

# SENATE AMENDMENT NO. \_\_\_\_\_

Offered by \_\_\_\_\_ of \_\_\_\_\_

Amend \_\_\_\_\_ House Bill No. 1443, Page 1, Section Title, Lines 2-3,

2 by striking the following: "the Missouri local government  
3 employees' retirement system" and inserting in lieu thereof the  
4 following: "public retirement plans"; and

5 Further amend said bill, page 2, section 70.621, line 24, by  
6 inserting after all of said line the following:

7 "169.070. 1. The retirement allowance of a member whose age  
8 at retirement is sixty years or more and whose creditable service  
9 is five years or more, or whose sum of age and creditable service  
10 equals eighty years or more, or who has attained age fifty-five  
11 and whose creditable service is twenty-five years or more or  
12 whose creditable service is thirty years or more regardless of  
13 age, may be the sum of the following items, not to exceed one  
14 hundred percent of the member's final average salary:

15 (1) Two and five-tenths percent of the member's final  
16 average salary for each year of membership service;

17 (2) Six-tenths of the amount payable for a year of  
18 membership service for each year of prior service not exceeding  
19 thirty years. In lieu of the retirement allowance otherwise  
20 provided in subdivisions (1) and (2) of this subsection, a member  
21 may elect to receive a retirement allowance of:

1           (3) Two and four-tenths percent of the member's final  
2 average salary for each year of membership service, if the  
3 member's creditable service is twenty-nine years or more but less  
4 than thirty years, and the member has not attained age  
5 fifty-five;

6           (4) Two and thirty-five-hundredths percent of the member's  
7 final average salary for each year of membership service, if the  
8 member's creditable service is twenty-eight years or more but  
9 less than twenty-nine years, and the member has not attained age  
10 fifty-five;

11           (5) Two and three-tenths percent of the member's final  
12 average salary for each year of membership service, if the  
13 member's creditable service is twenty-seven years or more but  
14 less than twenty-eight years, and the member has not attained age  
15 fifty-five;

16           (6) Two and twenty-five-hundredths percent of the member's  
17 final average salary for each year of membership service, if the  
18 member's creditable service is twenty-six years or more but less  
19 than twenty-seven years, and the member has not attained age  
20 fifty-five;

21           (7) Two and two-tenths percent of the member's final average  
22 salary for each year of membership service, if the member's  
23 creditable service is twenty-five years or more but less than  
24 twenty-six years, and the member has not attained age fifty-five;

25           (8) [Between July 1, 2001, and July 1, 2014,] Two and  
26 fifty-five hundredths percent of the member's final average  
27 salary for each year of membership service, if the member's  
28 creditable service is thirty-one years or more regardless of age.

29           2. In lieu of the retirement allowance provided in

1 subsection 1 of this section, a member whose age is sixty years  
2 or more on September 28, 1975, may elect to have the member's  
3 retirement allowance calculated as a sum of the following items:

4 (1) Sixty cents plus one and five-tenths percent of the  
5 member's final average salary for each year of membership  
6 service;

7 (2) Six-tenths of the amount payable for a year of  
8 membership service for each year of prior service not exceeding  
9 thirty years;

10 (3) Three-fourths of one percent of the sum of subdivisions  
11 (1) and (2) of this subsection for each month of attained age in  
12 excess of sixty years but not in excess of age sixty-five.

13 3. (1) In lieu of the retirement allowance provided either  
14 in subsection 1 or 2 of this section, collectively called "option  
15 1", a member whose creditable service is twenty-five years or  
16 more or who has attained the age of fifty-five with five or more  
17 years of creditable service may elect in the member's application  
18 for retirement to receive the actuarial equivalent of the  
19 member's retirement allowance in reduced monthly payments for  
20 life during retirement with the provision that:

21 Option 2. Upon the member's death the reduced retirement  
22 allowance shall be continued throughout the life of and paid to  
23 such person as has an insurable interest in the life of the  
24 member as the member shall have nominated in the member's  
25 election of the option, and provided further that if the person  
26 so nominated dies before the retired member, the retirement  
27 allowance will be increased to the amount the retired member  
28 would be receiving had the retired member elected option 1;

