

SENATE SUBSTITUTE  
FOR  
SENATE COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1467  
AND  
HOUSE BILL NO. 1934

AN ACT

To repeal sections 70.705, 104.010, 104.090, 104.395, 104.1027, and 169.020, RSMo, and to enact in lieu thereof seven new sections relating to public employee retirement systems.

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BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,  
AS FOLLOWS:

1           Section A. Sections 70.705, 104.010, 104.090, 104.395,  
2           104.1027, and 169.020, RSMo, are repealed and seven new sections  
3           enacted in lieu thereof, to be known as sections 70.705, 104.010,  
4           104.090, 104.395, 104.1027, 104.1089, and 169.020, to read as  
5           follows:

6           70.705. 1. The "Members Deposit Fund" is hereby created.  
7           It shall be the fund in which shall be accumulated the  
8           contributions made by members to the system, and from which shall  
9           be made transfers and refunds of members' contributions as  
10          provided in sections 70.600 to 70.755.

11          2. Except as provided otherwise in this section, the  
12          contributions of a member to the system shall be four percent of  
13          his compensations after the date he has completed sufficient

1 employment for six months of credited service. Such  
2 contributions shall be made notwithstanding that the minimum  
3 salary or wages provided by law for any member shall thereby be  
4 changed. Each member shall be deemed to consent and agree to the  
5 deductions made and provided for herein. Payment of a member's  
6 compensation less such deductions shall be a full and complete  
7 discharge and acquittance of all claims and demands whatsoever  
8 for services rendered by him to a political subdivision, except  
9 as to benefits provided by this system.

10 3. The officer or officers responsible for making up the  
11 payrolls for each political subdivision shall cause the  
12 contributions provided for in this section to be deducted from  
13 the compensation of each member in the employ of the political  
14 subdivision, on each and every payroll, for each and every  
15 payroll period after the date he has completed sufficient  
16 employment for six months of credited service to the date his  
17 membership terminates. When deducted, each of these amounts  
18 shall be paid by the political subdivision to the system; the  
19 payments shall be made in the manner and shall be accompanied by  
20 such supporting data as the board shall from time to time  
21 prescribe. When paid to the system, each of the amounts shall be  
22 credited to the members deposit fund account of the member from  
23 whose compensations the contributions were deducted.

24 4. In addition to the contributions deducted from the  
25 compensations of a member, as heretofore provided, a member shall  
26 deposit in the members deposit fund, by a single contribution or  
27 by an increased rate of contributions, as approved by the board,  
28 the amount or amounts he may have withdrawn therefrom and not

1 repaid thereto, together with regular interest from the date of  
2 withdrawal to the date of repayment. In no case shall a member  
3 be given credit for service rendered prior to the date he  
4 withdrew his accumulated contributions until he returns to the  
5 members deposit fund all amounts due the fund by him.

6 5. Upon the retirement of a member, or upon his death if an  
7 allowance becomes payable on account of his death, his  
8 accumulated contributions shall be transferred to the benefit  
9 reserve fund.

10 6. Each political subdivision, by majority vote of its  
11 governing body, may elect with respect to its members an  
12 alternate contribution amount of two percent or six percent of  
13 compensation or to eliminate future member contributions  
14 otherwise provided for in this section. Should a political  
15 subdivision elect one benefit program for members whose political  
16 subdivision employment is concurrently covered by federal Social  
17 Security and a different benefit program for members whose  
18 political subdivision employment is not concurrently covered by  
19 federal Social Security, as provided in section 70.655, the  
20 political subdivision may also, by majority vote of its governing  
21 body, make one election concerning member contributions provided  
22 for in this section for members whose political subdivision  
23 employment is concurrently covered by federal Social Security and  
24 one election concerning member contributions provided for in this  
25 section for members whose political subdivision employment is not  
26 concurrently covered by federal Social Security. The clerk or  
27 secretary of the political subdivision shall certify the election  
28 concerning member contributions to the board within ten days

1 after such vote. The effective date of the political  
2 subdivision's member contribution election is the first day of  
3 the calendar month specified by such governing body, or the first  
4 day of the calendar month next following receipt by the board of  
5 the certification of such election, or the effective date of the  
6 political subdivision's becoming an employer, whichever is the  
7 latest. Such election concerning member contributions may be  
8 changed from time to time by such vote, but not more often than  
9 once in two years. Except as provided in section 70.707, if such  
10 election is to eliminate member contributions, then such election  
11 shall apply only to future member compensations and shall not  
12 change the status of any member contributions made before such  
13 election. If the effect of such election is to require member  
14 contributions, then such election shall apply only to future  
15 member compensations and shall not change any member contribution  
16 requirements existing before such election. Should an employer  
17 change its member contribution requirements as provided in this  
18 section, the employer contribution requirements shall be  
19 correspondingly changed effective the same date as the member  
20 contribution change. The limitation on increases in an  
21 employer's contribution provided by subsection 6 of section  
22 70.730 shall not apply to any contribution increase resulting  
23 from an employer electing to eliminate member contributions.

24 104.010. 1. The following words and phrases as used in  
25 sections 104.010 to 104.800, unless a different meaning is  
26 plainly required by the context, shall mean:

27 (1) "Accumulated contributions", the sum of all deductions  
28 for retirement benefit purposes from a member's compensation

1 which shall be credited to the member's individual account and  
2 interest allowed thereon;

3 (2) "Active armed warfare", any declared war, or the Korean  
4 or Vietnamese Conflict;

5 (3) "Actuarial equivalent", a benefit which, when computed  
6 upon the basis of [actuarial tables and interest] specified  
7 actuarial assumptions approved by the board, is equal in value to  
8 a certain amount or other benefit;

9 (4) "Actuarial tables", the actuarial tables approved and  
10 in use by a board at any given time;

11 (5) "Actuary", the actuary who is a member of the American  
12 Academy of Actuaries or who is an enrolled actuary under the  
13 Employee Retirement Income Security Act of 1974 and who is  
14 employed by a board at any given time;

15 (6) "Annuity", annual payments, made in equal monthly  
16 installments, to a retired member from funds provided for in, or  
17 authorized by, this chapter;

18 (7) "Annuity starting date", the first day of the first  
19 month with respect to which an amount is paid as an annuity under  
20 sections 104.010 to 104.800, and the terms retirement, time of  
21 retirement, and date of retirement shall mean annuity starting  
22 date as defined in this subdivision unless the context in which  
23 the term is used indicates otherwise;

24 (8) "Average compensation", the average compensation of a  
25 member for the thirty-six consecutive months of service prior to  
26 retirement when the member's compensation was greatest; or if the  
27 member is on workers' compensation leave of absence or a medical  
28 leave of absence due to an employee illness, the amount of

