

SECOND REGULAR SESSION

# SENATE BILL NO. 901

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WALLINGFORD.

Read 1st time January 16, 2020, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4423S.02I

## AN ACT

To repeal sections 104.020, 104.035, 104.130, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, RSMo, and to enact in lieu thereof twenty-two new sections relating to public employee retirement systems, with an existing penalty provision.

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

Section A. Sections 104.020, 104.035, 104.130, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, RSMo, are repealed and twenty-two new sections enacted in lieu thereof, to be known as sections 104.020, 104.035, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, to read as follows:

104.020. There is hereby created the "Missouri Department of Transportation and Highway Patrol Employees' Retirement System", which shall be a body corporate and an instrumentality of the state. In such system shall be vested the powers and duties specified in sections 104.010 to [104.270] **104.312** and such other powers as may be necessary or proper to enable it, its officers, employees, and agents to carry out fully and effectively all the purposes of sections 104.010 to [104.270] **104.312**.

104.035. 1. Any member whose employment terminated prior to August 13, 1976, and who had served twenty years or more as an employee shall be entitled to a deferred normal annuity based on his creditable service, average

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

4 compensation, and the act in effect at the time his employment was terminated.

5           2. Any member whose employment terminates on or after August 13,  
6 1976, and prior to June 1, 1981, and who had served fifteen or more years'  
7 creditable service as an employee or had served ten or more years of creditable  
8 service as an employee and was at least thirty-five years of age at the date of  
9 termination of employment shall be entitled to a deferred normal annuity based  
10 on his creditable service, average compensation, and the act in effect at the time  
11 his employment was terminated.

12           3. Any member whose employment terminates on or after June 1, 1981,  
13 and who has ten or more years of creditable service at the date of termination of  
14 employment shall be entitled to a deferred normal annuity based on the member's  
15 creditable service, average compensation and the act in effect at the time the  
16 member's employment is terminated.

17           4. Any member entitled to a deferred normal annuity as provided in  
18 subsection 1, 2, 3 or 5 of this section who reenters the service of a department  
19 and again becomes a member of the system [and thereafter serves for one  
20 continuous year] shall have his prior period of service restored, so that benefits  
21 determined by reason of his retirement or subsequent withdrawal from service  
22 will include the sum of all periods of creditable service, and his annuity shall be  
23 based on his creditable service, average compensation, and the act in effect at the  
24 time of his retirement or subsequent withdrawal from service.

25           5. Notwithstanding any other law to the contrary, any member of the  
26 transportation department and highway patrol retirement system whose  
27 employment terminated on or after September 28, 1992, who has five or more  
28 years of vesting service as an employee at the date of termination of employment  
29 shall be entitled to a deferred normal annuity based on the member's creditable  
30 service, average compensation, and the act in effect at the time the member's  
31 employment was terminated.

104.170. 1. The board shall elect [by secret ballot] one member as chair  
2 and one member as vice chair at the first board meeting of each year. The chair  
3 may not serve more than two consecutive terms beginning after August 13,  
4 1988. The chair shall preside over meetings of the board and perform such other  
5 duties as may be required by action of the board. The vice chair shall perform  
6 the duties of the chair in the absence of the latter or upon the chair's inability or  
7 refusal to act.

8           2. The board shall appoint a full-time executive director, who shall not be

9 compensated for any other duties under the state highways and transportation  
10 commission. The executive director shall have charge of the offices and records  
11 and shall hire such employees that the executive director deems necessary subject  
12 to the direction of the board. The executive director and all other employees of  
13 the system shall be members of the system and the board shall make  
14 contributions to provide the insurance benefits available pursuant to section  
15 104.270 on the same basis as provided for other state employees pursuant to the  
16 provisions of section 104.515, and also shall make contributions to provide the  
17 retirement benefits on the same basis as provided for other employees pursuant  
18 to the provisions of sections 104.090 to 104.260. The executive director is  
19 authorized to execute all documents including contracts necessary to carry out  
20 any and all actions of the board.

21 3. Any summons or other writ issued by the courts of the state shall be  
22 served upon the executive director or, in the executive director's absence, on the  
23 assistant director.

104.200. Should any error in any records result in any [member's or  
2 beneficiary's] **member or beneficiary** receiving more or less than he **or she**  
3 would have been entitled to receive had the records been correct, the board shall  
4 correct such error, and, as far as practicable, make future payments in such a  
5 manner that the actuarial equivalent of the benefit to which such member or  
6 beneficiary was entitled shall be paid, and to this end may recover any  
7 overpayments. In all cases in which such error has been made, no such error  
8 shall be corrected unless the system discovers or is notified of such error within  
9 ten years after the [initial] **member's annuity starting date or date of error,**  
10 **whichever occurs later. In cases of fraud, any error discovered shall**  
11 **be corrected without concern to the amount of time that has passed.**

104.312. 1. The provisions of subsection 2 of section 104.250, subsection  
2 2 of section 104.540, subsection 2 of section 287.820, and section 476.688 to the  
3 contrary notwithstanding, any pension, annuity, benefit, right, or retirement  
4 allowance provided pursuant to this chapter, chapter 287, or chapter 476 is  
5 marital property and after August 28, 1994, a court of competent jurisdiction may  
6 divide the pension, annuity, benefits, rights, and retirement allowance provided  
7 pursuant to this chapter, chapter 287, or chapter 476 between the parties to any  
8 action for dissolution of marriage. A division of benefits order issued pursuant  
9 to this section:

10 (1) Shall not require the applicable retirement system to provide any form

11 or type of annuity or retirement plan not selected by the member and not  
12 normally made available by that system;

13 (2) Shall not require the applicable retirement system to commence  
14 payments until the member submits a valid application for an annuity and the  
15 annuity becomes payable in accordance with the application;

16 (3) Shall identify the monthly amount to be paid to the alternate payee,  
17 which shall be expressed as a percentage and which shall not exceed fifty percent  
18 of the amount of the member's annuity accrued during all or part of the time  
19 while the member and alternate payee were married **excluding service**  
20 **accrued pursuant to section 104.601**; and which shall be based on the  
21 member's vested annuity on the date of the dissolution of marriage or an earlier  
22 date as specified in the order, which amount shall be adjusted proportionately if  
23 the member's annuity is reduced due to early retirement or the member's annuity  
24 is reduced pursuant to section 104.395 under an annuity option in which the  
25 member named the alternate payee as beneficiary prior to the dissolution of  
26 marriage or pursuant to section 104.090 under an annuity option in which the  
27 member on or after August 28, 2007, named the alternative payee as beneficiary  
28 prior to the dissolution of marriage, and the percentage established shall be  
29 applied to the pro rata portion of any lump sum distribution pursuant to  
30 subsection 6 of section 104.335, accrued during the time while the member and  
31 alternate payee were married;

32 (4) Shall not require the payment of an annuity amount to the member  
33 and alternate payee which in total exceeds the amount which the member would  
34 have received without regard to the order;

35 (5) Shall provide that any benefit formula increases, additional years of  
36 service, increased average compensation or other type of increases accrued after  
37 the date of the dissolution of marriage shall accrue solely to the benefit of the  
38 member; except that on or after September 1, 2001, any annual benefit increase  
39 **paid after the member's annuity starting date** shall not be considered to be  
40 an increase accrued after the date of termination of marriage and shall be part  
41 of the monthly amount subject to division pursuant to any order issued after  
42 September 1, 2001;

43 (6) Shall terminate upon the death of either the member or the alternate  
44 payee, whichever occurs first;

45 (7) Shall not create an interest which is assignable or subject to any legal  
46 process;

47 (8) Shall include the name, address, and date of birth of both the member  
48 and the alternate payee, and the identity of the retirement system to which it  
49 applies;

50 (9) Shall be consistent with any other division of benefits orders which are  
51 applicable to the same member;

52 (10) Shall not require the applicable retirement system to continue  
53 payments to the alternate payee if the member's retirement benefit is suspended  
54 or waived as provided by this chapter but such payments shall resume when the  
55 retiree begins to receive retirement benefits in the future.

56 2. A system established by this chapter shall provide the court having  
57 jurisdiction of a dissolution of marriage proceeding or the parties to the  
58 proceeding with information necessary to issue a division of benefits order  
59 concerning a member of the system, upon written request from either the court,  
60 the member or the member's spouse, which cites this section and identifies the  
61 case number and parties.

62 3. A system established by this chapter shall have the discretionary  
63 authority to reject a division of benefits order for the following reasons:

64 (1) The order does not clearly state the rights of the member and the  
65 alternate payee;

66 (2) The order is inconsistent with any law governing the retirement  
67 system.

68 4. The amount paid to an alternate payee under an order issued pursuant  
69 to this section shall be based on the plan the member was in on the date of the  
70 dissolution of marriage; except that any annual benefit increases subject to  
71 division shall be based on the actual annual benefit increases received after the  
72 retirement plan election.

