mean service rendered by a member of
37 the retirement system after the system becomes operative, and may include a
38 period of service in the armed forces of the United States as provided for in
39 section 169.055;

40 (11) "Prior service" shall mean service rendered by a member of the
41 retirement system before the system becomes operative, and may include service
42 rendered by a member of the armed forces if the member was a teacher at the
43 time the member was inducted, for which credit has been approved by the board
44 of trustees;

45 (12) "Public school" shall mean any school conducted within the state
46 under the authority and supervision of a duly elected district or city or town
47 board of directors or board of education and the board of regents of the several
48 state teachers' colleges, or state colleges, board of trustees of the public school
49 retirement system of Missouri, and also the state of Missouri and each county
50 thereof, to the extent that the state and the several counties are employers of
51 teachers as herein designated;

52 (13) "Retirement allowance" shall mean a monthly payment for life during

53 retirement;

54 (14) "Retirement system" or "system" shall mean the public school
55 retirement system of Missouri created by sections 169.010 to 169.130;

56 (15) "Salary", "salary rate" or "compensation" shall mean the regular
57 remuneration, including any payments made pursuant to sections 168.500 to
58 168.515, RSMo, which is earned by a member as an employee of a district, but not
59 including employer-paid fringe benefits except the value of employer-paid medical
60 benefits (including dental and vision) for members, and not including
61 employer-paid medical benefits (including dental and vision) for anyone other
62 than the member, employer contributions to any deferred compensation plan,
63 consideration for agreeing to terminate employment or other nonrecurring or
64 unusual payments that are not a part of regular remuneration. The board by its
65 rules may further define salary, salary rate and compensation in a manner
66 consistent with this definition and with sections 169.010 to 169.141;

67 (16) "School year" shall mean the year from July first of one year to June
68 thirtieth of next year, inclusive, which shall also be the fiscal year of the system;

69 (17) "Teacher" shall mean any person who shall be employed by any public
70 school on a full-time basis and who shall be duly certificated under the law
71 governing the certification of teachers; any person employed in the state
72 department of elementary and secondary education or by the state board of
73 education on a full-time basis who shall be duly certificated under the law
74 governing the certification of teachers and who did not become a member of the
75 Missouri state employees' retirement system pursuant to section 104.342, RSMo;
76 and persons employed by the board of trustees of the public school retirement
77 system of Missouri on a full-time basis who shall be duly certified under the law
78 governing the certification of teachers. The term "teacher" shall be synonymous
79 with the term "employee" as defined in this section.

Section B. Because immediate action is necessary to protect the financial
2 security of Missouri teachers who plan to retire in the upcoming year, section A
3 of this act is deemed necessary for the immediate preservation of the public
4 health, welfare, peace and safety, and is hereby declared to be an emergency act
5 within the meaning of the constitution, and section A of this act shall be in full
6 force and effect upon its passage and approval.

✓