1 compensation the member would have received may be used, as  
2 reported and verified by the employing department; or if the  
3 member had less than thirty-six months of service, the average  
4 annual compensation paid to the member during the period up to  
5 thirty-six months for which the member received creditable  
6 service when the member's compensation was the greatest; or if  
7 the member is on military leave, the amount of compensation the  
8 member would have received may be used as reported and verified  
9 by the employing department or, if such amount is not  
10 determinable, the amount of the employee's average rate of  
11 compensation during the twelve-month period immediately preceding  
12 such period of leave, or if shorter, the period of employment  
13 immediately preceding such period of leave. The board of each  
14 system may promulgate rules for purposes of calculating average  
15 compensation and other retirement provisions to accommodate for  
16 any state payroll system in which compensation is received on a  
17 monthly, semimonthly, biweekly, or other basis;

18 (9) "Beneficiary", any persons or entities entitled to or  
19 nominated by a member or retiree who may be legally entitled to  
20 receive benefits pursuant to this chapter;

21 (10) "Biennial assembly", the completion of no less than  
22 two years of creditable service or creditable prior service by a  
23 member of the general assembly;

24 (11) "Board of trustees", "board", or "trustees", a board  
25 of trustees as established for the applicable system pursuant to  
26 this chapter;

27 (12) "Chapter", sections 104.010 to 104.800;

28 (13) "Compensation":

1 (a) All salary and wages payable out of any state, federal,  
2 trust, or other funds to an employee for personal services  
3 performed for a department; but including only amounts for which  
4 contributions have been made in accordance with section 104.436,  
5 or section 104.070, whichever is applicable, and excluding any  
6 nonrecurring single sum payments or amounts paid after the  
7 member's termination of employment unless such amounts paid after  
8 such termination are a final installment of salary or wages at  
9 the same rate as in effect immediately prior to termination of  
10 employment in accordance with a state payroll system adopted on  
11 or after January 1, 2000, or any other one-time payments made as  
12 a result of such payroll system;

13 (b) All salary and wages which would have been payable out  
14 of any state, federal, trust or other funds to an employee on  
15 workers' compensation leave of absence during the period the  
16 employee is receiving a weekly workers' compensation benefit, as  
17 reported and verified by the employing department;

18 (c) Effective December 31, 1995, compensation in excess of  
19 the limitations set forth in Internal Revenue Code Section  
20 401(a)(17) shall be disregarded. The limitation on compensation  
21 for eligible employees shall not be less than the amount which  
22 was allowed to be taken into account under the system as in  
23 effect on July 1, 1993. For this purpose, an "eligible employee"  
24 is an individual who was a member of the system before the first  
25 plan year beginning after December 31, 1995;

26 (14) "Consumer price index", the Consumer Price Index for  
27 All Urban Consumers for the United States, or its successor  
28 index, as approved by a board, as such index is defined and

1 officially reported by the United States Department of Labor, or  
2 its successor agency;

3 (15) "Creditable prior service", the service of an employee  
4 which was either rendered prior to the establishment of a system,  
5 or prior to the date the employee last became a member of a  
6 system, and which is recognized in determining the member's  
7 eligibility and for the amount of the member's benefits under a  
8 system;

9 (16) "Creditable service", the sum of membership service  
10 and creditable prior service, to the extent such service is  
11 standing to a member's credit as provided in this chapter; except  
12 that in no case shall more than one day of creditable service or  
13 creditable prior service be credited any member for any one  
14 calendar day of eligible service credit as provided by law;

15 (17) "Deferred normal annuity", the annuity payable to any  
16 former employee who terminated employment as an employee or  
17 otherwise withdrew from service with a vested right to a normal  
18 annuity, payable at a future date;

19 (18) "Department", any department or agency of the  
20 executive, legislative or judicial branch of the state of  
21 Missouri receiving state appropriations, including allocated  
22 funds from the federal government but not including any body  
23 corporate or politic unless its employees are eligible for  
24 retirement coverage from a system pursuant to this chapter as  
25 otherwise provided by law;

26 (19) "Disability benefits", benefits paid to any employee  
27 while totally disabled as provided in this chapter;

28 (20) "Early retirement age", a member's attainment of

1 fifty-five years of age and the completion of ten or more years  
2 of creditable service, except for uniformed members of the water  
3 patrol;

4 (21) "Employee":

5 (a) Effective August 28, 2007, any elective or appointive  
6 officer or person employed by the state who is employed, promoted  
7 or transferred by a department into a new or existing position  
8 and earns a salary or wage in a position normally requiring the  
9 performance by the person of duties during not less than one  
10 thousand forty hours per year, including each member of the  
11 general assembly but not including any patient or inmate of any  
12 state, charitable, penal or correctional institution. However,  
13 persons who are members of the public school retirement system  
14 and who are employed by a state agency other than an institution  
15 of higher learning shall be deemed employees for purposes of  
16 participating in all insurance programs administered by a board  
17 established pursuant to section 104.450. This definition shall  
18 not exclude any employee as defined in this subdivision who is  
19 covered only under the federal Old Age and Survivors' Insurance  
20 Act, as amended. As used in this chapter, the term "employee"  
21 shall include:

22 a. Persons who are currently receiving annuities or other  
23 retirement benefits from some other retirement or benefit fund,  
24 so long as they are not simultaneously accumulating creditable  
25 service in another retirement or benefit system which will be  
26 used to determine eligibility for or the amount of a future  
27 retirement benefit;

28 b. Persons who have elected to become or who have been made

1 members of a system pursuant to section 104.342;

2 (b) Any person who is not a retiree and has performed  
3 services in the employ of the general assembly or either house  
4 thereof, or any employee of any member of the general assembly  
5 while acting in the person's official capacity as a member, and  
6 whose position does not normally require the person to perform  
7 duties during at least one thousand forty hours per year, with a  
8 month of service being any monthly pay period in which the  
9 employee was paid for full-time employment for that monthly  
10 period; except that persons described in this paragraph shall not  
11 include any such persons who are employed on or after August 28,  
12 2007, and who have not previously been employed in such  
13 positions;

14 (c) "Employee" does not include special consultants  
15 employed pursuant to section 104.610;

16 (d) The system shall consider a person who is employed in  
17 multiple positions simultaneously within a single agency to be  
18 working in a single position for purposes of determining whether  
19 the person is an employee as defined in this subdivision;

20 (22) "Employer", a department of the state;

21 (23) "Executive director", the executive director employed  
22 by a board established pursuant to the provisions of this  
23 chapter;

24 (24) "Fiscal year", the period beginning July first in any  
25 year and ending June thirtieth the following year;

26 (25) "Full biennial assembly", the period of time beginning  
27 on the first day the general assembly convenes for a first  
28 regular session until the last day of the following year;

1           (26) "Fund", the benefit fund of a system established  
2 pursuant to this chapter;

3           (27) "Interest", interest at such rate as shall be  
4 determined and prescribed from time to time by a board;