73 **5. The lump sum payment described in section 104.625 shall not**  
74 **be subject to any division of benefits order.**

104.410. 1. Any uniformed member of the water patrol who shall be  
2 affirmatively found by the board to be wholly and permanently incapable of  
3 holding any position of gainful employment as a result of injuries or illness  
4 incurred in the performance of the member's duties shall be entitled to receive  
5 disability benefits in an amount equal to one-half of the compensation that the  
6 employee was receiving at the time of the occurrence of the injury entitling the  
7 employee to such disability benefits. Any disability benefit payable pursuant to  
8 this subsection shall be decreased by any amount paid to such uniformed member

9 of the water patrol by reason of the workers' compensation laws of this  
10 state. After termination of payment under workers' compensation, however, any  
11 such reduction and disability benefits shall be restored.

12         2. The board of trustees may require a medical examination of any  
13 uniformed member of the water patrol who is receiving disability benefits  
14 pursuant to this section at any time by a designated physician, and disability  
15 benefits shall be discontinued if the board finds that such member is able to  
16 perform the duties of the member's former position, or if such member refuses to  
17 submit to such an examination.

18         3. The disability benefits described in this section shall not be paid to any  
19 uniformed member of the water patrol who has retained or regained more than  
20 fifty percent of the member's earning capacity. If any uniformed member of the  
21 water patrol who has been receiving disability benefits again becomes an  
22 employee, the member's disability benefits shall be discontinued, the member's  
23 prior period of creditable service shall be restored, and any subsequent  
24 determination of benefits due the member or the member's survivors shall be  
25 based on the sum of the member's creditable service accrued to the date the  
26 member's disability benefits commenced and the period of creditable service after  
27 the member's return to employment.

28         4. Any uniformed member of the water patrol receiving benefits pursuant  
29 to the provisions of this section for five or more years immediately prior to  
30 attainment of age fifty-five shall be considered a normal retirant at age fifty-five,  
31 and may elect, within thirty days preceding the attainment of age fifty-five,  
32 option 1 of section 104.395, but only for the member's spouse who was the  
33 member's spouse for two or more years prior to the member's attainment of age  
34 fifty-five.

35         5. Any member who is receiving disability benefits as of December 31,  
36 1985, or any member who is disabled on December 31, 1985, and would have been  
37 entitled to receive disability benefits pursuant to this section as the provisions  
38 of this section existed immediately prior to September 28, 1985, shall be eligible  
39 to receive or shall continue to receive benefits in accordance with such prior  
40 provisions of this section until the member again becomes an employee; however,  
41 all employees of the department of conservation who are disabled shall receive  
42 benefits pursuant only to this section or section 104.518, whichever is applicable,  
43 and shall not be eligible for benefits under any other plan or program purchased  
44 or provided after September 28, 1985.

45           6. Any member who qualifies for disability benefits pursuant to subsection  
46 1 of this section or pursuant to the provisions of section 104.518, or under a  
47 long-term disability program provided by the member's employing department as  
48 a consequence of employment by the department, shall continue to accrue  
49 creditable service based on the member's rate of pay immediately prior to the  
50 date the member became disabled in accordance with sections 104.370, 104.371,  
51 104.374 and 104.615, until the date the member's retirement benefit goes into pay  
52 status, the disability benefits cease being paid to the member, or the member is  
53 no longer disabled, whichever comes first. Persons covered by the provisions of  
54 sections 476.515 to 476.565 or sections 287.812 to 287.855, who qualify for  
55 disability benefits pursuant to the provisions of section 104.518, at the date the  
56 person becomes disabled, shall continue to accrue creditable service based on the  
57 person's rate of pay immediately prior to the date the person becomes disabled  
58 until the date the person's retirement benefit goes into pay status, the disability  
59 benefits cease being paid to the person or the person is no longer disabled,  
60 whichever comes first. Members or persons continuing to accrue creditable  
61 service pursuant to this subsection shall be entitled to continue their life  
62 insurance coverage subject to the provisions of the life insurance plan  
63 administered by the board pursuant to section 104.517. The rate of pay for  
64 purposes of calculating retirement benefits for a member or person described in  
65 this subsection who becomes disabled and retires on or after August 28, 1999,  
66 shall be the member's or person's regular monthly compensation received at the  
67 time of disablement, increased thereafter for any increases in the consumer price  
68 index. Such increases in the member's monthly pay shall be made annually  
69 beginning twelve months after disablement and shall be equal to eighty percent  
70 of the increase in the consumer price index during the calendar year prior to the  
71 adjustment, but not more than five percent of the member's monthly pay  
72 immediately before the increase. Such accruals shall continue until the earliest  
73 of: receipt of an early retirement annuity, attainment of normal retirement  
74 eligibility or termination of disability benefits.

75           7. A member or person who continues to be disabled as provided in  
76 subsection 6 of this section until the member's normal retirement age shall be  
77 eligible to retire on the first day of the month next following the member's or  
78 person's final payment pursuant to section 104.518 or, if applicable, subsection  
79 1 of this section. A member or person who retires pursuant to this subsection  
80 shall receive the greater of the normal annuity or the minimum annuity, if

81 applicable, determined pursuant to sections 104.370, 104.371, 104.374 and  
82 104.615, and section 287.820, and section 476.530 as if the member or person had  
83 continued in the active employ of the employer until the member's or person's  
84 retirement benefit goes into pay status, the disability benefits cease being paid  
85 to the member or person, or the member or person is no longer disabled,  
86 whichever comes first and the member's or person's compensation for such period  
87 had been the member's or person's rate of pay immediately preceding the date the  
88 member or person became disabled.

89         8. If a member who has been disabled becomes an employee again and if  
90 the member was disabled during the entire period of the member's absence, then  
91 the member shall resume active participation as of the date of  
92 reemployment. Such a member shall receive creditable service for the entire  
93 period the member was disabled as provided in subsection 6 of this section.

94         9. If a member ceases to be disabled and if the member does not return  
95 to work as provided in subsection 8 of this section, the member's rights to further  
96 benefits shall be determined in accordance with sections 104.335, 104.380,  
97 104.400, 104.420 and 104.615 as though the member had withdrawn from service  
98 as of the date the member ceased to be disabled, as determined by the system.

99         **10. Members of the general assembly who are accruing service**  
100 **pursuant to subsection 6 of this section, shall continue to accrue**  
101 **service until the earliest of attainment of normal retirement age**  
102 **eligibility, termination of disability benefits, or the end of the member's**  
103 **constitutionally mandated limit on service as a member of the general**  
104 **assembly for the chamber in which the member was serving at the time**  
105 **of disablement.**

106         **11. Statewide elected officials who are accruing service pursuant**  
107 **to subsection 6 of this section, shall continue to accrue service until the**  
108 **earliest of attainment of normal retirement age eligibility, termination**  
109 **of disability benefits, or the end of the member's constitutionally**  
110 **mandated limit on service as a statewide elected official for the office**  
111 **in which the member was serving at the time of disablement.**

104.436. 1. The board intends to follow a financing pattern which  
2 computes and requires contribution amounts which, expressed as percents of  
3 active member payroll, will remain approximately level from year to year and  
4 from one generation of citizens to the next generation. Such contribution  
5 determinations require regular actuarial valuations, which shall be made by the



6 board's actuary, using assumptions and methods adopted by the board after  
7 consulting with its actuary. The entry age normal cost valuation method shall  
8 be used in determining **the** normal cost[, and contributions for unfunded accrued  
9 liabilities shall be determined using level percent-of-payroll amortization]  
10 **calculation.**

11 2. At least ninety days before each regular session of the general  
12 assembly, the board shall certify to the division of budget the contribution rate  
13 necessary to cover the liabilities of the plan administered by the system,  
14 including costs of administration, expected to accrue during the next  
15 appropriation period. The commissioner of administration shall request  
16 appropriation of the amount calculated pursuant to the provisions of this  
17 subsection. Following each pay period, the commissioner of administration shall  
18 requisition and certify the payment to the executive director of the Missouri state  
19 employees' retirement system. The executive director shall promptly deposit the  
20 amounts certified to the credit of the Missouri state employees' retirement fund.

21 3. The employers of members of the system who are not paid out of funds  
22 that have been deposited in the state treasury shall remit promptly to the  
23 executive director an amount equal to the amount which the state would have  
24 paid if those members had been paid entirely from state funds. The executive  
25 director shall promptly deposit the amounts certified to the credit of the Missouri  
26 state employees' retirement system fund.

27 4. These amounts are funds of the system, and shall not be commingled  
28 with any funds in the state treasury.

104.490. 1. Should any error result in any member or beneficiary  
2 receiving more or less than he or she would have been entitled to receive had the  
3 error not occurred, the board shall correct such error, and, as far as practicable,  
4 make future payments in such a manner that the actuarial equivalent of the  
5 benefit to which such member or beneficiary was entitled shall be paid, and to  
6 this end may recover any overpayments. In all cases in which such error has  
7 been made, no such error shall be corrected unless the system discovers or is  
8 notified of such error within ten years after the [initial] **member's annuity**  
9 **starting date or date of error, whichever occurs later. In cases of fraud,**  
10 **any error discovered shall be corrected without concern to the amount**  
11 **of time that has passed.**

12 2. A person who knowingly makes a false statement, or falsifies or permits  
13 to be falsified a record of the system, in an attempt to defraud the system is

14 subject to fine or imprisonment pursuant to the Missouri revised statutes.