29 OR

1           Option 3. Upon the death of the member three-fourths of the  
2 reduced retirement allowance shall be continued throughout the  
3 life of and paid to such person as has an insurable interest in  
4 the life of the member and as the member shall have nominated in  
5 an election of the option, and provided further that if the  
6 person so nominated dies before the retired member, the  
7 retirement allowance will be increased to the amount the retired  
8 member would be receiving had the member elected option 1;

9           OR

10           Option 4. Upon the death of the member one-half of the  
11 reduced retirement allowance shall be continued throughout the  
12 life of, and paid to, such person as has an insurable interest in  
13 the life of the member and as the member shall have nominated in  
14 an election of the option, and provided further that if the  
15 person so nominated dies before the retired member, the  
16 retirement allowance shall be increased to the amount the retired  
17 member would be receiving had the member elected option 1;

18           OR

19           Option 5. Upon the death of the member prior to the member  
20 having received one hundred twenty monthly payments of the  
21 member's reduced allowance, the remainder of the one hundred  
22 twenty monthly payments of the reduced allowance shall be paid to  
23 such beneficiary as the member shall have nominated in the  
24 member's election of the option or in a subsequent nomination. If  
25 there is no beneficiary so nominated who survives the member for  
26 the remainder of the one hundred twenty monthly payments, the  
27 total of the remainder of such one hundred twenty monthly  
28 payments shall be paid to the surviving spouse, surviving  
29 children in equal shares, surviving parents in equal shares, or

1 estate of the last person, in that order of precedence, to  
2 receive a monthly allowance in a lump sum payment. If the total  
3 of the one hundred twenty payments paid to the retired individual  
4 and the beneficiary of the retired individual is less than the  
5 total of the member's accumulated contributions, the difference  
6 shall be paid to the beneficiary in a lump sum;

7 OR

8 Option 6. Upon the death of the member prior to the member  
9 having received sixty monthly payments of the member's reduced  
10 allowance, the remainder of the sixty monthly payments of the  
11 reduced allowance shall be paid to such beneficiary as the member  
12 shall have nominated in the member's election of the option or in  
13 a subsequent nomination. If there is no beneficiary so nominated  
14 who survives the member for the remainder of the sixty monthly  
15 payments, the total of the remainder of such sixty monthly  
16 payments shall be paid to the surviving spouse, surviving  
17 children in equal shares, surviving parents in equal shares, or  
18 estate of the last person, in that order of precedence, to  
19 receive a monthly allowance in a lump sum payment. If the total  
20 of the sixty payments paid to the retired individual and the  
21 beneficiary of the retired individual is less than the total of  
22 the member's accumulated contributions, the difference shall be  
23 paid to the beneficiary in a lump sum.

24 (2) The election of an option may be made only in the  
25 application for retirement and such application must be filed  
26 prior to the date on which the retirement of the member is to be  
27 effective. If either the member or the person nominated to  
28 receive the survivorship payments dies before the effective date  
29 of retirement, the option shall not be effective, provided that:

1 (a) If the member or a person retired on disability  
2 retirement dies after acquiring twenty-five or more years of  
3 creditable service or after attaining the age of fifty-five years  
4 and acquiring five or more years of creditable service and before  
5 retirement, except retirement with disability benefits, and the  
6 person named by the member as the member's beneficiary has an  
7 insurable interest in the life of the deceased member, the  
8 designated beneficiary may elect to receive either survivorship  
9 benefits under option 2 or a payment of the accumulated  
10 contributions of the member. If survivorship benefits under  
11 option 2 are elected and the member at the time of death would  
12 have been eligible to receive an actuarial equivalent of the  
13 member's retirement allowance, the designated beneficiary may  
14 further elect to defer the option 2 payments until the date the  
15 member would have been eligible to receive the retirement  
16 allowance provided in subsection 1 or 2 of this section;

17 (b) If the member or a person retired on disability  
18 retirement dies before attaining age fifty-five but after  
19 acquiring five but fewer than twenty-five years of creditable  
20 service, and the person named as the member's beneficiary has an  
21 insurable interest in the life of the deceased member, the  
22 designated beneficiary may elect to receive either a payment of  
23 the member's accumulated contributions, or survivorship benefits  
24 under option 2 to begin on the date the member would first have  
25 been eligible to receive an actuarial equivalent of the member's  
26 retirement allowance, or to begin on the date the member would  
27 first have been eligible to receive the retirement allowance  
28 provided in subsection 1 or 2 of this section.

