

FIRST REGULAR SESSION

SENATE BILL NO. 28

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RIDGEWAY.

Pre-filed December 1, 2008, and ordered printed.

TERRY L. SPIELER, Secretary.

0392S.011

AN ACT

To repeal section 104.335, RSMo, and to enact in lieu thereof two new sections relating to vested members of the Missouri state employees' retirement system.

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

Section A. Section 104.335, RSMo, is repealed and two new sections
2 enacted in lieu thereof, to be known as sections 104.335 and 104.1025, to read as
3 follows:

104.335. 1. Any member whose employment terminated prior to
2 September 1, 1972, and (a) who had served at least three full biennial assemblies
3 as a member of the general assembly, or (b) who was other than a member of the
4 general assembly and who had fifteen or more years of vesting service shall be
5 entitled to a deferred normal annuity based on the member's creditable service,
6 average compensation and the law in effect at the time the member's employment
7 was terminated.

8 2. (1) Any member whose employment terminated on or after September
9 1, 1972, and prior to July 1, 1981, and (a) who had served at least three full
10 biennial assemblies as a member of the general assembly, or (b) who was other
11 than a member of the general assembly and who had fifteen or more years of
12 vesting service or who had ten or more years of vesting service and was at least
13 thirty-five years of age at the date of termination of employment shall be entitled
14 to a deferred normal annuity based on the member's creditable service, average
15 compensation and the law in effect at the time the member's employment was
16 terminated.

17 (2) Any member whose employment terminated on or after July 1, 1981,
18 and (a) who had served at least three full biennial assemblies as a member of the

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 general assembly, or (b) who was other than a member of the general assembly
20 and who had ten or more years of vesting service at the date of termination of
21 employment shall be entitled to a deferred normal annuity based on the member's
22 creditable service, average compensation and the law in effect at the time the
23 member's employment was terminated.

24 (3) Any member whose employment terminated on or after September 1,
25 1972, and who had four or more years of vesting service as governor, lieutenant
26 governor, secretary of state, auditor, treasurer, or attorney general of this state
27 shall be entitled to a deferred normal annuity based on the member's creditable
28 service, average compensation and the law in effect at the time the member's
29 employment was terminated.

30 (4) Any member whose employment terminated on or after September 28,
31 1985, and who (a) had served less than three full biennial assemblies as a
32 member of the general assembly, and (b) has less than ten years of vesting service
33 as an employee other than a member of the general assembly shall be entitled to
34 two years of vesting service for each full biennial assembly in which the member
35 served plus an additional amount of vesting service for each partial biennial
36 assembly served, which amount shall be equal to the pro rata portion of the
37 biennial assembly so served. The total amount of vesting service provided for in
38 this subdivision shall be used to calculate the deferred normal annuity or
39 deferred partial annuity to which such member is entitled based on the member's
40 creditable service, which includes all service designated as vesting service under
41 this subdivision, the member's average compensation, and the law in effect at the
42 time the member's employment was terminated.

43 3. Any member whose employment terminated on or after October 1, 1984,
44 but before September 28, 1992, and who was other than a member of the general
45 assembly and who has five or more years of vesting service as an employee at the
46 date of termination of employment shall be entitled to a deferred partial annuity
47 based on the member's creditable service, average compensation, and the law in
48 effect at the time the member's employment was terminated, in the following
49 amounts:

50 (1) An employee with at least five years of vesting service, but less than
51 six years, is entitled to fifty percent of the amount payable as a deferred normal
52 annuity;

53 (2) An employee with six years of vesting service, but less than seven
54 years, is entitled to sixty percent of the amount payable as a deferred normal

55 annuity;

56 (3) An employee with seven years of vesting service, but less than eight
57 years, is entitled to seventy percent of the amount payable as a deferred normal
58 annuity;

59 (4) An employee with eight years of vesting service, but less than nine
60 years, is entitled to eighty percent of the amount payable as a deferred normal
61 annuity;

62 (5) An employee with nine years of vesting service, but less than ten
63 years, is entitled to ninety percent of the amount payable as a deferred normal
64 annuity.