15           3. The board of trustees of the Missouri state employees' retirement  
16 system shall cease paying benefits to any survivor or beneficiary who is charged  
17 with the intentional killing of a member without legal excuse or justification. A  
18 survivor or beneficiary who is convicted of such charge shall no longer be entitled  
19 to receive benefits. If the survivor or beneficiary is not convicted of such charge,  
20 the board shall resume payment of benefits and shall pay the survivor or  
21 beneficiary any benefits that were suspended pending resolution of such charge.

          104.515. 1. Separate accounts for medical, life insurance and disability  
2 benefits provided pursuant to sections 104.517 and 104.518 shall be established  
3 as part of the fund. The funds, property and return on investments of the  
4 separate account shall not be commingled with any other funds, property and  
5 investment return of the system. All benefits and premiums are paid solely from  
6 the separate account for medical, life insurance and disability benefits provided  
7 pursuant to this section.

8           2. The state shall contribute an amount as appropriated by law and  
9 approved by the governor per month for medical benefits, life insurance and  
10 long-term disability benefits as provided pursuant to this section and sections  
11 104.517 and 104.518. Such amounts shall include the cost of providing life  
12 insurance benefits for each active employee who is a member of the Missouri state  
13 employees' retirement system, a member of the public school retirement system  
14 and who is employed by a state agency other than an institution of higher  
15 learning, a member of the retirement system established by sections 287.812 to  
16 287.855, the judicial retirement system, each legislator and official holding an  
17 elective state office, members not on payroll status who are receiving workers'  
18 compensation benefits, and if the state highways and transportation commission  
19 so elects, those employees who are members of the state transportation  
20 department employees' and highway patrol retirement system; if the state  
21 highways and transportation commission so elects to join the plan, the state shall  
22 contribute an amount as appropriated by law for medical benefits for those  
23 employees who are members of the transportation department employees' and  
24 highway patrol retirement system; an additional amount equal to the amount  
25 required, based on competitive bidding or determined actuarially, to fund the  
26 retired members' death benefit or life insurance benefit, or both, provided in  
27 subsection 4 of this section and the disability benefits provided in section  
28 104.518. This amount shall be reported as a separate item in the monthly

29 certification of required contributions which the commissioner of administration  
30 submits to the state treasurer and shall be deposited to the separate account for  
31 medical, life insurance and disability benefits. All contributions made on behalf  
32 of members of the state transportation department employees' and highway patrol  
33 retirement system shall be made from highway funds. If the highways and  
34 transportation commission so elects, the spouses and unemancipated children  
35 under twenty-three years of age of employees who are members of the state  
36 transportation department employees' and highway patrol retirement system  
37 shall be able to participate in the program of insurance benefits to cover medical  
38 expenses pursuant to the provisions of subsection 3 of this section.

39         3. The board shall determine the premium amounts required for  
40 participating employees. The premium amounts shall be the amount, which,  
41 together with the state's contribution, is required to fund the benefits provided,  
42 taking into account necessary actuarial reserves. Separate premiums shall be  
43 established for employees' benefits and a separate premium or schedule of  
44 premiums shall be established for benefits for spouses and unemancipated  
45 children under twenty-three years of age of participating employees. The  
46 employee's premiums for spouse and children benefits shall be established to  
47 cover that portion of the cost of such benefits which is not paid for by  
48 contributions by the state. All such premium amounts shall be paid to the board  
49 of trustees at the time that each employee's wages or salary would normally be  
50 paid. The premium amounts so remitted will be placed in the separate account  
51 for medical, life insurance and disability benefits. In lieu of the availability of  
52 premium deductions, the board may establish alternative methods for the  
53 collection of premium amounts.

54         4. Each special consultant eligible for life benefits employed by a board  
55 of trustees of a retirement system as provided in section 104.610 who is a member  
56 of the Missouri state life insurance plan or Missouri state transportation  
57 department and Missouri state highway patrol life insurance plan shall, in  
58 addition to duties prescribed in section 104.610 or any other law, and upon  
59 request of the board of trustees, give the board, orally or in writing, a short  
60 detailed statement on life insurance and death benefit problems affecting retirees.  
61 As compensation for the extra duty imposed by this subsection, any special  
62 consultant as defined above, other than a special consultant entitled to a deferred  
63 normal annuity pursuant to section 104.035 or 104.335, who retires on or after  
64 September 28, 1985, shall receive as a part of compensation for these extra

65 duties, a death benefit of five thousand dollars, and any special consultant who  
66 terminates employment on or after August 28, 1999, after reaching normal or  
67 early retirement age and becomes a retiree within [sixty] **sixty-five** days of such  
68 termination shall receive five thousand dollars of life insurance coverage. In  
69 addition, each special consultant who is a member of the transportation  
70 department employees' and highway patrol retirement system medical insurance  
71 plan shall also provide the board, upon request of the board, orally or in writing,  
72 a short detailed statement on physical, medical and health problems affecting  
73 retirees. As compensation for this extra duty, each special consultant as defined  
74 above shall receive, in addition to all other compensation provided by law, nine  
75 dollars, or an amount equivalent to that provided to other special consultants  
76 pursuant to the provisions of section 103.115. In addition, any special consultant  
77 as defined in section 287.820 or section 476.601 who terminates employment and  
78 immediately retires on or after August 28, 1995, shall receive as a part of  
79 compensation for these duties, a death benefit of five thousand dollars and any  
80 special consultant who terminates employment on or after August 28, 1999, after  
81 reaching the age of eligibility to receive retirement benefits and becomes a retiree  
82 within [sixty] **sixty-five** days of such termination shall receive five thousand  
83 dollars of life insurance coverage.

84         5. Any former employee who is receiving disability income benefits from  
85 the Missouri state employees' retirement system or the transportation department  
86 employees' and highway patrol retirement system shall, upon application with the  
87 board of trustees of the Missouri consolidated health care plan or the  
88 transportation department employees and highway patrol medical plan, be made,  
89 constituted, appointed and employed by the respective board as a special  
90 consultant on the problems of the health of disability income recipients and, upon  
91 request of the board of trustees of each medical plan, give the board, orally or in  
92 writing, a short detailed statement of physical, medical and health problems  
93 affecting disability income recipients. As compensation for the extra duty  
94 imposed by this subsection, each such special consultant as defined in this  
95 subsection may receive, in addition to all other compensation provided by law, an  
96 amount contributed toward medical benefits coverage provided by the Missouri  
97 consolidated health care plan or the transportation employees and highway patrol  
98 medical plan pursuant to appropriations.

104.625. Effective July 1, 2002, any member retiring pursuant to the  
2 provisions of sections 104.010 to 104.801, except an elected official or a member

3 of the general assembly, who has not been paid retirement benefits and continues  
4 employment for at least two years beyond normal retirement age, may elect to  
5 receive an annuity and lump sum payment or payments, determined as follows:

6 (1) A retroactive starting date shall be established which shall be a date  
7 selected by the member; provided, however, that the retroactive starting date  
8 selected by the member shall not be a date which is earlier than the date when  
9 a normal annuity would have first been payable. In addition, the retroactive  
10 starting date shall not be more than five years prior to the annuity starting date,  
11 which shall be the first day of the month with respect to which an amount is paid  
12 as an annuity pursuant to this section. The member's selection of a retroactive  
13 starting date shall be done in twelve-month increments, except this restriction  
14 shall not apply when the member selects the total available time between the  
15 retroactive starting date and the annuity starting date;

16 (2) The prospective annuity payable as of the annuity starting date shall  
17 be determined pursuant to the provisions otherwise applicable under the law,  
18 with the exception that it shall be the amount which would have been payable  
19 had the member actually retired on the retroactive starting date under the  
20 retirement plan selected by the member. Other than for the lump sum payment  
21 or payments specified in subdivision (3) of this section, no other amount shall be  
22 due for the period between the retroactive starting date and the annuity starting  
23 date;

24 (3) The lump sum payable shall be ninety percent of the annuity amounts  
25 which would have been paid to the member from the retroactive starting date to  
26 the annuity starting date had the member actually retired on the retroactive  
27 starting date and received a normal annuity. The member shall [elect to] receive  
28 the lump sum amount [either] in its entirety at the same time as the initial  
29 annuity payment is made [or in three equal annual installments with the first  
30 payment made at the same time as the initial annuity payment]; **and**

31 (4) [Any annuity payable pursuant to this section that is subject to a  
32 division of benefit order pursuant to section 104.312 shall be calculated as  
33 follows:

34 (a) Any service of a member between the retroactive starting date and the  
35 annuity starting date shall not be considered creditable service except for  
36 purposes of calculating the division of benefit; and

37 (b) The lump sum payment described in subdivision (3) of this section  
38 shall not be subject to any division of benefit order; and

39 (5)] For purposes of determining annual benefit increases payable as part  
40 of the lump sum and annuity provided pursuant to this section, the retroactive  
41 starting date shall be considered the member's date of retirement.