5           (28) "Member", as used in sections 104.010 to 104.272 or  
6 104.601 to 104.800 shall mean an employee, retiree, or former  
7 employee entitled to a deferred annuity covered by the Missouri  
8 department of transportation and highway patrol employees'  
9 retirement system. "Member", as used in this section and  
10 sections 104.312 to 104.800, shall mean an employee, retiree, or  
11 former employee entitled to deferred annuity covered by the  
12 Missouri state employees' retirement system;

13           (29) "Membership service", the service after becoming a  
14 member that is recognized in determining a member's eligibility  
15 for and the amount of a member's benefits under a system;

16           (30) "Military service", all active service performed in  
17 the United States Army, Air Force, Navy, Marine Corps, Coast  
18 Guard, and members of the United States Public Health Service or  
19 any women's auxiliary thereof; and service in the Army National  
20 Guard and Air National Guard when engaged in active duty for  
21 training, inactive duty training or full-time National Guard  
22 duty, and service by any other category of persons designated by  
23 the President in time of war or emergency;

24           (31) "Normal annuity", the annuity provided to a member  
25 upon retirement at or after the member's normal retirement age;

26           (32) "Normal retirement age", an employee's attainment of  
27 sixty-five years of age and the completion of four years of  
28 creditable service or the attainment of age sixty-five years of

1 age and the completion of five years of creditable service by a  
2 member who has terminated employment and is entitled to a  
3 deferred normal annuity or the member's attainment of age sixty  
4 and the completion of fifteen years of creditable service, except  
5 that normal retirement age for uniformed members of the highway  
6 patrol shall be fifty-five years of age and the completion of  
7 four years of creditable service and uniformed employees of the  
8 water patrol shall be fifty-five years of age and the completion  
9 of four years of creditable service or the attainment of age  
10 fifty-five and the completion of five years of creditable service  
11 by a member of the water patrol who has terminated employment and  
12 is entitled to a deferred normal annuity and members of the  
13 general assembly shall be fifty-five years of age and the  
14 completion of three full biennial assemblies. Notwithstanding  
15 any other provision of law to the contrary, a member of the  
16 Missouri department of transportation and highway patrol  
17 employees' retirement system or a member of the Missouri state  
18 employees' retirement system shall be entitled to retire with a  
19 normal annuity and shall be entitled to elect any of the survivor  
20 benefit options and shall also be entitled to any other  
21 provisions of this chapter that relate to retirement with a  
22 normal annuity if the sum of the member's age and creditable  
23 service equals eighty years or more and if the member is at least  
24 forty-eight years of age;

25 (33) "Payroll deduction", deductions made from an  
26 employee's compensation;

27 (34) "Prior service credit", the service of an employee  
28 rendered prior to the date the employee became a member which

1 service is recognized in determining the member's eligibility for  
2 benefits from a system but not in determining the amount of the  
3 member's benefit;

4 (35) "Reduced annuity", an actuarial equivalent of a normal  
5 annuity;

6 (36) "Retiree", a member who is not an employee and who is  
7 receiving an annuity from a system pursuant to this chapter;

8 (37) "System" or "retirement system", the Missouri  
9 department of transportation and highway patrol employees'  
10 retirement system, as created by sections 104.010 to 104.270, or  
11 sections 104.601 to 104.800, or the Missouri state employees'  
12 retirement system as created by sections 104.320 to 104.800;

13 (38) "Uniformed members of the highway patrol", the  
14 superintendent, lieutenant colonel, majors, captains, director of  
15 radio, lieutenants, sergeants, corporals, and patrolmen of the  
16 Missouri state highway patrol who normally appear in uniform;

17 (39) "Uniformed members of the water patrol", employees of  
18 the Missouri state water patrol of the department of public  
19 safety who are classified as water patrol officers who have taken  
20 the oath of office prescribed by the provisions of chapter 306  
21 and who have those peace officer powers given by the provisions  
22 of chapter 306;

23 (40) "Vesting service", the sum of a member's prior service  
24 credit and creditable service which is recognized in determining  
25 the member's eligibility for benefits under the system.

26 2. Benefits paid pursuant to the provisions of this chapter  
27 shall not exceed the limitations of Internal Revenue Code Section  
28 415, the provisions of which are hereby incorporated by

1 reference. Notwithstanding any other law to the contrary, the  
2 board of trustees may establish a benefit plan under Section  
3 415(m) of the Internal Revenue Code of 1986, as amended. Such  
4 plan shall be created solely for the purposes described in  
5 Section 415(m) (3) (A) of the Internal Revenue Code of 1986, as  
6 amended. The board of trustees may promulgate regulations  
7 necessary to implement the provisions of this subsection and to  
8 create and administer such benefit plan.

9 104.090. 1. The normal annuity of a member shall equal one  
10 and six-tenths percent of the average compensation of the member  
11 multiplied by the number of years of creditable service of such  
12 member. In addition, the normal annuity of a uniformed member of  
13 the patrol shall be increased by thirty-three and one-third  
14 percent.

15 2. In addition, a uniformed member of the highway patrol  
16 who is retiring with a normal annuity after attaining normal  
17 retirement age shall receive an additional sum of ninety dollars  
18 per month as a contribution by the system until such member  
19 attains the age of sixty-five years, when such contribution shall  
20 cease. To qualify for the contribution provided in this  
21 subsection by the system, the retired uniformed member of the  
22 highway patrol is made, constituted, appointed and employed by  
23 the board as a special consultant on the problems of retirement,  
24 aging and other state matters. Such additional contribution  
25 shall be reduced each month by such amount earned by the retired  
26 uniformed member of the highway patrol in gainful employment. In  
27 order to qualify for the additional contribution provided in this  
28 subsection, the retired uniformed member of the highway patrol

1 shall have been:

2 (1) Hired by the Missouri state highway patrol prior to  
3 January 1, 1995; and

4 (2) Employed by the Missouri state highway patrol or  
5 receiving long-term disability or work-related disability  
6 benefits on the day before the effective date of the member's  
7 retirement.

