

SECOND REGULAR SESSION

SENATE BILL NO. 1021

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS DIXON AND WALLINGFORD.

Read 1st time February 22, 2018, and ordered printed.

ADRIANE D. CROUSE, Secretary.

6545S.02I

AN ACT

To repeal section 476.521, RSMo, and to enact in lieu thereof one new section relating to the judicial retirement plan.

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

Section A. Section 476.521, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 476.521, to read as follows:

476.521. 1. Notwithstanding any provision of chapter 476 to the contrary,
2 each person who first becomes a judge on or after January 1, 2011, and continues
3 to be a judge may receive benefits as provided in sections [476.445] **476.450** to
4 [476.688] **476.690** subject to the provisions of this section. **However, any**
5 **person who filed as a candidate in 2010 to become a judge, was**
6 **ultimately elected and became a judge in 2011 as a result of such**
7 **election, was eligible in 2010 to receive a future annuity under section**
8 **104.1084, and is a judge on the effective date of this section, shall not**
9 **be subject to the provisions of this section.**

10 2. Any person who is at least sixty-seven years of age, has served in this
11 state an aggregate of at least twelve years, continuously or otherwise, as a judge,
12 and ceases to hold office by reason of the expiration of the judge's term, voluntary
13 resignation, or retirement pursuant to the provisions of Subsection 2 of Section
14 24 of Article V of the Constitution of Missouri may receive benefits as provided
15 in sections 476.515 to 476.565. The twelve-year requirement of this subsection
16 may be fulfilled by service as judge in any of the courts covered, or by service in
17 any combination as judge of such courts, totaling an aggregate of twelve
18 years. Any judge who is at least sixty-seven years of age and who has served less
19 than twelve years and is otherwise qualified under sections 476.515 to 476.565

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

20 may retire after reaching age sixty-seven, or thereafter, at a reduced retirement
21 compensation in a sum equal to the proportion of the retirement compensation
22 provided in section 476.530 that his or her period of judicial service bears to
23 twelve years.

24 3. Any person who is at least sixty-two years of age or older, has served
25 in this state an aggregate of at least twenty years, continuously or otherwise, as
26 a judge, and ceases to hold office by reason of the expiration of the judge's term,
27 voluntary resignation, or retirement pursuant to the provisions of Subsection 2
28 of Section 24 of Article V of the Constitution of Missouri may receive benefits as
29 provided in sections 476.515 to 476.565. The twenty-year requirement of this
30 subsection may be fulfilled by service as a judge in any of the courts covered, or
31 by service in any combination as judge of such courts, totaling an aggregate of
32 twenty years. Any judge who is at least sixty-two years of age and who has
33 served less than twenty years and is otherwise qualified under sections 476.515
34 to 476.565 may retire after reaching age sixty-two, at a reduced retirement
35 compensation in a sum equal to the proportion of the retirement compensation
36 provided in section 476.530 that his or her period of judicial service bears to
37 twenty years.

38 4. All judges under this section required by the provisions of Section 26
39 of Article V of the Constitution of Missouri to retire at the age of seventy years
40 shall retire upon reaching that age.

41 5. The provisions of sections 104.344, 476.524, and 476.690 shall not apply
42 to judges covered by this section.

43 6. A judge shall be required to contribute four percent of the judge's
44 compensation to the retirement system, which shall stand to the judge's credit in
45 his or her individual account with the system, together with investment credits
46 thereon, for purposes of funding retirement benefits payable as provided in
47 sections 476.515 to 476.565, subject to the following provisions:

48 (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C.
49 Section 414(h)(2), shall pick up and pay the contributions that would otherwise
50 be payable by the judge under this section. The contributions so picked up shall
51 be treated as employer contributions for purposes of determining the judge's
52 compensation that is includable in the judge's gross income for federal income tax
53 purposes;

54 (2) Judge contributions picked up by the employer shall be paid from the
55 same source of funds used for the payment of compensation to a judge. A