104.810. 1. Employees of the Missouri state water patrol who are earning  
2 creditable service in the closed plan of the Missouri state employees' retirement  
3 system and who are transferred to the division of water patrol with the Missouri  
4 state highway patrol shall elect within ninety days of January 1, 2011, to either  
5 remain a member of the Missouri state employees' retirement system or transfer  
6 membership and creditable service to the closed plan of the Missouri department  
7 of transportation and highway patrol employees' retirement system. The election  
8 shall be made in writing after the employee has received a detailed analysis  
9 comparing retirement, life insurance, disability benefits, and medical benefits of  
10 a member of the Missouri state employees' retirement system with the  
11 corresponding benefits provided an employee of the highway patrol covered by the  
12 closed plan of the Missouri department of transportation and highway patrol  
13 employees' retirement system. In electing plan membership the employee shall  
14 acknowledge and agree that an election made under this subsection is irrevocable,  
15 and constitutes a waiver to receive retirement, life insurance, disability benefits,  
16 and medical benefits except as provided by the system elected by the  
17 employee. Furthermore, in connection with the election, the employee shall be  
18 required to acknowledge that the benefits provided by virtue of membership in  
19 either system, and any associated costs to the employee, may be different now or  
20 in the future as a result of the election and that the employee agrees to hold both  
21 systems harmless with regard to benefit differences resulting from the election.  
22 **In the event an employee terminates then returns to the same position,**  
23 **the employee will be a member of the system in which he or she was a**  
24 **member prior to termination. If the employee returns to any other job,**  
25 **the employee will be a member of the system that currently covers that**  
26 **position.**

27 2. Employees of the Missouri state water patrol who are earning credited  
28 service in the year 2000 plan of the Missouri state employees' retirement system  
29 and who are transferred to the division of water patrol with the Missouri state  
30 highway patrol shall elect within ninety days of January 1, 2011, to either remain  
31 a member of the Missouri state employees' retirement system or transfer  
32 membership and creditable service to the year 2000 plan of the Missouri  
33 department of transportation and highway patrol employees' retirement

34 system. The election shall be made in writing after the employee has received a  
35 detailed analysis comparing retirement, life insurance, disability benefits, and  
36 medical benefits of a member of the Missouri state employees' retirement system  
37 with the corresponding benefits provided an employee of the highway patrol  
38 covered by the year 2000 plan of the Missouri department of transportation and  
39 highway patrol employees' retirement system. In electing plan membership the  
40 employee shall acknowledge and agree that an election made under this  
41 subsection is irrevocable, and constitutes a waiver to receive retirement, life  
42 insurance, disability benefits, and medical benefits except as provided by the  
43 system elected by the employee. Furthermore, in connection with the election,  
44 the employee shall be required to acknowledge that the benefits provided by  
45 virtue of membership in either system, and any associated costs to the employee,  
46 may be different now or in the future as a result of the election and that the  
47 employee agrees to hold both systems harmless with regard to benefit differences  
48 resulting from the election.

49 3. The Missouri state employees' retirement system shall pay to the  
50 Missouri department of transportation and highway patrol employees' retirement  
51 system, by June 30, 2011, an amount actuarially determined to equal the liability  
52 at the time of the transfer for any employee who elects under subsection 1 or 2  
53 of this section to transfer to the Missouri department of transportation and  
54 highway patrol employees' retirement system, to the extent that liability is  
55 funded as of the most recent actuarial valuation and based on the actuarial value  
56 of assets not to exceed one hundred percent.

57 4. In no event shall any employee receive service credit for the same  
58 period of service under more than one retirement system as a result of the  
59 provisions of this section.

60 5. The only medical coverage available for any employee who elects under  
61 subsection 1 or 2 of this section to transfer to the Missouri department of  
62 transportation and highway patrol employees' retirement system shall be the  
63 medical coverage provided in section 104.270. The effective date for  
64 commencement of medical coverage shall be July 1, 2011. However, this does not  
65 preclude medical coverage for the transferred employee as a dependent under any  
66 other health care plan.

67 6. Any employee who elects under subsection 1 or 2 of this section to  
68 transfer to the Missouri department of transportation and highway patrol  
69 employees' retirement system and who is also thereafter a uniformed member of

70 the highway patrol shall be subject to the mandatory retirement age stated in  
71 section 104.081.

104.1003. 1. Unless a different meaning is plainly required by the  
2 context, the following words and phrases as used in sections 104.1003 to 104.1093  
3 shall mean:

4 (1) "Act", the year 2000 plan created by sections 104.1003 to 104.1093;

5 (2) "Actuary", an actuary who is experienced in retirement plan financing  
6 and who is either a member of the American Academy of Actuaries or an enrolled  
7 actuary under the Employee Retirement Income Security Act of 1974;

8 (3) "Annuity", annual benefit amounts, paid in equal monthly  
9 installments, from funds provided for in, or authorized by, sections 104.1003 to  
10 104.1093;

11 (4) "Annuity starting date" means the first day of the first month with  
12 respect to which an amount is paid as an annuity pursuant to sections 104.1003  
13 to 104.1093;

14 (5) "Beneficiary", any persons or entities entitled to receive an annuity or  
15 other benefit pursuant to sections 104.1003 to 104.1093 based upon the  
16 employment record of another person;

17 (6) "Board of trustees", "board", or "trustees", a governing body or bodies  
18 established for the year 2000 plan pursuant to sections 104.1003 to 104.1093;

19 (7) "Closed plan", a benefit plan created pursuant to this chapter and  
20 administered by a system prior to July 1, 2000. No person first employed on or  
21 after July 1, 2000, shall become a member of the closed plan, but the closed plan  
22 shall continue to function for the benefit of persons covered by and remaining in  
23 the closed plan and their beneficiaries;

24 (8) "Consumer price index", the Consumer Price Index for All Urban  
25 Consumers for the United States, or its successor index, as approved by the  
26 board, as such index is defined and officially reported by the United States  
27 Department of Labor, or its successor agency;

28 (9) "Credited service", the total credited service to a member's credit as  
29 provided in sections 104.1003 to 104.1093; except that in no case shall more than  
30 one day of credited service be credited to any member or vested former member  
31 for any one calendar day of eligible credit as provided by law;

32 (10) "Department", any department or agency of the executive, legislative,  
33 or judicial branch of the state of Missouri receiving state appropriations,  
34 including allocated funds from the federal government but not including any body



35 corporate or politic unless its employees are eligible for retirement coverage from  
36 a system pursuant to this chapter as otherwise provided by law;

37 (11) "Early retirement eligibility", a member's attainment of fifty-seven  
38 years of age and the completion of at least five years of credited service;

39 (12) "Effective date", July 1, 2000;

40 (13) "Employee" shall be any person who is employed by a department and  
41 is paid a salary or wage by a department in a position normally requiring the  
42 performance of duties of not less than one thousand forty hours per year,  
43 provided:

44 (a) The term "employee" shall not include any patient or inmate of any  
45 state, charitable, penal or correctional institution, or any person who is employed  
46 by a department in a position that is covered by a state-sponsored defined benefit  
47 retirement plan not created by this chapter;

48 (b) The term "employee" shall be modified as provided by other provisions  
49 of sections 104.1003 to 104.1093;

50 (c) The system shall consider a person who is employed in multiple  
51 positions simultaneously within a single agency to be working in a single position  
52 for purposes of determining whether the person is an employee as defined in this  
53 subdivision;

54 (d) [Beginning September 1, 2001, the term "year" as used in this  
55 subdivision shall mean the twelve-month period beginning on the first day of  
56 employment;

57 (e)] The term "employee" shall include any person as defined under  
58 paragraph (b) of subdivision (21) of subsection 1 of section 104.010 who is first  
59 employed on or after July 1, 2000, but prior to August 28, 2007;

60 (14) "Employer", a department;

61 (15) "Executive director", the executive director employed by a board  
62 established pursuant to the provisions of sections 104.1003 to 104.1093;

63 (16) "Final average pay", the average pay of a member for the thirty-six  
64 full consecutive months of service before termination of employment when the  
65 member's pay was greatest; or if the member was on workers' compensation leave  
66 of absence or a medical leave of absence due to an employee illness, the amount  
67 of pay the member would have received but for such leave of absence as reported  
68 and verified by the employing department; or if the member was employed for  
69 less than thirty-six months, the average monthly pay of a member during the  
70 period for which the member was employed. The board of each system may

71 promulgate rules for purposes of calculating final average pay and other  
72 retirement provisions to accommodate for any state payroll system in which pay  
73 is received on a monthly, semimonthly, biweekly, or other basis;

74 (17) "Fund", a fund of the year 2000 plan established pursuant to sections  
75 104.1003 to 104.1093;

76 (18) "Investment return", or "interest", rates as shall be determined and  
77 prescribed from time to time by a board;

78 (19) "Member", a person who is included in the membership of the system,  
79 as set forth in section 104.1009;

80 (20) "Normal retirement eligibility", a member's attainment of at least  
81 sixty-two years of age and the completion of at least five or more years of credited  
82 service or, the attainment of at least forty-eight years of age with a total of years  
83 of age and years of credited service which is at least eighty or, in the case of a  
84 member of the highway patrol who shall be subject to the mandatory retirement  
85 provisions of section 104.080, the mandatory retirement age and completion of  
86 five years of credited service or, the attainment of at least forty-eight years of age  
87 with a total of years of age and years of credited service which is at least eighty;