8 3. In lieu of the annuity payable to the member pursuant to  
9 section 104.100, a member whose age at retirement is forty-eight  
10 or more may elect in the member's application for retirement to  
11 receive one of the following:

12 Option 1.

13 An actuarial reduction approved by the board of the member's  
14 annuity in reduced monthly payments for life during retirement  
15 with the provision that upon the member's death the reduced  
16 annuity at date of death shall be continued throughout the life  
17 of, and be paid to, the member's spouse; or

18 Option 2.

19 The member's normal annuity in regular monthly payments for  
20 life during retirement with the provision that upon the member's  
21 death a survivor's benefit equal to one-half the member's normal  
22 annuity at date of death shall be paid to the member's spouse in  
23 regular monthly payments for life; or

24 Option 3.

25 An actuarial reduction approved by the board of the member's  
26 normal annuity in reduced monthly payments for the member's life  
27 with the provision that if the member dies prior to the member's  
28 having received one hundred twenty monthly payments of the

1 member's reduced annuity, the member's reduced allowance to which  
2 the member would have been entitled had the member lived shall be  
3 paid for the remainder of the one hundred twenty-month period to  
4 such beneficiary as the member shall have nominated by written  
5 designation duly executed and filed with the board. If there is  
6 no beneficiary surviving the retiree, the reserve for such  
7 allowance for the remainder of such one hundred twenty-month  
8 period shall be paid to the retiree's estate; or

9 Option 4.

10 An actuarial reduction approved by the board of the member's  
11 normal annuity in reduced monthly payments for the member's life  
12 with the provision that if the member dies prior to the member  
13 having received sixty monthly payments of the member's reduced  
14 annuity, the member's reduced allowance to which the member would  
15 have been entitled had the member lived shall be paid for the  
16 remainder of the sixty-month period to such beneficiary as the  
17 member shall have nominated by written designation duly executed  
18 and filed with the board. If there is no beneficiary surviving  
19 the retiree, the reserve for such allowance for the remainder of  
20 such sixty-month period shall be paid to the retiree's estate.

21 4. The election may be made only in the application for  
22 retirement, and such application shall be filed at least thirty  
23 days but not more than ninety days prior to the date on which the  
24 retirement of the member is to be effective, provided that if  
25 either the member or the spouse nominated to receive the  
26 survivorship payment dies before the effective date of  
27 retirement, the election shall not be effective. If after the  
28 reduced annuity commences, the spouse predeceases the retired

1 member, the reduced annuity continues to the retired member  
2 during the member's lifetime.

3 5. Effective July 1, 2000, a member may make an election  
4 under option 1 or 2 after the date retirement benefits are  
5 initiated if the member makes the election within one year from  
6 the date of marriage or July 1, 2000, whichever is later, under  
7 any of the following circumstances:

8 (1) The member elected to receive a normal annuity and was  
9 not eligible to elect option 1 or 2 on the date retirement  
10 benefits were initiated; or

11 (2) The member's annuity reverted to a normal annuity  
12 pursuant to subsection 7 of this section or subsection 7 or 8 of  
13 section 104.103 and the member remarried; or

14 (3) The member elected option 1 or 2 but the member's  
15 spouse at the time of retirement has died and the member has  
16 remarried.

17 6. Any person who terminates employment or retires prior to  
18 July 1, 2000, shall be made, constituted, appointed and employed  
19 by the board as a special consultant on the problems of  
20 retirement, aging and other state matters, and for such services  
21 shall be eligible to elect to receive the benefits described in  
22 subsection 5 of this section.

23 7. For retirement applications filed on or after August 28,  
24 2004, the beneficiary for either option 1 or option 2 of  
25 subsection 3 of this section shall be the member's spouse at the  
26 time of retirement. If the member's marriage ends after  
27 retirement as a result of a dissolution of marriage, such  
28 dissolution shall not affect the option election and the former

1 spouse shall continue to be eligible to receive survivor benefits  
2 upon death of the member, except a member may cancel his or her  
3 election if:

4 (1) The dissolution of marriage of the member and former  
5 spouse occurred on or after January 1, 2021, and the dissolution  
6 decree provides for sole retention by the member of all rights in  
7 the annuity and provides that the former spouse shall not be  
8 entitled to any survivor benefits pursuant to this chapter; or

9 (2) The dissolution of marriage of the member and former  
10 spouse occurred prior to January 1, 2021, and:

11 (a) The dissolution decree provided for the sole retention  
12 by the member of all rights in the annuity pursuant to this  
13 chapter, and the parties obtained an amended or modified  
14 dissolution decree after January 1, 2021, providing for immediate  
15 removal of the former spouse as the beneficiary entitled to  
16 survivor benefits to the satisfaction of the system; or

17 (b) The dissolution decree does not provide for the sole  
18 retention by the member of all rights in the annuity and the  
19 parties obtained an amended or modified dissolution decree after  
20 January 1, 2021, which provides for the sole retention by the  
21 member of all rights in the annuity and provides that the former  
22 spouse shall not be entitled to any survivor benefits pursuant to  
23 this chapter.

24  
25 Upon meeting the requirements of subdivision (1) or (2) of this  
26 subsection, the monthly benefit payable for the lifetime of the  
27 member shall be the actuarial equivalent of the annuity payable  
28 pursuant to the provisions of option 1 or option 2 of subsection

1 3 of this section, as adjusted for early retirement if  
2 applicable. In no event shall the monthly benefit payable for  
3 the lifetime of the member be greater than the amount that would  
4 have been payable to the member under subsection 7 or 8 of  
5 section 104.103, whichever is applicable, had the former spouse  
6 died on the date of the dissolution of marriage. Any increase in  
7 the annuity amount pursuant to this subsection shall be  
8 prospective and effective the first of the month following the  
9 date of receipt by the system of a certified copy of the  
10 dissolution decree that meets the requirements of this  
11 subsection.

12 8. Any application for retirement shall only become  
13 effective on the first day of the month.

14 104.395. 1. In lieu of the normal annuity otherwise  
15 payable to a member pursuant to sections 104.335, 104.370,  
16 104.371, 104.374, or 104.400, and prior to the last business day  
17 of the month before the annuity starting date pursuant to section  
18 104.401, a member shall elect whether or not to have such  
19 member's normal annuity reduced as provided by the options set  
20 forth in this section; provided that if such election has not  
21 been made within such time, annuity payments due beginning on and  
22 after such annuity starting date shall be made the month  
23 following the receipt by the system of such election, and further  
24 provided, that if such person dies after such annuity starting  
25 date but before making such election, no benefits shall be paid  
26 except as required pursuant to section 104.420:

27 Option 1.

28 An actuarial reduction approved by the board of the member's

1 annuity in reduced monthly payments for life during retirement  
2 with the provision that upon the member's death the reduced  
3 annuity at the date of the member's death shall be continued  
4 throughout the life of, and be paid to, the member's spouse to  
5 whom the member was married at the date of retirement and who was  
6 nominated by the member to receive such payments in the member's  
7 application for retirement or as otherwise provided pursuant to  
8 subsection 5 of this section. Such annuity shall be reduced in  
9 the same manner as an annuity under option 2 as in effect  
10 immediately prior to August 28, 1997. The surviving spouse shall  
11 designate a beneficiary to receive any final monthly payment due  
12 after the death of the surviving spouse; or