29 4. If the total of the retirement or disability allowance

1 paid to an individual before the death of the individual is less  
2 than the accumulated contributions at the time of retirement, the  
3 difference shall be paid to the beneficiary of the individual, or  
4 to the surviving spouse, surviving children in equal shares,  
5 surviving parents in equal shares, or estate of the individual in  
6 that order of precedence. If an optional benefit as provided in  
7 option 2, 3 or 4 in subsection 3 of this section had been  
8 elected, and the beneficiary dies after receiving the optional  
9 benefit, and if the total retirement allowance paid to the  
10 retired individual and the beneficiary of the retired individual  
11 is less than the total of the contributions, the difference shall  
12 be paid to the surviving spouse, surviving children in equal  
13 shares, surviving parents in equal shares, or estate of the  
14 beneficiary, in that order of precedence, unless the retired  
15 individual designates a different recipient with the board at or  
16 after retirement.

17 5. If a member dies and his or her financial institution is  
18 unable to accept the final payment or payments due to the member,  
19 the final payment or payments shall be paid to the beneficiary of  
20 the member or, if there is no beneficiary, to the surviving  
21 spouse, surviving children in equal shares, surviving parents in  
22 equal shares, or estate of the member, in that order of  
23 precedence, unless otherwise stated. If the beneficiary of a  
24 deceased member dies and his or her financial institution is  
25 unable to accept the final payment or payments, the final payment  
26 or payments shall be paid to the surviving spouse, surviving  
27 children in equal shares, surviving parents in equal shares, or  
28 estate of the member, in that order of precedence, unless  
29 otherwise stated.

1           6. If a member dies before receiving a retirement allowance,  
2 the member's accumulated contributions at the time of the death  
3 of the member shall be paid to the beneficiary of the member or,  
4 if there is no beneficiary, to the surviving spouse, surviving  
5 children in equal shares, surviving parents in equal shares, or  
6 to the estate of the member, in that order of precedence; except  
7 that, no such payment shall be made if the beneficiary elects  
8 option 2 in subsection 3 of this section, unless the beneficiary  
9 dies before having received benefits pursuant to that subsection  
10 equal to the accumulated contributions of the member, in which  
11 case the amount of accumulated contributions in excess of the  
12 total benefits paid pursuant to that subsection shall be paid to  
13 the surviving spouse, surviving children in equal shares,  
14 surviving parents in equal shares, or estate of the beneficiary,  
15 in that order of precedence.

16           7. If a member ceases to be a public school employee as  
17 herein defined and certifies to the board of trustees that such  
18 cessation is permanent, or if the membership of the person is  
19 otherwise terminated, the member shall be paid the member's  
20 accumulated contributions with interest.

21           8. Notwithstanding any provisions of sections 169.010 to  
22 169.141 to the contrary, if a member ceases to be a public school  
23 employee after acquiring five or more years of membership service  
24 in Missouri, the member may at the option of the member leave the  
25 member's contributions with the retirement system and claim a  
26 retirement allowance any time after reaching the minimum age for  
27 voluntary retirement. When the member's claim is presented to the  
28 board, the member shall be granted an allowance as provided in  
29 sections 169.010 to 169.141 on the basis of the member's age,



1 years of service, and the provisions of the law in effect at the  
2 time the member requests the member's retirement to become  
3 effective.

4 9. The retirement allowance of a member retired because of  
5 disability shall be nine-tenths of the allowance to which the  
6 member's creditable service would entitle the member if the  
7 member's age were sixty, or fifty percent of one-twelfth of the  
8 annual salary rate used in determining the member's contributions  
9 during the last school year for which the member received a year  
10 of creditable service immediately prior to the member's  
11 disability, whichever is greater, except that no such allowance  
12 shall exceed the retirement allowance to which the member would  
13 have been entitled upon retirement at age sixty if the member had  
14 continued to teach from the date of disability until age sixty at  
15 the same salary rate.