88 (21) "Pay" shall include:

89 (a) All salary and wages payable to an employee for personal services  
90 performed for a department; but excluding:

91 a. Any amounts paid after an employee's employment is terminated,  
92 unless the payment is made as a final installment of salary or wages at the same  
93 rate as in effect immediately prior to termination of employment in accordance  
94 with a state payroll system adopted on or after January 1, 2000;

95 b. Any amounts paid upon termination of employment for unused annual  
96 leave or unused sick leave;

97 c. Pay in excess of the limitations set forth in Section 401(a)(17) of the  
98 Internal Revenue Code of 1986 as amended and other applicable federal laws or  
99 regulations;

100 d. Any nonrecurring single sum payments; and

101 e. Any amounts for which contributions have not been made in accordance  
102 with section 104.1066;

103 (b) All salary and wages which would have been payable to an employee  
104 on workers' compensation leave of absence during the period the employee is  
105 receiving a weekly workers' compensation benefit, as reported and verified by the  
106 employing department;

107 (c) All salary and wages which would have been payable to an employee  
108 on a medical leave due to employee illness, as reported and verified by the  
109 employing department;

110 (d) For purposes of members of the general assembly, pay shall be the  
111 annual salary provided to each senator and representative pursuant to section  
112 21.140, plus any salary adjustment pursuant to section 21.140;

113 (22) "Retiree", a person receiving an annuity from the year 2000 plan  
114 based upon the person's employment record;

115 (23) "State", the state of Missouri;

116 (24) "System" or "retirement system", the Missouri state employees'  
117 retirement system or the Missouri department of transportation and highway  
118 patrol employees' retirement system, as the case may be;

119 (25) "Vested former member", a person entitled to receive a deferred  
120 annuity pursuant to section 104.1036;

121 (26) "Year 2000 plan", the benefit plan created by sections 104.1003 to  
122 104.1093.

123 2. Benefits paid under the provisions of this chapter shall not exceed the  
124 limitations of Internal Revenue Code Section 415, the provisions of which are  
125 hereby incorporated by reference. Notwithstanding any other law to the contrary,  
126 the board of trustees may establish a benefit plan under Section 415(m) of the  
127 Internal Revenue Code of 1986, as amended. Such plan shall be created solely  
128 for the purposes described in Section 415(m)(3)(A) of the Internal Revenue Code  
129 of 1986, as amended. The board of trustees may promulgate regulations  
130 necessary to implement the provisions of this subsection and to create and  
131 administer such benefit plan.

104.1015. 1. Persons covered by a closed plan on July 1, 2000, shall elect  
2 whether or not to change to year 2000 plan coverage. Any such person who elects  
3 to be covered by the year 2000 plan shall forfeit all rights to receive benefits  
4 under this chapter except as provided under the year 2000 plan and all creditable  
5 service of such person under the closed plan shall be credited under the year 2000  
6 plan. Any such person who elects not to be covered by the year 2000 plan shall  
7 waive all rights to receive benefits under the year 2000 plan. In no event shall  
8 any retroactive annuity be paid to such persons pursuant to sections 104.1003 to  
9 104.1093 except as described in subsection 2 of this section. Any person who  
10 elects year 2000 plan coverage under subsection 3, 4, 5, or 6 of this section shall  
11 be in the closed plan until the person's annuity starting date.

12           2. Each retiree of the closed plan on July 1, 2000, shall be furnished by  
13 the appropriate system a written comparison of the retiree's closed plan coverage  
14 and the retiree's potential year 2000 plan coverage. A retiree shall elect whether  
15 or not to change to year 2000 plan coverage by making a written election, on a  
16 form furnished by the appropriate board, and providing that form to the system  
17 by no later than twelve months after July 1, 2000, and any retiree who fails to  
18 make such election within such time period shall be deemed to have elected to  
19 remain covered under the closed plan; provided the election must be after the  
20 retiree has received from the appropriate system such written comparison. The  
21 retirement option elected under the year 2000 plan shall be the same as the  
22 retirement option elected under the closed plan, except any retiree who is  
23 receiving one of the options providing for a continuing lifetime annuity to a  
24 surviving spouse under the closed plan may elect to receive an annuity under  
25 option 1 or 2 of section 104.1027, or a life annuity under subsection 2 of section  
26 104.1024, provided the person who was married to the member at the time of  
27 retirement, if any, consents in writing to such election made pursuant to section  
28 104.1024, or to any election described in this section if the person was married  
29 to a member of the Missouri state employees' retirement system. The effective  
30 date of payment of an annuity under the year 2000 plan as provided in this  
31 subsection shall begin on July 1, 2000. No adjustment shall be made to  
32 retirement benefits paid to the retiree prior to July 1, 2000. In order to calculate  
33 a new monthly annuity for retirees electing coverage under the year 2000 plan  
34 pursuant to this subsection, the following calculations shall be made:

35           (1) Except as otherwise provided in this subsection, the retiree's gross  
36 monthly retirement annuity in effect immediately prior to July 1, 2000, shall be  
37 multiplied by the percentage increase in the life annuity formula between the  
38 closed plan and the year 2000 plan. This amount shall be added to the retiree's  
39 gross monthly retirement annuity in effect immediately prior to July 1, 2000, to  
40 arrive at the retiree's new monthly retirement annuity in the year 2000 plan on  
41 July 1, 2000. The age of eligibility and reduction factors applicable to the  
42 retiree's original annuity under the closed plan shall remain the same in the  
43 annuity payable under the year 2000 plan, except as provided in subdivision (2)  
44 of this subsection;

45           (2) If option 1 or 2 pursuant to section 104.1027 is chosen by the retiree  
46 under the year 2000 plan, the new monthly retirement annuity calculated  
47 pursuant to subdivision (1) of this subsection shall be recalculated using the

48 reduction factors for the option chosen pursuant to section 104.1027;

49 (3) If a temporary annuity is payable pursuant to subsection 4 of section  
50 104.1024 the additional temporary annuity shall be calculated by multiplying the  
51 retiree's credited service by the retiree's final average pay by eight-tenths of one  
52 percent;

53 (4) Cost-of-living adjustments paid pursuant to section 104.1045 will  
54 commence on the anniversary of the retiree's annuity starting date coincident  
55 with or next following July 1, 2000;

56 (5) Any retiree or other person described in this section who elects  
57 coverage under the year 2000 plan based on service rendered as a member of the  
58 general assembly or as a statewide elected official shall receive an annuity under  
59 the year 2000 plan calculated pursuant to the provisions of section 104.1084  
60 using the current monthly pay at the time of the election with future COLAs  
61 calculated pursuant to subsection 7 of section 104.1084.

62 3. Each person who is an employee and covered by the closed plan and not  
63 a retiree of the closed plan on July 1, 2000, shall elect whether or not to change  
64 to year 2000 plan coverage prior to the last business day of the month before the  
65 person's annuity starting date, and if such election has not been made within  
66 such time, annuity payments due beginning on and after the month of the  
67 annuity starting date shall be made the month following the receipt by the  
68 appropriate system of such election and any other information required by the  
69 year 2000 plan created by sections 104.1003 to 104.1093; provided, such election  
70 must be after the person has received from the year 2000 plan a written  
71 comparison of the person's closed plan coverage and the person's potential year  
72 2000 plan coverage and the election must be made in writing on a form furnished  
73 by the appropriate board. If such person dies after the annuity starting date but  
74 before making such election and providing such other information, no benefits  
75 shall be paid except as required pursuant to section 104.420 or subsection 2 of  
76 section 104.372 for members of the general assembly.

77 4. Each person who is not an employee and not a retiree and is eligible  
78 for a deferred annuity from the closed plan on July 1, 2000, shall elect whether  
79 or not to change to the year 2000 plan coverage prior to the last business day of  
80 the month before the person's annuity starting date, and if such election has not  
81 been made within such time, annuity payments due beginning on and after the  
82 month of the annuity starting date shall be made the month following the receipt  
83 by the appropriate system of such election and any other information required by

84 the year 2000 plan created by sections 104.1003 to 104.1093; provided, the  
85 election must be after the person has received from the year 2000 plan a written  
86 comparison of the person's closed plan coverage and the person's potential year  
87 2000 plan coverage and the election must be made in writing on a form furnished  
88 by the appropriate board. If such person dies after the annuity starting date but  
89 before making such election and providing such other information, no benefits  
90 shall be paid except as required pursuant to section 104.420 or subsection 2 of  
91 section 104.372 for members of the general assembly.