13 Option 2.

14 The member's normal annuity in regular monthly payments for  
15 life during the member's retirement with the provision that upon  
16 the member's death a survivor's benefit equal to one-half the  
17 member's annuity at the date of the member's death shall be paid  
18 to the member's spouse to whom the member was married at the date  
19 of retirement and who was nominated by the member to receive such  
20 payments in the member's application for retirement or as  
21 otherwise provided pursuant to subsection 5 of this section, in  
22 regular monthly payments for life. The surviving spouse shall  
23 designate a beneficiary to receive any final monthly payment due  
24 after the death of the surviving spouse; or

25 Option 3.

26 An actuarial reduction approved by the board of the member's  
27 normal annuity in reduced monthly payments for the member's life  
28 with the provision that if the member dies prior to the member

1 having received one hundred twenty monthly payments of the  
2 member's reduced annuity, the member's reduced annuity to which  
3 the member would have been entitled had the member lived shall be  
4 paid for the remainder of the one hundred twenty months' period  
5 to such beneficiary as the member shall have nominated by written  
6 designation duly executed and filed with the board. If there is  
7 no such beneficiary surviving the retirant, the reserve for such  
8 annuity for the remainder of such one hundred twenty months'  
9 period shall be paid as provided under subsection 3 of section  
10 104.620. If such beneficiary dies after the member's date of  
11 death but before having received the remainder of the one hundred  
12 twenty monthly payments of the retiree's reduced annuity, the  
13 reserve for such annuity for the remainder of such one hundred  
14 twenty-month period shall be paid as provided under subsection 3  
15 of section 104.620; or

16 Option 4.

17 An actuarial reduction approved by the board of the member's  
18 normal annuity in reduced monthly payments for the member's life  
19 with the provision that if the member dies prior to the member  
20 having received sixty monthly payments of the member's reduced  
21 annuity, the member's reduced annuity to which the member would  
22 have been entitled had the member lived shall be paid for the  
23 remainder of the sixty months' period to such beneficiary as the  
24 member shall have nominated by written designation duly executed  
25 and filed with the board. If there be no such beneficiary  
26 surviving the retirant, the reserve for such annuity for the  
27 remainder of such sixty months' period shall be paid as provided  
28 under subsection 3 of section 104.620. If such beneficiary dies

1 after the member's date of death but before having received the  
2 remainder of the sixty monthly payments of the retiree's reduced  
3 annuity, the reserve for such annuity for the remainder of the  
4 sixty-month period shall be paid as provided under subsection 3  
5 of section 104.620.

6 2. Effective July 1, 2000, if a member is married as of the  
7 annuity starting date to a person who has been the member's  
8 spouse, the member's annuity shall be paid pursuant to the  
9 provisions of either option 1 or option 2 as set forth in  
10 subsection 1 of this section, at the member's choice, with the  
11 spouse as the member's designated beneficiary unless the spouse  
12 consents in writing to the member electing another available form  
13 of payment.

14 3. For members who retire on or after August 28, 1995, in  
15 the event such member elected a joint and survivor option  
16 pursuant to the provisions of this section and the member's  
17 eligible spouse or eligible former spouse precedes the member in  
18 death, the member's annuity shall revert effective the first of  
19 the month following the death of the spouse or eligible former  
20 spouse regardless of when the board receives the member's written  
21 application for the benefit provided in this subsection, to an  
22 amount equal to the member's normal annuity, as adjusted for  
23 early retirement if applicable; such benefit shall include any  
24 increases the member would have received since the date of  
25 retirement had the member elected a normal annuity. If a member  
26 dies prior to notifying the system of the spouse's death, the  
27 benefit will not revert to a normal annuity and no retroactive  
28 payments shall be made.

1           4. Effective on or after August 28, 1995, any retired  
2 member who had elected a joint and survivor option and whose  
3 spouse or eligible former spouse precedes or preceded the member  
4 in death shall upon application to the board be made,  
5 constituted, appointed and employed by the board as a special  
6 consultant on the problems of retirement, aging and other state  
7 matters. As a special consultant pursuant to the provisions of  
8 this section, the member's reduced annuity shall revert to a  
9 normal annuity as adjusted for early retirement, if applicable,  
10 effective the first of the month following the death of the  
11 spouse or eligible former spouse or August 28, 1995, whichever is  
12 later, if the member cancels the member's original joint and  
13 survivor election; such annuity shall include any increases the  
14 retired member would have received since the date of retirement  
15 had the member elected a normal annuity.

16           5. Effective July 1, 2000, a member may make an election  
17 under option 1 or 2 after the date retirement benefits are  
18 initiated if the member makes such election within one year from  
19 the date of marriage or July 1, 2000, whichever is later, under  
20 any of the following circumstances:

21           (1) The member elected to receive a normal annuity and was  
22 not eligible to elect option 1 or 2 on the date retirement  
23 benefits were initiated; or

24           (2) The member's annuity reverted to a normal annuity  
25 pursuant to subsection 3 ~~[or]~~, 4, or 9 of this section and the  
26 member remarried.

27           6. Any person who terminates employment or retires prior to  
28 July 1, 2000, shall be made, constituted, appointed and employed

1 by the board as a special consultant on the problems of  
2 retirement, aging and other state matters, and for such services  
3 shall be eligible to elect to receive the benefits described in  
4 subsection 5 of this section.

5 7. Effective September 1, 2001, the retirement application  
6 of any member who fails to make an election pursuant to  
7 subsection 1 of this section within ninety days of the annuity  
8 starting date contained in such retirement application shall be  
9 nullified. Any member whose retirement application is nullified  
10 shall not receive retirement benefits until the member files a  
11 new application for retirement pursuant to section 104.401 and  
12 makes the election pursuant to subsection 1 of this section. In  
13 no event shall any retroactive retirement benefits be paid.

14 8. A member may change a member's election made under this  
15 section at any time prior to the system mailing or electronically  
16 transferring the first annuity payment to such member.

17 9. If a member designates a spouse as a beneficiary  
18 pursuant to option 1 or option 2 of subsection 1 of this section  
19 and subsequently that marriage ends as a result of a dissolution  
20 of marriage, such dissolution shall not affect the option  
21 election pursuant to this section and the former spouse shall  
22 continue to be eligible to receive survivor benefits upon the  
23 death of the member, except a member may cancel his or her  
24 election if:

25 (1) The dissolution of marriage of the member and former  
26 spouse occurred on or after January 1, 2021, and the dissolution  
27 decree provides for sole retention by the member of all rights in  
28 the annuity and provides that the former spouse shall not be

1 entitled to any survivor benefits pursuant to this chapter; or

2 (2) The dissolution of marriage of the member and former  
3 spouse occurred prior to January 1, 2021, and:

4 (a) The dissolution decree provided for the sole retention  
5 by the member of all rights in the annuity pursuant to this  
6 chapter and the parties obtained an amended or modified  
7 dissolution decree after January 1, 2021, providing for immediate  
8 removal of the former spouse as the beneficiary entitled to  
9 survivor benefits to the satisfaction of the system; or

10 (b) The dissolution decree does not provide for the sole  
11 retention by the member of all rights in the annuity and the  
12 parties obtain an amended or modified dissolution decree after  
13 January 1, 2021, which provides for the sole retention by the  
14 member of all rights in the annuity and provides that the former  
15 spouse shall not be entitled to any survivor benefits pursuant to  
16 this chapter.