16 10. Notwithstanding any provisions of sections 169.010 to  
17 169.141 to the contrary, from October 13, 1961, the contribution  
18 rate pursuant to sections 169.010 to 169.141 shall be multiplied  
19 by the factor of two-thirds for any member of the system for whom  
20 federal Old Age and Survivors Insurance tax is paid from state or  
21 local tax funds on account of the member's employment entitling  
22 the person to membership in the system. The monetary benefits for  
23 a member who elected not to exercise an option to pay into the  
24 system a retroactive contribution of four percent on that part of  
25 the member's annual salary rate which was in excess of four  
26 thousand eight hundred dollars but not in excess of eight  
27 thousand four hundred dollars for each year of employment in a  
28 position covered by this system between July 1, 1957, and July 1,  
29 1961, as provided in subsection 10 of this section as it appears

1 in RSMo, 1969, shall be the sum of:

2 (1) For years of service prior to July 1, 1946, six-tenths  
3 of the full amount payable for years of membership service;

4 (2) For years of membership service after July 1, 1946, in  
5 which the full contribution rate was paid, full benefits under  
6 the formula in effect at the time of the member's retirement;

7 (3) For years of membership service after July 1, 1957, and  
8 prior to July 1, 1961, the benefits provided in this section as  
9 it appears in RSMo, 1959; except that if the member has at least  
10 thirty years of creditable service at retirement the member shall  
11 receive the benefit payable pursuant to that section as though  
12 the member's age were sixty-five at retirement;

13 (4) For years of membership service after July 1, 1961, in  
14 which the two-thirds contribution rate was paid, two-thirds of  
15 the benefits under the formula in effect at the time of the  
16 member's retirement.

17 11. The monetary benefits for each other member for whom  
18 federal Old Age and Survivors Insurance tax is or was paid at any  
19 time from state or local funds on account of the member's  
20 employment entitling the member to membership in the system shall  
21 be the sum of:

22 (1) For years of service prior to July 1, 1946, six-tenths  
23 of the full amount payable for years of membership service;

24 (2) For years of membership service after July 1, 1946, in  
25 which the full contribution rate was paid, full benefits under  
26 the formula in effect at the time of the member's retirement;

27 (3) For years of membership service after July 1, 1957, in  
28 which the two-thirds contribution rate was paid, two-thirds of  
29 the benefits under the formula in effect at the time of the

1 member's retirement.

2 12. Any retired member of the system who was retired prior  
3 to September 1, 1972, or beneficiary receiving payments under  
4 option 1 or option 2 of subsection 3 of this section, as such  
5 option existed prior to September 1, 1972, will be eligible to  
6 receive an increase in the retirement allowance of the member of  
7 two percent for each year, or major fraction of more than  
8 one-half of a year, which the retired member has been retired  
9 prior to July 1, 1975. This increased amount shall be payable  
10 commencing with January, 1976, and shall thereafter be referred  
11 to as the member's retirement allowance. The increase provided  
12 for in this subsection shall not affect the retired member's  
13 eligibility for compensation provided for in section 169.580 or  
14 169.585, nor shall the amount being paid pursuant to these  
15 sections be reduced because of any increases provided for in this  
16 section.

17 13. If the board of trustees determines that the cost of  
18 living, as measured by generally accepted standards, increases  
19 two percent or more in the preceding fiscal year, the board shall  
20 increase the retirement allowances which the retired members or  
21 beneficiaries are receiving by two percent of the amount being  
22 received by the retired member or the beneficiary at the time the  
23 annual increase is granted by the board with the provision that  
24 the increases provided for in this subsection shall not become  
25 effective until the fourth January first following the member's  
26 retirement or January 1, 1977, whichever later occurs, or in the  
27 case of any member retiring on or after July 1, 2000, the  
28 increase provided for in this subsection shall not become  
29 effective until the third January first following the member's

1 retirement, or in the case of any member retiring on or after  
2 July 1, 2001, the increase provided for in this subsection shall  
3 not become effective until the second January first following the  
4 member's retirement. Commencing with January 1, 1992, if the  
5 board of trustees determines that the cost of living has  
6 increased five percent or more in the preceding fiscal year, the  
7 board shall increase the retirement allowances by five percent.  
8 The total of the increases granted to a retired member or the  
9 beneficiary after December 31, 1976, may not exceed eighty  
10 percent of the retirement allowance established at retirement or  
11 as previously adjusted by other subsections. If the cost of  
12 living increases less than five percent, the board of trustees  
13 may determine the percentage of increase to be made in retirement  
14 allowances, but at no time can the increase exceed five percent  
15 per year. If the cost of living decreases in a fiscal year, there  
16 will be no increase in allowances for retired members on the  
17 following January first.