65 4. Any member whose employment terminated on or after September 28,
66 1992, and who was other than a member of the general assembly and who has
67 five or more years of vesting service as an employee at the date of termination of
68 employment shall be entitled to a deferred normal annuity based on the member's
69 creditable service, average compensation, and the law in effect at the time the
70 member's employment was terminated.

71 5. Any member who is entitled to a deferred normal annuity as provided
72 in subsection 1, 2, 3, or 4 of this section and who reenters the service of a
73 department and again becomes a member of the system shall have the member's
74 prior period of vesting service combined with the member's current membership
75 service, so that any benefits that may become payable under this system by
76 reason of the member's retirement or subsequent withdrawal will recognize such
77 prior period of vesting service.

78 6. (1) A vested member[, an administrative law judge or legal advisor as
79 defined in section 287.812, RSMo, or a judge as defined in section 476.515,
80 RSMo,] who has terminated all employment with the state of Missouri [for a
81 period of six months or longer,] may make a one-time election for the system to
82 pay the present value of a deferred annuity [or a benefit as defined in section
83 287.812, RSMo, or section 476.515, RSMo, if the amount of such terminated
84 member's or person's creditable service is less than ten years, and if such
85 terminated member or person is not within five years of eligibility for receiving
86 an annuity or benefit]. Any such member[, administrative law judge, legal
87 advisor or judge] who terminates employment on or after August 28, 1997, shall
88 be eligible for the one-time election provided for in this subsection [only if the
89 present value of the deferred annuity does not exceed ten thousand dollars]. The
90 present value shall be actuarially determined by the system. Except as provided

91 in subdivision (2) of this subsection, any [payment so made shall be a complete
92 discharge of the existing liability of the system with respect to such terminated
93 member or person] **member who chooses the one-time election provided**
94 **for in this section shall forfeit, waive, and relinquish all accrued rights**
95 **in the system, including any accrued creditable service, which shall**
96 **result in a complete discharge of the existing liability of the system**
97 **with respect to such terminated member or person. Nothing in this**
98 **section shall be construed to affect a member's health care benefits as**
99 **provided under chapter 103, RSMo.**

100 (2) Upon subsequent employment in a position covered under a system
101 administered by the Missouri state employees' retirement system, the employee,
102 administrative law judge or judge may elect, within one year of such employment,
103 to purchase creditable service equal to the amount of creditable service
104 surrendered due to a payment as specified in this subsection. The cost of such
105 purchase shall be actuarially determined by the system, and shall be paid over
106 a period of not longer than two years from the date of election, with interest on
107 the unpaid balance.

108 [(3) Persons described in subdivision (1) of this subsection who terminate
109 employment on or after September 1, 2002, shall no longer be eligible to make the
110 election described in subdivision (1) of this subsection.]

111 7. Any individual, covered by a retirement plan identified in this chapter,
112 chapter 287 or chapter 476, RSMo, who terminated employment prior to August
113 28, 1993, shall, upon application to the board of trustees of the Missouri state
114 employees' retirement system, be made, constituted and appointed and employed
115 by the board as a special consultant on the problems of retirement, aging and
116 other state matters for the remainder of the person's life. Upon request of the
117 board or the court from which the person retired, the consultant shall give
118 opinions or be available to give opinions in writing or orally in response to such
119 requests. As compensation for such services, the consultant shall be eligible to
120 purchase or transfer, prior to retirement, creditable service as set forth in section
121 105.691, RSMo.

104.1025. A vested member who has terminated all employment
2 **with the state of Missouri may make a one-time election for the system**
3 **to pay the present value of a deferred annuity. The present value shall**
4 **be actuarially determined by the system. Any member who chooses the**
5 **one-time election provided for in this section shall forfeit, waive, and**

6 relinquish all accrued rights in the system, including any accrued
7 creditable service, which shall result in a complete discharge of the
8 existing liability of the system with respect to such terminated member
9 or person. Nothing in this section shall be construed to affect a
10 member's health care benefits as provided under chapter 103, RSMo.

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