17  
18 Upon meeting the requirements of subdivision (1) or (2) of this  
19 subsection, the monthly benefit payable for the lifetime of the  
20 member shall be the actuarial equivalent of the annuity payable  
21 pursuant to the provisions of option 1 or option 2 of subsection  
22 1 of this section, as adjusted for early retirement if  
23 applicable. In no event shall the monthly benefit payable for  
24 the lifetime of the member be greater than the amount that would  
25 have been payable to the member under subsection 3 or 4 of this  
26 section, whichever is applicable, had the former spouse died on  
27 the date of the dissolution of marriage. Any increase in the  
28 annuity amount shall be prospective and effective the first of

1 the month following the date of receipt by the system of a  
2 certified copy of the dissolution decree that meets the  
3 requirements of this subsection.

4 104.1027. 1. Prior to the last business day of the month  
5 before the annuity starting date, a member or a vested former  
6 member shall elect whether or not to have such member's or such  
7 vested former member's life annuity reduced, but not any  
8 temporary annuity which may be payable, and designate a  
9 beneficiary, as provided by the options set forth in this  
10 section; provided that if such election has not been made within  
11 such time, annuity payments due beginning on and after the month  
12 of the annuity starting date shall be made the month following  
13 the receipt by the appropriate system of such election and any  
14 other information required by the year 2000 plan created by  
15 sections 104.1003 to 104.1093, and further provided, that if such  
16 person dies after the annuity starting date but before making  
17 such election and providing such other information, no benefits  
18 shall be paid except as required pursuant to section 104.1030:

19 Option 1.

20 A retiree's life annuity shall be reduced to a certain  
21 percent of the annuity otherwise payable. Such percent shall be  
22 ninety percent adjusted as follows: if the retiree's age on the  
23 annuity starting date is younger than sixty-two years, an  
24 increase of three-tenths of one percent for each year the  
25 retiree's age is younger than age sixty-two years; and if the  
26 beneficiary's age is younger than the retiree's age on the  
27 annuity starting date, a decrease of three-tenths of one percent  
28 for each year of age difference; and if the retiree's age is

1 younger than the beneficiary's age on the annuity starting date,  
2 an increase of three-tenths of one percent for each year of age  
3 difference; provided, after all adjustments the option 1 percent  
4 cannot exceed ninety-five percent. Upon the retiree's death,  
5 fifty percent of the retiree's reduced annuity shall be paid to  
6 such beneficiary who was the retiree's spouse on the annuity  
7 starting date or as otherwise provided by subsection 5 of this  
8 section.

9 Option 2.

10 A retiree's life annuity shall be reduced to a certain  
11 percent of the annuity otherwise payable. Such percent shall be  
12 eighty-three percent adjusted as follows: if the retiree's age on  
13 the annuity starting date is younger than sixty-two years, an  
14 increase of four-tenths of one percent for each year the  
15 retiree's age is younger than sixty-two years; and if the  
16 beneficiary's age is younger than the retiree's age on the  
17 annuity starting date, a decrease of five-tenths of one percent  
18 for each year of age difference; and if the retiree's age is  
19 younger than the beneficiary's age on the annuity starting date,  
20 an increase of five-tenths of one percent for each year of age  
21 difference; provided, after all adjustments the option 2 percent  
22 cannot exceed ninety percent. Upon the retiree's death one  
23 hundred percent of the retiree's reduced annuity shall be paid to  
24 such beneficiary who was the retiree's spouse on the annuity  
25 starting date or as otherwise provided by subsection 5 of this  
26 section.

27 Option 3.

28 A retiree's life annuity shall be reduced to ninety-five

1 percent of the annuity otherwise payable. If the retiree dies  
2 before having received one hundred twenty monthly payments, the  
3 reduced annuity shall be continued for the remainder of the one  
4 hundred twenty-month period to the retiree's designated  
5 beneficiary provided that if there is no beneficiary surviving  
6 the retiree, the present value of the remaining annuity payments  
7 shall be paid as provided under subsection 3 of section 104.620.  
8 If the beneficiary survives the retiree but dies before receiving  
9 the remainder of such one hundred twenty monthly payments, the  
10 present value of the remaining annuity payments shall be paid as  
11 provided under subsection 3 of section 104.620.

12 Option 4.

13 A retiree's life annuity shall be reduced to ninety percent  
14 of the annuity otherwise payable. If the retiree dies before  
15 having received one hundred eighty monthly payments, the reduced  
16 annuity shall be continued for the remainder of the one hundred  
17 eighty-month period to the retiree's designated beneficiary  
18 provided that if there is no beneficiary surviving the retiree,  
19 the present value of the remaining annuity payments shall be paid  
20 as provided under subsection 3 of section 104.620. If the  
21 beneficiary survives the retiree but dies before receiving the  
22 remainder of such one hundred eighty monthly payments, the  
23 present value of the remaining annuity payments shall be paid as  
24 provided under subsection 3 of section 104.620.

25 2. If a member is married as of the annuity starting date,  
26 the member's annuity shall be paid under the provisions of either  
27 option 1 or option 2 as set forth in subsection 1 of this  
28 section, at the member's choice, with the spouse as the member's

1 designated beneficiary unless the spouse consents in writing to  
2 the member electing another available form of payment.

3 3. If a member has elected at the annuity starting date  
4 option 1 or 2 pursuant to this section and if the member's spouse  
5 or eligible former spouse dies after the annuity starting date  
6 but before the member dies, then the member may cancel the  
7 member's election and return to the life annuity form of payment  
8 and annuity amount, effective the first of the month following  
9 the date of such spouse's or eligible former spouse's death. If  
10 a member dies prior to notifying the system of the spouse's  
11 death, the benefit will not revert to a life annuity and no  
12 retroactive payments shall be made.