18 14. The board of trustees may reduce the amounts which have  
19 been granted as increases to a member pursuant to subsection 13  
20 of this section if the cost of living, as determined by the board  
21 and as measured by generally accepted standards, is less than the  
22 cost of living was at the time of the first increase granted to  
23 the member; except that, the reductions shall not exceed the  
24 amount of increases which have been made to the member's  
25 allowance after December 31, 1976.

26 15. Any application for retirement shall include a sworn  
27 statement by the member certifying that the spouse of the member  
28 at the time the application was completed was aware of the  
29 application and the plan of retirement elected in the

1 application.

2 16. Notwithstanding any other provision of law, any person  
3 retired prior to September 28, 1983, who is receiving a reduced  
4 retirement allowance under option 1 or option 2 of subsection 3  
5 of this section, as such option existed prior to September 28,  
6 1983, and whose beneficiary nominated to receive continued  
7 retirement allowance payments under the elected option dies or  
8 has died, shall upon application to the board of trustees have  
9 his or her retirement allowance increased to the amount he or she  
10 would have been receiving had the option not been elected,  
11 actuarially adjusted to recognize any excessive benefits which  
12 would have been paid to him or her up to the time of application.

13 17. Benefits paid pursuant to the provisions of the public  
14 school retirement system of Missouri shall not exceed the  
15 limitations of Section 415 of Title 26 of the United States Code  
16 except as provided pursuant to this subsection. Notwithstanding  
17 any other law to the contrary, the board of trustees may  
18 establish a benefit plan pursuant to Section 415(m) of Title 26  
19 of the United States Code. Such plan shall be created solely for  
20 the purpose described in Section 415(m)(3)(A) of Title 26 of the  
21 United States Code. The board of trustees may promulgate  
22 regulations necessary to implement the provisions of this  
23 subsection and to create and administer such benefit plan.

24 18. Notwithstanding any other provision of law to the  
25 contrary, any person retired before, on, or after May 26, 1994,  
26 shall be made, constituted, appointed and employed by the board  
27 as a special consultant on the matters of education, retirement  
28 and aging, and upon request shall give written or oral opinions  
29 to the board in response to such requests. As compensation for

1 such duties the person shall receive an amount based on the  
2 person's years of service so that the total amount received  
3 pursuant to sections 169.010 to 169.141 shall be at least the  
4 minimum amounts specified in subdivisions (1) to (4) of this  
5 subsection. In determining the minimum amount to be received, the  
6 amounts in subdivisions (3) and (4) of this subsection shall be  
7 adjusted in accordance with the actuarial adjustment, if any,  
8 that was applied to the person's retirement allowance. In  
9 determining the minimum amount to be received, beginning  
10 September 1, 1996, the amounts in subdivisions (1) and (2) of  
11 this subsection shall be adjusted in accordance with the  
12 actuarial adjustment, if any, that was applied to the person's  
13 retirement allowance due to election of an optional form of  
14 retirement having a continued monthly payment after the person's  
15 death. Notwithstanding any other provision of law to the  
16 contrary, no person retired before, on, or after May 26, 1994,  
17 and no beneficiary of such a person, shall receive a retirement  
18 benefit pursuant to sections 169.010 to 169.141 based on the  
19 person's years of service less than the following amounts:

20 (1) Thirty or more years of service, one thousand two  
21 hundred dollars;

22 (2) At least twenty-five years but less than thirty years,  
23 one thousand dollars;

24 (3) At least twenty years but less than twenty-five years,  
25 eight hundred dollars;

26 (4) At least fifteen years but less than twenty years, six  
27 hundred dollars.