92         5. Each person who is not an employee and not a retiree and is eligible  
93 for a deferred annuity from the closed plan and returns to covered employment  
94 on or after July 1, 2000, shall be covered under the closed plan; provided, such  
95 person shall elect whether or not to change to the year 2000 plan coverage prior  
96 to the last business day of the month before the person's annuity starting date,  
97 and if such election has not been made within such time, annuity payments due  
98 beginning on and after the month of the annuity starting date shall be made the  
99 month following the receipt by the appropriate system of such election and any  
100 other information required by the year 2000 plan created by sections 104.1003 to  
101 104.1093 and the election must be after the person has received from the year  
102 2000 plan a written comparison of the person's closed plan coverage and the  
103 person's potential year 2000 plan coverage and the election must be made in  
104 writing on a form furnished by the appropriate board. If such person dies after  
105 the annuity starting date but before making such election and providing such  
106 other information, no benefits shall be paid except as required under section  
107 104.420 or subsection 2 of section 104.372 for members of the general assembly.

108         6. Each person who is not an employee and not a retiree and not eligible  
109 for a deferred annuity from the closed plan **or year 2000 plan** but has forfeited  
110 creditable service with the closed plan **or year 2000 plan** and becomes an  
111 employee on or after August 28, [2002] **2020**, shall be [changed to year 2000 plan  
112 coverage] **subject to the provisions of section 104.1091** and upon receiving  
113 credited service continuously for one year shall receive credited service for all  
114 such forfeited creditable service under the closed plan **or year 2000 plan**.

115         7. Each person who was employed as a member of the general assembly  
116 through December 31, 2000, covered under the closed plan, and has served at  
117 least two full biennial assemblies as defined in subdivision (25) of subsection 1  
118 of section 104.010 but who is not eligible for a deferred annuity under the closed  
119 plan shall be eligible to receive benefits under the new plan pursuant to

120 subdivision (5) of subsection 2 of this section upon meeting the age requirements  
121 under the new plan.

122 8. The retirees and persons described in subsections 2 and 4 of this  
123 section shall be eligible for benefits under those subsections pursuant to  
124 subsection 8 of section 104.610.

125 9. A member may change a member's plan election made under this  
126 section at any time prior to the system mailing or electronically transferring the  
127 first annuity payment to such member.

104.1018. 1. When a member is no longer employed in a position covered  
2 by the system, membership in the system shall thereupon cease. If a member has  
3 five or more years of credited service upon such member's termination of  
4 membership, such member shall be a vested former member entitled to a deferred  
5 annuity pursuant to section 104.1036, **except as otherwise provided in**  
6 **subsection 7 of section 104.1024.** If a member has fewer than five years of  
7 credited service upon termination of membership, such former member's credited  
8 service shall be forfeited, provided that if such former member becomes  
9 reemployed in a position covered by the system, such former member shall again  
10 become a member of the system and the forfeited credited service shall be  
11 restored after receiving creditable service continuously for one year.

12 2. Upon a member becoming a retiree, membership shall cease and, except  
13 as otherwise provided in section 104.1039, the person shall not again become a  
14 member of the system.

15 3. If a vested former member becomes reemployed in a position covered  
16 by the system before such vested former member's annuity starting date,  
17 membership shall be restored with the previous credited service and increased by  
18 such reemployment.

104.1024. 1. Any member who terminates employment may retire on or  
2 after attaining normal retirement eligibility by making application in written  
3 form and manner approved by the appropriate board. The written application  
4 shall set forth the annuity starting date which shall not be earlier than the first  
5 day of the second month following the month of the execution and filing of the  
6 member's application for retirement nor later than the first day of the fourth  
7 month following the month of the execution and filing of the member's application  
8 for retirement. The payment of the annuity shall be made the last working day  
9 of each month, providing all documentation required under section 104.1027 for  
10 the calculation and payment of the benefits is received by the board.

11           2. A member's annuity shall be paid in the form of a life annuity, except  
12 as provided in section 104.1027, and shall be an amount for life equal to one and  
13 seven-tenths percent of the final average pay of the member multiplied by the  
14 member's years of credited service.

15           3. The life annuity defined in subsection 2 of this section shall not be less  
16 than a monthly amount equal to fifteen dollars multiplied by the member's full  
17 years of credited service.

18           4. If as of the annuity starting date of a member who has attained normal  
19 retirement eligibility the sum of the member's years of age and years of credited  
20 service equals eighty or more years and if the member's age is at least forty-eight  
21 years but less than sixty-two years, or, in the case of a member of the highway  
22 patrol who shall be subject to the mandatory retirement provision of section  
23 104.080, the mandatory retirement age and completion of five years of credited  
24 service, then in addition to the life annuity described in subsection 2 of this  
25 section, the member shall receive a temporary annuity equal to eight-tenths of  
26 one percent of the member's final average pay multiplied by the member's years  
27 of credited service. The temporary annuity and any cost-of-living adjustments  
28 attributable to the temporary annuity pursuant to section 104.1045 shall  
29 terminate at the end of the calendar month in which the earlier of the following  
30 events occurs: the member's death or the member's attainment of the earliest age  
31 of eligibility for reduced Social Security retirement benefits, but no later than age  
32 sixty-two.

33           5. The annuity described in subsection 2 of this section for any person  
34 who has credited service not covered by the federal Social Security Act, as  
35 provided in [sections 105.300 to 105.430] **subdivision (1) of subsection 7 of**  
36 **section 104.342**, shall be calculated as follows: the life annuity shall be an  
37 amount equal to two and five-tenths percent of the final average pay of the  
38 member multiplied by the number of years of service not covered by the federal  
39 Social Security Act in addition to one and seven-tenths percent of the final  
40 average pay of the member multiplied by the member's years of credited service  
41 covered by the federal Social Security Act.

42           6. Effective July 1, 2002, any member, except an elected official or a  
43 member of the general assembly, who has not been paid retirement benefits and  
44 continues employment for at least two years beyond the date of normal retirement  
45 eligibility, may elect to receive an annuity and lump sum payment or payments,  
46 determined as follows:



47 (1) A retroactive starting date shall be established which shall be a date  
48 selected by the member; provided, however, that the retroactive starting date  
49 selected by the member shall not be a date which is earlier than the date when  
50 a normal annuity would have first been payable. In addition, the retroactive  
51 starting date shall not be more than five years prior to the annuity starting  
52 date. The member's selection of a retroactive starting date shall be done in  
53 twelve-month increments, except this restriction shall not apply when the  
54 member selects the total available time between the retroactive starting date and  
55 the annuity starting date;

56 (2) The prospective annuity payable as of the annuity starting date shall  
57 be determined pursuant to the provisions of this section, with the exception that  
58 it shall be the amount which would have been payable at the annuity starting  
59 date had the member actually retired on the retroactive starting date under the  
60 retirement plan selected by the member. Other than for the lump sum payment  
61 or payments specified in subdivision (3) of this subsection, no other amount shall  
62 be due for the period between the retroactive starting date and the annuity  
63 starting date;

64 (3) The lump sum payable shall be ninety percent of the annuity amounts  
65 which would have been paid to the member from the retroactive starting date to  
66 the annuity starting date had the member actually retired on the retroactive  
67 starting date and received a life annuity. The member shall [elect to] receive the  
68 lump sum amount [either] in its entirety at the same time as the initial annuity  
69 payment is made [or in three equal annual installments with the first payment  
70 made at the same time as the initial annuity payment]; **and**

71 (4) [Any annuity payable pursuant to this section that is subject to a  
72 division of benefit order pursuant to section 104.1051 shall be calculated as  
73 follows:

74 (a) Any service of a member between the retroactive starting date and the  
75 annuity starting date shall not be considered credited service except for purposes  
76 of calculating the division of benefit; and

77 (b) The lump sum payment described in subdivision (3) of this section  
78 shall not be subject to any division of benefit order; and

79 (5)] For purposes of determining annual benefit increases payable as part  
80 of the lump sum and annuity provided pursuant to this section, the retroactive  
81 starting date shall be considered the member's date of retirement.

82 **7. Any vested former member who terminated employment after**

83 **attaining normal retirement eligibility shall be considered a member**  
84 **for the purposes of section 104.1024.**

104.1051. 1. Any annuity provided pursuant to the year 2000 plan is  
2 marital property and a court of competent jurisdiction may divide such annuity  
3 between the parties to any action for dissolution of marriage if at the time of the  
4 dissolution the member has at least five years of credited service pursuant to  
5 sections 104.1003 to 104.1093. A division of benefits order issued pursuant to  
6 this section:

7 (1) Shall not require the applicable retirement system to provide any form  
8 or type of annuity or retirement plan not selected by the member;

9 (2) Shall not require the applicable retirement system to commence  
10 payments until the member's annuity starting date;

11 (3) Shall identify the monthly amount to be paid to the former spouse,  
12 which shall be expressed as a percentage and which shall not exceed fifty percent  
13 of the amount of the member's annuity accrued during all or part of the period  
14 of the marriage of the member and former spouse **excluding service accrued**  
15 **pursuant to subsection 2 of section 104.1021;** and which shall be based on  
16 the member's vested annuity on the date of the dissolution of marriage or an  
17 earlier date as specified in the order, which amount shall be adjusted  
18 proportionately upon the annuity starting date if the member's annuity is reduced  
19 due to the receipt of an early retirement annuity or the member's annuity is  
20 reduced pursuant to section 104.1027 under an annuity option in which the  
21 member named the alternate payee as beneficiary prior to the dissolution of  
22 marriage;

23 (4) Shall not require the payment of an annuity amount to the member  
24 and former spouse which in total exceeds the amount which the member would  
25 have received without regard to the order;

26 (5) Shall provide that any annuity increases, additional years of credited  
27 service, increased final average pay, increased pay pursuant to subsections 2 and  
28 5 of section 104.1084, or other type of increases accrued after the date of the  
29 dissolution of marriage and any temporary annuity received pursuant to  
30 subsection 4 of section 104.1024 shall accrue solely to the benefit of the member;  
31 except that on or after September 1, 2001, any cost-of-living adjustment (COLA)  
32 due after the annuity starting date shall not be considered to be an increase  
33 accrued after the date of termination of marriage and shall be part of the monthly  
34 amount subject to division pursuant to any order issued after September 1, 2001;

35 (6) Shall terminate upon the death of either the member or the former  
36 spouse, whichever occurs first;

37 (7) Shall not create an interest which is assignable or subject to any legal  
38 process;

39 (8) Shall include the name, address, and date of birth of both the member  
40 and the former spouse, and the identity of the retirement system to which it  
41 applies;

42 (9) Shall be consistent with any other division of benefits orders which are  
43 applicable to the same member;

44 (10) Shall not require the applicable retirement system to continue  
45 payments to the alternate payee if the member's retirement benefit is suspended  
46 or waived as provided by this chapter but such payments shall resume when the  
47 retiree begins to receive retirement benefits in the future.