13 4. If a member designates a spouse as a beneficiary  
14 pursuant to option 1 or option 2 of subsection 1 of this section  
15 and subsequently that marriage ends as a result of a dissolution  
16 of marriage, such dissolution shall not affect the option  
17 election pursuant to this section and the former spouse shall  
18 continue to be eligible to receive survivor benefits upon the  
19 death of the member, except a member may cancel his or her  
20 election if:

21 (1) The dissolution of marriage of the member and former  
22 spouse occurred on or after January 1, 2021, and the dissolution  
23 decree provides for sole retention by the member of all rights in  
24 the annuity and provides that the former spouse shall not be  
25 entitled to any survivor benefits pursuant to this chapter; or

26 (2) The dissolution of marriage of the member and former  
27 spouse occurred prior to January 1, 2021, and:

28 (a) The dissolution decree provided for the sole retention

1 by the member of all rights in the annuity pursuant to this  
2 chapter, and the parties obtained an amended or modified  
3 dissolution decree after January 1, 2021, providing for immediate  
4 removal of the former spouse as the beneficiary entitled to  
5 survivor benefits to the satisfaction of the system; or

6 (b) The dissolution decree does not provide for the sole  
7 retention by the member of all rights in the annuity and the  
8 parties obtained an amended or modified dissolution decree after  
9 January 1, 2021, which provides for the sole retention by the  
10 member of all rights in the annuity and provides that the former  
11 spouse shall not be entitled to any survivor benefits pursuant to  
12 this chapter.

13  
14 Upon meeting the requirements of subdivision (1) or (2) of this  
15 subsection, the monthly benefit payable for the lifetime of the  
16 member shall be the actuarial equivalent of the annuity payable  
17 pursuant to the provisions of option 1 or option 2 of subsection  
18 1 of this section, as adjusted for early retirement if  
19 applicable. In no event shall the monthly benefit payable for  
20 the lifetime of the member be greater than the amount that would  
21 have been payable to the member under subsection 3 of this  
22 section, whichever is applicable, had the former spouse died on  
23 the date of the dissolution of marriage. Any increase in the  
24 annuity amount pursuant to this subsection shall be prospective  
25 and effective the first of the month following the date of  
26 receipt by the system of a certified copy of the dissolution  
27 decree that meets the requirements of this subsection. For  
28 purposes of this subsection, "actuarial equivalent" shall mean a

1 benefit which, when computed upon the basis of specified  
2 actuarial assumptions approved by the board, is equal in value to  
3 a certain amount or other benefit.

4 5. Effective July 1, 2000, a member may make an election  
5 under option 1 or 2 after the annuity starting date as described  
6 in this section if the member makes such election within one year  
7 from the date of marriage or July 1, 2000, whichever is later,  
8 pursuant to any of the following circumstances:

9 (1) The member elected to receive a life annuity and was  
10 not eligible to elect option 1 or 2 on the annuity starting date;  
11 or

12 (2) The member's annuity reverted to a normal or early  
13 retirement annuity pursuant to subsection 3 or 4 of this section,  
14 and the member remarried.

15 6. Effective September 1, 2001, the retirement application  
16 of any member who fails to make an election pursuant to  
17 subsection 1 of this section within ninety days of the annuity  
18 starting date contained in such retirement application shall be  
19 nullified. Any member whose retirement application is nullified  
20 shall not receive retirement benefits until the member files a  
21 new application for retirement pursuant to section 104.1024 and  
22 makes the election pursuant to subsection 1 of this section. In  
23 no event shall any retroactive retirement benefits be paid.

24 7. A member may change a member's election made under this  
25 section at any time prior to the system mailing or electronically  
26 transferring the first annuity payment to such member.

27 104.1089. 1. In lieu of retirement annuity benefits  
28 otherwise payable under the closed plan or year 2000 plan by the

1 Missouri state employees' retirement system, any member who is no  
2 longer an employee covered by the closed plan or year 2000 plan,  
3 is entitled to a deferred annuity from either such plan, and is  
4 employed in a position covered by a retirement plan provided in  
5 chapter 476 may make a one-time election to receive a lump sum  
6 payment equal to sixty percent, or a greater percentage  
7 determined by the board pursuant to section 104.1063, of the  
8 present value of such member's deferred annuity.

9       2. Any such member making such election under subsection 1  
10 of this section shall forfeit all such member's creditable or  
11 credited service and future rights to receive retirement annuity  
12 benefits or long term disability benefits from the Missouri state  
13 employees' retirement system under the closed plan or year 2000  
14 plan. If such member subsequently becomes an employee in a  
15 position covered by the Missouri state employees' retirement  
16 system, such member shall be considered a new employee with no  
17 prior credited service and shall be subject to the provisions of  
18 section 104.1091.

19       169.020. 1. For the purpose of providing retirement  
20 allowances and other benefits for public school teachers, there  
21 is hereby created and established a retirement system which shall  
22 be a body corporate, shall be under the management of a board of  
23 trustees herein described, and shall be known as "The Public  
24 School Retirement System of Missouri". Such system shall, by and  
25 in such name, sue and be sued, transact all of its business,  
26 invest all of its funds, and hold all of its cash, securities,  
27 and other property. The system so created shall include all  
28 school districts in this state, except those in cities that had

1 populations of four hundred thousand or more according to the  
2 latest United States decennial census, and such others as are or  
3 hereafter may be included in a similar system or in similar  
4 systems established by law and made operative; provided, that  
5 teachers in school districts of more than four hundred thousand  
6 inhabitants who are or may become members of a local retirement  
7 system may become members of this system with the same legal  
8 benefits as accrue to present members of such state system on the  
9 terms and under the conditions provided for in section 169.021.  
10 The system hereby established shall begin operations on the first  
11 day of July next following the date upon which sections 169.010  
12 to 169.130 shall take effect.

13 2. The general administration and the responsibility for  
14 the proper operation of the retirement system and for making  
15 effective the provisions of sections 169.010 to 169.141 are  
16 hereby vested in a board of trustees of seven persons as follows:  
17 four persons to be elected as trustees by the members and retired  
18 members of the public school retirement system created by  
19 sections 169.010 to 169.141 and the public education employee  
20 retirement system created by sections 169.600 to 169.715; and  
21 three members appointed by the governor with the advice and  
22 consent of the senate. The first member appointed by the  
23 governor shall replace the commissioner of education for a term  
24 beginning August 28, 1998. The other two members shall be  
25 appointed by the governor at the time each member's, who was  
26 appointed by the state board of education, term expires.

27 3. Trustees appointed and elected shall be chosen for terms  
28 of four years from the first day of July next following their

1 appointment or election, except that one of the elected trustees  
2 shall be a member of the public education employee retirement  
3 system and shall be initially elected for a term of three years  
4 from July 1, 1991. The initial term of one other elected trustee  
5 shall commence on July 1, 1992.

6 4. Trustees appointed by the governor shall be residents of  
7 school districts included in the retirement system, but not  
8 employees of such districts or a state employee or a state  
9 elected official. At least one trustee so appointed shall be a  
10 retired member of the public school retirement system or the  
11 public education employee retirement system. Three elected  
12 trustees shall be members of the public school retirement system  
13 and one elected trustee shall be a member of the public education  
14 employee retirement system.

15 5. The elections of the trustees shall be arranged for,  
16 managed and conducted by the board of trustees of the retirement  
17 system.

18 6. If a vacancy occurs in the office of trustee, the  
19 vacancy shall be filled for the unexpired term in the same manner  
20 as the office was previously filled.

