

FIRST REGULAR SESSION

SENATE BILL NO. 410

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CROWELL.

Read 1st time March 1, 2011, and ordered printed.

TERRY L. SPIELER, Secretary.

1817S.011

AN ACT

To amend chapter 104, RSMo, by adding thereto one new section relating to reciprocal service transfers between the Missouri department of transportation and highway patrol employees' retirement system and the Missouri state employees' retirement system.

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

Section A. Chapter 104, RSMo, is amended by adding thereto one new section, to be known as section 104.603, to read as follows:

104.603. 1. Effective with transfers of service between the Missouri department of transportation and highway patrol employees' retirement system and the Missouri state employees' retirement system that occur on or after September 1, 2011, upon a reciprocal transfer of creditable or credited service pursuant to section 104.602 or subsection 8 of section 104.1021, the sending system from which the service is transferred shall pay the receiving system to which the service is transferred an amount equal to the member's actuarial accrued liability at the time of transfer using the same assumptions and member status used in performing the last regular actuarial valuation of the transferring plan.

2. For purposes of this section, the actuarial accrued liability is the total accrued liability that was included in the last regular actuarial valuation of the sending system attributable to the transferring member and is based on the entry age actuarial cost method or the actuarial cost method required by statute for funding. Any money collected by the receiving system to restore forfeited service accrued at the sending system shall reduce the actuarial accrued liability of the sending system. However, in no event

20 shall the payment amount be less than the sum of the member's
21 accumulated contributions and interest plus any purchased service
22 payments from the member held on deposit by the sending system.

23 3. The service transfer shall not be deemed completed until the
24 sending system makes payment to the receiving system as prescribed
25 in this section. Payments shall be made within ninety days of the date
26 that a completed transfer request is submitted by a member.

27 4. When the transfer payment includes an amount identified as
28 corresponding to a member's accumulated contributions, the
29 accumulated contributions portion shall be identified, and further, the
30 accumulated contributions balance as of the preceding July first shall
31 be identified and the receiving system shall be responsible for crediting
32 interest according to the terms of the receiving plan.

33 5. The systems shall coordinate their plan administration for
34 reciprocal transfers to give full effect to the transfer including the
35 transfer and acceptance of corresponding division of benefit orders.

36 6. The member or survivor obtaining a reciprocal transfer of
37 service covered by this section shall satisfy all requirements under
38 section 104.602 or subsection 8 of section 104.1021 to obtain a transfer
39 of credited or creditable service and shall satisfy the requirements
40 under section 104.1091 with the receiving system to re-establish
41 forfeited service previously accrued at either system.

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