48 2. A system shall provide the court having jurisdiction of a dissolution of  
49 a marriage proceeding or the parties to the proceeding with information necessary  
50 to issue a division of benefits order concerning a member of the system, upon  
51 written request from either the court, the member, or the member's spouse, citing  
52 this section and identifying the case number and parties.

53 3. A system shall have the discretionary authority to reject a division of  
54 benefits order for the following reasons:

55 (1) The order does not clearly state the rights of the member and the  
56 former spouse;

57 (2) The order is inconsistent with any law governing the retirement  
58 system.

59 4. Any member of the closed plan who elected the year 2000 plan  
60 pursuant to section 104.1015 and then becomes divorced and subject to a division  
61 of benefits order shall have the division of benefits order calculated pursuant to  
62 the provisions of the year 2000 plan.

63 **5. The lump sum payment described in subsection 6 of section**  
64 **104.1024 shall not be subject to any division of benefits order.**

104.1060. 1. Should any error result in any person receiving more or less  
2 than the person would have been entitled to receive had the error not occurred,  
3 the board shall correct such error, and, as far as practicable, make future  
4 payments in such a manner that the actuarial equivalent of the annuity to which  
5 such person was entitled shall be paid, and to this end may recover any  
6 overpayments. In all cases in which such error has been made, no such error

7 shall be corrected unless the system discovers or is notified of such error within  
8 ten years after the [initial] **member's annuity starting date or the** date of  
9 error, **whichever occurs later. In cases of fraud, any error discovered**  
10 **shall be corrected without concern to the amount of time that has**  
11 **passed.**

12 2. A person who knowingly makes a false statement, or falsifies or permits  
13 to be falsified a record of the system, in an attempt to defraud the system shall  
14 be subject to fine or imprisonment under the Missouri revised statutes.

15 3. A board shall not pay an annuity to any survivor or beneficiary who is  
16 charged with the intentional killing of a member, retiree or survivor without legal  
17 excuse or justification. A survivor or beneficiary who is convicted of such charge  
18 shall no longer be entitled to receive an annuity. If the survivor or beneficiary  
19 is not convicted of such charge, the board shall resume annuity payments and  
20 shall pay the survivor or beneficiary any annuity payments that were suspended  
21 pending resolution of such charge.

104.1066. 1. The year 2000 plan intends to follow a financing pattern  
2 which computes and requires contribution amounts which, expressed as percents  
3 of active member payroll, will remain approximately level from year to year and  
4 from one generation of citizens to the next generation. Such contribution  
5 determinations require regular actuarial valuations, which shall be made by the  
6 board's actuary, using assumptions and methods adopted by the board after  
7 consulting with its actuary. The entry age-normal cost valuation method shall  
8 be used in determining **the** normal cost[, and contributions for unfunded accrued  
9 liabilities shall be determined using level percent-of-payroll amortization]  
10 **calculation.** For purposes of this subsection and section 104.436, the actuary  
11 shall determine a single contribution rate applicable to both closed plan and year  
12 2000 plan participants and, in determining such rate, make estimates of the  
13 probabilities of closed plan participants transferring to the year 2000 plan.

14 2. At least ninety days before each regular session of the general  
15 assembly, the board of the Missouri state employees' retirement system shall  
16 certify to the division of budget the contribution rate necessary to cover the  
17 liabilities of the year 2000 plan administered by such system, including costs of  
18 administration, expected to accrue during the next appropriation period. The  
19 commissioner of administration shall request appropriations based upon the  
20 contribution rate so certified. From appropriations so made, the commissioner  
21 of administration shall certify contribution amounts to the state treasurer who

22 in turn shall immediately pay the contributions to the year 2000 plan.

23           3. The employers of members covered by the Missouri state employees'  
24 retirement system who are not paid out of funds that have been deposited in the  
25 state treasury shall remit following each pay period to the year 2000 plan an  
26 amount equal to the amount which the state would have paid if those members  
27 had been paid entirely from state funds. Such employers shall maintain payroll  
28 records for a minimum of five years and shall produce all such records as  
29 requested by the system. The system is authorized to request from the state  
30 office of administration an appropriation out of the annual budget of any such  
31 employer in the event such records indicate that such employer has not  
32 contributed the amounts required by this section. The office of administration  
33 shall request such appropriation which shall be equal to the amount necessary  
34 to replace any shortfall in contributions as determined by the system. From  
35 appropriations so made, the commissioner of administration shall certify  
36 contribution amounts to the state treasurer who in turn shall immediately pay  
37 such contributions to the year 2000 plan.

38           4. At least ninety days before each regular session of the general  
39 assembly, the board of the transportation department and highway patrol  
40 retirement system shall certify to the department of transportation and the  
41 department of public safety the contribution rate necessary to cover the liabilities  
42 of the year 2000 plan administered by such system, including costs of  
43 administration, expected to accrue during the next biennial or other appropriation  
44 period. Each department shall include in its budget and in its request for  
45 appropriations for personal service the sum so certified to it by such board, and  
46 shall present the same to the general assembly for allowance. The sums so  
47 certified and appropriated, when available, shall be immediately paid to the  
48 system and deposited in the highway and transportation employees' and highway  
49 patrol retirement and benefit fund.

50           5. These amounts are funds of the year 2000 plan and shall not be  
51 commingled with any funds in the state treasury.

104.1072. 1. Each board shall provide or contract, or both, for life  
2 insurance benefits for employees covered pursuant to the year 2000 plan as  
3 follows:

4           (1) Employees shall be provided fifteen thousand dollars of life insurance  
5 until December 31, 2000. Effective January 1, 2001, the system shall provide or  
6 contract or both for basic life insurance for employees covered under any

7 retirement plan administered by the system pursuant to this chapter, persons  
8 covered by sections 287.812 to 287.856, for employees who are members of the  
9 judicial retirement system as provided in section 476.590, and, at the election of  
10 the state highways and transportation commission, employees who are members  
11 of the highways and transportation employees' and highway patrol retirement  
12 system, in the amount equal to one times annual pay, subject to a minimum  
13 amount of fifteen thousand dollars. The board shall establish by rule or contract  
14 the method for determining the annual rate of pay and any other terms of such  
15 insurance as it deems necessary to implement the requirements pursuant to this  
16 section. Annual rate of pay shall not include overtime or any other irregular  
17 payments as determined by the board. Such life insurance shall provide for triple  
18 indemnity in the event the cause of death is a proximate result of a personal  
19 injury or disease arising out of and in the course of actual performance of duty  
20 as an employee;

21 (2) Any member who terminates employment after reaching normal or  
22 early retirement eligibility and becomes a retiree within [~~sixty~~] **sixty-five** days  
23 of such termination shall receive five thousand dollars of life insurance coverage.

24 2. (1) In addition to the life insurance authorized by the provisions of  
25 subsection 1 of this section, any person for whom life insurance is provided or  
26 contracted for pursuant to such subsection may purchase, at the person's own  
27 expense and only if monthly voluntary payroll deductions are authorized,  
28 additional life insurance at a cost to be stipulated in a contract with a private  
29 insurance company or as may be required by a system if the board of trustees  
30 determines that the system should provide such insurance itself. The maximum  
31 amount of additional life insurance which may be so purchased prior to January  
32 1, 2004, is that amount which equals six times the amount of the person's annual  
33 rate of pay, subject to any maximum established by a board, except that if such  
34 maximum amount is not evenly divisible by one thousand dollars, then the  
35 maximum amount of additional insurance which may be purchased is the next  
36 higher amount evenly divisible by one thousand dollars. The maximum amount  
37 of additional life insurance which may be so purchased on or after January 1,  
38 2004, is an amount to be stipulated in a contract with a private insurance  
39 company or as may be required by the system if the board of trustees determines  
40 that the system should provide the insurance itself.