28 19. Notwithstanding any other provisions of law to the  
29 contrary, any person retired prior to May 26, 1994, and any

1 designated beneficiary of such a retired member who was deceased  
2 prior to July 1, 1999, shall be made, constituted, appointed and  
3 employed by the board as a special consultant on the matters of  
4 education, retirement or aging and upon request shall give  
5 written or oral opinions to the board in response to such  
6 requests. Beginning September 1, 1996, as compensation for such  
7 service, the member shall have added, pursuant to this  
8 subsection, to the member's monthly annuity as provided by this  
9 section a dollar amount equal to the lesser of sixty dollars or  
10 the product of two dollars multiplied by the member's number of  
11 years of creditable service. Beginning September 1, 1999, the  
12 designated beneficiary of the deceased member shall as  
13 compensation for such service have added, pursuant to this  
14 subsection, to the monthly annuity as provided by this section a  
15 dollar amount equal to the lesser of sixty dollars or the product  
16 of two dollars multiplied by the member's number of years of  
17 creditable service. The total compensation provided by this  
18 section including the compensation provided by this subsection  
19 shall be used in calculating any future cost-of-living  
20 adjustments provided by subsection 13 of this section.

21 20. Any member who has retired prior to July 1, 1998, and  
22 the designated beneficiary of a deceased retired member shall be  
23 made, constituted, appointed and employed by the board as a  
24 special consultant on the matters of education, retirement and  
25 aging, and upon request shall give written or oral opinions to  
26 the board in response to such requests. As compensation for such  
27 duties the person shall receive a payment equivalent to eight and  
28 seven-tenths percent of the previous month's benefit, which shall  
29 be added to the member's or beneficiary's monthly annuity and

1 which shall not be subject to the provisions of subsections 13  
2 and 14 of this section for the purposes of the limit on the total  
3 amount of increases which may be received.

4 21. Any member who has retired shall be made, constituted,  
5 appointed and employed by the board as a special consultant on  
6 the matters of education, retirement and aging, and upon request  
7 shall give written or oral opinions to the board in response to  
8 such request. As compensation for such duties, the beneficiary of  
9 the retired member, or, if there is no beneficiary, the surviving  
10 spouse, surviving children in equal shares, surviving parents in  
11 equal shares, or estate of the retired member, in that order of  
12 precedence, shall receive as a part of compensation for these  
13 duties a death benefit of five thousand dollars.

14 22. Any member who has retired prior to July 1, 1999, and  
15 the designated beneficiary of a retired member who was deceased  
16 prior to July 1, 1999, shall be made, constituted, appointed and  
17 employed by the board as a special consultant on the matters of  
18 education, retirement and aging, and upon request shall give  
19 written or oral opinions to the board in response to such  
20 requests. As compensation for such duties, the person shall have  
21 added, pursuant to this subsection, to the monthly annuity as  
22 provided by this section a dollar amount equal to five dollars  
23 times the member's number of years of creditable service.

24 23. Any member who has retired prior to July 1, 2000, and  
25 the designated beneficiary of a deceased retired member shall be  
26 made, constituted, appointed and employed by the board as a  
27 special consultant on the matters of education, retirement and  
28 aging, and upon request shall give written or oral opinions to  
29 the board in response to such requests. As compensation for such



1 duties, the person shall receive a payment equivalent to three  
2 and five-tenths percent of the previous month's benefit, which  
3 shall be added to the member or beneficiary's monthly annuity and  
4 which shall not be subject to the provisions of subsections 13  
5 and 14 of this section for the purposes of the limit on the total  
6 amount of increases which may be received.

7 24. Any member who has retired prior to July 1, 2001, and  
8 the designated beneficiary of a deceased retired member shall be  
9 made, constituted, appointed and employed by the board as a  
10 special consultant on the matters of education, retirement and  
11 aging, and upon request shall give written or oral opinions to  
12 the board in response to such requests. As compensation for such  
13 duties, the person shall receive a dollar amount equal to three  
14 dollars times the member's number of years of creditable service,  
15 which shall be added to the member's or beneficiary's monthly  
16 annuity and which shall not be subject to the provisions of  
17 subsections 13 and 14 of this section for the purposes of the  
18 limit on the total amount of increases which may be received.

19 Section B. Because of the importance of providing an  
20 additional retirement allowance option to Missouri teachers,  
21 section A of this act is deemed necessary for the immediate  
22 preservation of the public health, welfare, peace and safety, and  
23 is hereby declared to be an emergency act within the meaning of  
24 the constitution, and section A of this act shall be in full  
25 force and effect upon its passage and approval."; and

26 Further amend the title and enacting clause accordingly.