56 deduction shall be made from each judge's compensation equal to the amount of
57 the judge's contributions picked up by the employer. This deduction, however,
58 shall not reduce the judge's compensation for purposes of computing benefits
59 under the retirement system pursuant to this chapter;

60 (3) Judge contributions so picked up shall be credited to a separate
61 account within the judge's individual account so that the amounts contributed
62 pursuant to this section may be distinguished from the amounts contributed on
63 an after-tax basis;

64 (4) The contributions, although designated as employee contributions, are
65 being paid by the employer in lieu of the contributions by the judge. The judge
66 shall not have the option of choosing to receive the contributed amounts directly
67 instead of having them paid by the employer to the retirement system;

68 (5) Interest shall be credited annually on June thirtieth based on the
69 value in the account as of July first of the immediately preceding year at a rate
70 of four percent. Interest credits shall cease upon retirement of the judge;

71 (6) A judge whose employment is terminated may request a refund of his
72 or her contributions and interest credited thereon. If such judge is married at the
73 time of such request, such request shall not be processed without consent from
74 the spouse. A judge is not eligible to request a refund if the judge's retirement
75 benefit is subject to a division of benefit order pursuant to section 104.312. Such
76 refund shall be paid by the system after ninety days from the date of termination
77 of employment or the request, whichever is later and shall include all
78 contributions made to any retirement plan administered by the system and
79 interest credited thereon. A judge may not request a refund after such judge
80 becomes eligible for retirement benefits under sections 476.515 to 476.565. A
81 judge who receives a refund shall forfeit all the judge's service and future rights
82 to receive benefits from the system and shall not be eligible to receive any
83 long-term disability benefits; provided that any judge or former judge receiving
84 long-term disability benefits shall not be eligible for a refund. If such judge
85 subsequently becomes a judge and works continuously for at least one year, the
86 service previously forfeited shall be restored if the judge returns to the system the
87 amount previously refunded plus interest at a rate established by the board;

88 (7) The beneficiary of any judge who made contributions shall receive a
89 refund upon the judge's death equal to the amount, if any, of such contributions
90 less any retirement benefits received by the judge unless an annuity is payable
91 to a survivor or beneficiary as a result of the judge's death. In that event, the

92 beneficiary of the survivor or beneficiary who received the annuity shall receive
93 a refund upon the survivor's or beneficiary's death equal to the amount, if any,
94 of the judge's contributions less any annuity amounts received by the judge and
95 the survivor or beneficiary.

96 7. The employee contribution rate, the benefits provided under sections
97 476.515 to 476.565 to judges covered under this section, and any other provision
98 of sections 476.515 to 476.565 with regard to judges covered under this section
99 may be altered, amended, increased, decreased, or repealed, but only with respect
100 to services rendered by the judge after the effective date of such alteration,
101 amendment, increase, decrease, or repeal, or, with respect to interest credits, for
102 periods of time after the effective date of such alteration, amendment, increase,
103 decrease, or repeal.

104 8. Any judge who is receiving retirement compensation under section
105 476.529 or 476.530 who becomes employed as an employee eligible to participate
106 in the closed plan or in the year 2000 plan under chapter 104, shall not receive
107 such retirement compensation for any calendar month in which the retired judge
108 is so employed. Any judge who is receiving retirement compensation under
109 section 476.529 or section 476.530 who subsequently serves as a judge as defined
110 pursuant to subdivision (4) of subsection 1 of section 476.515 shall not receive
111 such retirement compensation for any calendar month in which the retired judge
112 is serving as a judge; except that upon retirement such judge's annuity shall be
113 recalculated to include any additional service or salary accrued based on the
114 judge's subsequent service. A judge who is receiving compensation under section
115 476.529 or 476.530 may continue to receive such retirement compensation while
116 serving as a senior judge or senior commissioner and shall receive additional
117 credit and salary for such service pursuant to section 476.682.