21 7. Trustees of the retirement system shall serve without  
22 compensation but they shall be reimbursed for expenses  
23 necessarily incurred through service on the board of trustees.

24 8. Each trustee shall be commissioned by the governor, and  
25 before entering upon the duties of the trustee's office, shall  
26 take and subscribe to an oath or affirmation to support the  
27 Constitution of the United States, and of the state of Missouri  
28 and to demean himself or herself faithfully in the trustee's

1 office. Such oath as subscribed to shall be filed in the office  
2 of secretary of state of this state.

3 9. Each trustee shall be entitled to one vote in the board  
4 of trustees. Four votes shall be necessary for a decision by the  
5 trustees at any meeting of the board of trustees. Unless  
6 otherwise expressly provided herein, a meeting need not be called  
7 or held to make any decision on a matter before the board. Each  
8 member must be sent by the executive director a copy of the  
9 matter to be decided with full information from the files of the  
10 board of trustees. The unanimous decision of four trustees may  
11 decide the issue by signing a document declaring their decision  
12 and sending such written instrument to the executive director of  
13 the board, provided that no other member of the board of trustees  
14 shall send a dissenting decision to the executive director of the  
15 board within fifteen days after such document and information was  
16 mailed to the trustee. If any member is not in agreement with  
17 four members the matter is to be passed on at a regular board  
18 meeting or a special meeting called for the purpose.

19 10. The board of trustees shall elect one of their number  
20 as chairman, and shall employ a full-time executive director, not  
21 one of their number, who shall be the executive officer of the  
22 board. Other employees of the board shall be chosen only upon  
23 the recommendation of the executive director.

24 11. The board of trustees shall employ an actuary who shall  
25 be its technical advisor on matters regarding the operation of  
26 the retirement system, and shall perform such duties as are  
27 essential in connection therewith, including the recommendation  
28 for adoption by the board of mortality and other necessary

1 tables, and the recommendation of the level rate of contributions  
2 required for operation of the system.

3 12. As soon as practicable after the establishment of the  
4 retirement system, and annually thereafter, the actuary shall  
5 make a valuation of the system's assets and liabilities on the  
6 basis of such tables as have been adopted.

7 13. At least once in the three-year period following the  
8 establishment of the retirement system, and in each five-year  
9 period thereafter, the board of trustees shall cause to be made  
10 an actuarial investigation into the mortality, service, and  
11 compensation experience of the members and beneficiaries of the  
12 system, and shall make any changes in the mortality, service, and  
13 other tables then in use which the results of the investigation  
14 show to be necessary.

15 14. Subject to the limitations of sections 169.010 to  
16 169.141 and 169.600 to 169.715, the board of trustees shall  
17 formulate and adopt rules and regulations for the government of  
18 its own proceedings and for the administration of the retirement  
19 system.

20 15. The board of trustees shall determine and decide all  
21 questions of doubt as to what constitutes employment within the  
22 meaning of sections 169.010 to 169.141 and 169.600 to 169.715,  
23 the amount of benefits to be paid to members, retired members,  
24 beneficiaries and survivors and the amount of contributions to be  
25 paid by employer and employee. The executive director shall  
26 notify by certified mail both employer and member, retired  
27 member, beneficiary or survivor interested in such determination.  
28 Any member, retired member, beneficiary or survivor, district or

1 employer adversely affected by such determination, at any time  
2 within thirty days after being notified of such determination,  
3 may appeal to the circuit court of Cole County. Such appeal  
4 shall be tried and determined anew in the circuit court and such  
5 court shall hear and consider any and all competent testimony  
6 relative to the issues in the case, which may be offered by  
7 either party thereto. The circuit court shall determine the  
8 rights of the parties under sections 169.010 to 169.141 and  
9 169.600 to 169.715 using the same standard provided in section  
10 536.150, and the judgment or order of such circuit court shall be  
11 binding upon the parties and the board shall carry out such  
12 judgment or order unless an appeal is taken from such decision of  
13 the circuit court. Appeals may be had from the circuit court by  
14 the employer, member, retired member, beneficiary, survivor or  
15 the board, in the manner provided by the civil code.

16 16. The board of trustees shall keep a record of all its  
17 proceedings, which shall be open to public inspection. It shall  
18 prepare annually a comprehensive annual financial report, the  
19 financial section of which shall be prepared in accordance with  
20 applicable accounting standards and shall include the independent  
21 auditor's opinion letter. The report shall also include  
22 information on the actuarial status and the investments of the  
23 system. The reports shall be preserved by the executive director  
24 and made available for public inspection.

25 17. The board of trustees shall provide for the maintenance  
26 of an individual account with each member, setting forth such  
27 data as may be necessary for a ready determination of the  
28 member's earnings, contributions, and interest accumulations. It

1 shall also collect and keep in convenient form such data as shall  
2 be necessary for the preparation of the required mortality and  
3 service tables and for the compilation of such other information  
4 as shall be required for the valuation of the system's assets and  
5 liabilities. Except for information pertaining to the salaries  
6 and benefits of the executive director and other employees of the  
7 board described under subsection 10 of this section, all  
8 individually identifiable information pertaining to members,  
9 retirees, beneficiaries and survivors shall be confidential.

10 18. The board of trustees shall meet regularly at least  
11 twice each year, with the dates of such meetings to be designated  
12 in the rules and regulations adopted by the board. Such other  
13 meetings as are deemed necessary may be called by the chairman of  
14 the board or by any four members acting jointly.

15 19. The headquarters of the retirement system shall be in  
16 Jefferson City, where suitable office space, utilities and other  
17 services and equipment necessary for the operation of the system  
18 shall be provided by the board of trustees and all costs shall be  
19 paid from funds of the system. All suits or proceedings directly  
20 or indirectly against the board of trustees, the board's members  
21 or employees or the retirement system established by sections  
22 169.010 to 169.141 or 169.600 to 169.715 shall be brought in Cole  
23 County.

24 20. The board may appoint an attorney or firm of attorneys  
25 to be the legal advisor to the board and to represent the board  
26 in legal proceedings, however, if the board does not make such an  
27 appointment, the attorney general shall be the legal advisor of  
28 the board of trustees, and shall represent the board in all legal

1 proceedings.

2 21. The board of trustees shall arrange for adequate surety  
3 bonds covering the executive director. When approved by the  
4 board, such bonds shall be deposited in the office of the  
5 secretary of state of this state.

6 22. The board shall arrange for annual audits of the  
7 records and accounts of the system by a firm of certified public  
8 accountants.

9 23. The board by its rules may establish an interest charge  
10 to be paid by the employer on any payments of contributions which  
11 are delinquent. The rate charged shall not exceed the  
12 actuarially assumed rate of return on invested funds of the  
13 pertinent system.

14