41 (2) Any person defined in subdivision (1) of this subsection may retain an  
42 amount not to exceed sixty thousand dollars of life insurance following the date

43 of his or her retirement if such person becomes a retiree the month following  
44 termination of employment and makes written application for such life insurance  
45 at the same time such person's application is made to the board for retirement  
46 benefits. Such life insurance shall only be provided if such person pays the entire  
47 cost of the insurance, as determined by the board, by allowing voluntary  
48 deductions from the member's annuity.

49 (3) In addition to the life insurance authorized in subdivision (1) of this  
50 subsection, any person for whom life insurance is provided or contracted for  
51 pursuant to this subsection may purchase, at the person's own expense and only  
52 if monthly voluntary payroll deductions are authorized, life insurance covering  
53 the person's children or the person's spouse or both at coverage amounts to be  
54 determined by the board at a cost to be stipulated in a contract with a private  
55 insurer or as may be required by the system if the board of trustees determines  
56 that the system should provide such insurance itself.

57 (4) Effective July 1, 2000, any member who applies and is eligible to  
58 receive an annuity based on the attainment of at least forty-eight years of age  
59 with a total of years of age and years of credited service which is at least eighty  
60 shall be eligible to retain any optional life insurance described in subdivision (1)  
61 of this subsection. The amount of such retained insurance shall not be greater  
62 than the amount in effect during the month prior to termination of  
63 employment. Such insurance may be retained until the member's attainment of  
64 the earliest age for eligibility for reduced Social Security retirement benefits but  
65 no later than age sixty-two, at which time the amount of such insurance that may  
66 be retained shall be that amount permitted pursuant to subdivision (2) of this  
67 subsection.

68 3. The state highways and transportation commission may provide for  
69 insurance benefits to cover medical expenses for members of the highways and  
70 transportation employees' and highway patrol retirement system. The state  
71 highways and transportation commission may provide medical benefits for  
72 dependents of members and for retired members. Contributions by the state  
73 highways and transportation commission to provide the benefits shall be on the  
74 same basis as provided for other state employees pursuant to the provisions of  
75 section 104.515. Except as otherwise provided by law, the cost of benefits for  
76 dependents of members and for retirees and their dependents shall be paid by the  
77 members or retirees. The commission may contract with other persons or entities  
78 including but not limited to third-party administrators, health network providers

79 and health maintenance organizations for all, or any part of, the benefits provided  
80 for in this section. The commission may require reimbursement of any medical  
81 claims paid by the commission's medical plan for which there was third-party  
82 liability.

83 4. The highways and transportation employees' and highway patrol  
84 retirement system may request the state highways and transportation  
85 commission to provide life insurance benefits as required in subsections 1 and 2  
86 of this section. If the state highways and transportation commission agrees to the  
87 request, the highways and transportation employees' and highway patrol  
88 retirement system shall reimburse the state highways and transportation  
89 commission for any and all costs for life insurance provided pursuant to  
90 subdivision (2) of subsection 1 of this section. The person who is covered  
91 pursuant to subsection 2 of this section shall be solely responsible for the costs  
92 of any additional life insurance. In lieu of the life insurance benefit in  
93 subdivision (2) of subsection 1 of this section, the highways and transportation  
94 employees' and highway patrol retirement system is authorized in its sole  
95 discretion to provide a death benefit of five thousand dollars.

96 5. To the extent that the board enters or has entered into any contract  
97 with any insurer or service organization to provide life insurance provided for  
98 pursuant to this section:

99 (1) The obligation to provide such life insurance shall be primarily that  
100 of the insurer or service organization and secondarily that of the board;

101 (2) Any member who has been denied life insurance benefits by the  
102 insurer or service organization and has exhausted all appeal procedures provided  
103 by the insurer or service organization may appeal such decision by filing a  
104 petition against the insurer or service organization in a court of law in the  
105 member's county of residence; and

106 (3) The board and the system shall not be liable for life insurance benefits  
107 provided by an insurer or service organization pursuant to this section and shall  
108 not be subject to any cause of action with regard to life insurance benefits or the  
109 denial of life insurance benefits by the insurer or service organization unless the  
110 member has obtained judgment against the insurer or service organization for life  
111 insurance benefits and the insurer or service organization is unable to satisfy  
112 that judgment.

104.1084. 1. For members of the general assembly, the provisions of this  
2 section shall supplement or replace the indicated other provisions of the year



3 2000 plan. "Normal retirement eligibility" means attainment of age fifty-five for  
4 a member who has served at least three full biennial assemblies or the  
5 attainment of at least age fifty for a member who has served at least three full  
6 biennial assemblies with a total of years of age and years of credited service  
7 which is at least eighty. A member shall receive two years of credited service for  
8 every full biennial assembly served. A full biennial assembly shall be equal to  
9 the period of time beginning on the first day the general assembly convenes for  
10 a first regular session until the last day of the following year. If a member serves  
11 less than a full biennial assembly, the member shall receive credited service for  
12 the pro rata portion of the full biennial assembly served.

13 2. For the purposes of section 104.1024, the normal retirement annuity  
14 of a member of the general assembly shall be an amount for life equal to one  
15 twenty-fourth of the monthly pay for a senator or representative on the annuity  
16 starting date multiplied by the years of credited service as a member of the  
17 general assembly. In no event shall any such member or eligible beneficiary  
18 receive annuity amounts in excess of one hundred percent of pay.

19 3. To be covered by the provisions of section 104.1030, or section 104.1036,  
20 a member of the general assembly must have served at least three full biennial  
21 assemblies.

22 4. For members who are statewide elected officials, the provisions of this  
23 section shall supplement or replace the indicated other provisions of the year  
24 2000 plan. "Normal retirement eligibility" means attainment of age fifty-five for  
25 a member who has served at least four years as a statewide elected official, or the  
26 attainment of age fifty with a total of years of age and years of such credited  
27 service which is at least eighty.

28 5. For the purposes of section 104.1024, the normal retirement annuity  
29 of a member who is a statewide elected official shall be an amount for life equal  
30 to one twenty-fourth of the monthly pay in the highest office held by such member  
31 on the annuity starting date multiplied by the years of credited service as a  
32 statewide elected official not to exceed twelve years.

33 6. To be covered by the provisions of sections 104.1030 and 104.1036, a  
34 member who is a statewide elected official must have at least four years as a  
35 statewide elected official.

36 7. The provisions of section 104.1045 shall not apply to persons covered  
37 by the general assembly and statewide elected official provisions of this  
38 section. Persons covered by the general assembly provisions and receiving a year

39 2000 plan annuity shall be entitled to a cost-of-living adjustment (COLA) when  
40 there are increases in pay for members of the general assembly. Persons covered  
41 by the statewide elected official provisions and receiving a year 2000 plan annuity  
42 shall be entitled to COLAs when there are increases in the pay for statewide  
43 elected officials in the highest office held by such person. The COLA described  
44 in this subsection shall be equal to and concurrent with the percentage increase  
45 in pay as described in section 105.005. No COLA shall be less than zero.

46 8. Any member who serves under this chapter as a member of the general  
47 assembly or as a statewide elected official on or after August 28, 1999, shall not  
48 be eligible to receive any retirement benefits from the system under either the  
49 closed plan or the year 2000 plan based on service rendered on or after August  
50 28, 1999, as a member of the general assembly or as a statewide elected official  
51 if such member is convicted of a felony that is determined by a court of law to  
52 have been committed in connection with the member's duties either as a member  
53 of the general assembly or as a statewide elected official, unless such conviction  
54 is later reversed by a court of law.

55 9. A member of the general assembly who has purchased or transferred  
56 creditable service shall not be subject to the cap on benefits pursuant to  
57 subsection 2 of this section for that portion of the benefit attributable to the  
58 purchased or transferred service.

59 **10. For purposes of section 104.1042, the service credit accrued**  
60 **by a member of the general assembly while receiving long-term**  
61 **disability benefits shall continue to accrue until the earliest of receipt**  
62 **of attainment of normal retirement eligibility, termination of disability**  
63 **benefits, or the end of the member's constitutionally mandated limit on**  
64 **service as a member of the general assembly for the chamber in which**  
65 **the member was serving at the time of disablement.**

66 **11. For purposes of section 104.1042, the service credit accrued**  
67 **by a statewide elected official while receiving long-term disability**  
68 **benefits shall continue to accrue until the earliest of receipt of**  
69 **attainment of normal retirement eligibility, termination of disability**  
70 **benefits, or the end of the member's constitutionally mandated limit on**  
71 **service as a statewide elected official for the office in which the**  
72 **member was serving at the time of disablement.**

104.1091. 1. Notwithstanding any provision of the year 2000 plan to the  
2 contrary, each person who first becomes an employee on or after January 1, 2011,

3 shall be a member of the year 2000 plan subject to the provisions of this section.

4           2. A member's normal retirement eligibility shall be as follows:

5           (1) The member's attainment of at least age sixty-seven and the  
6 completion of at least ten years of credited service; or the member's attainment  
7 of at least age fifty-five with the sum of the member's age and credited service  
8 equaling at least ninety; or, in the case of a member who is serving as a  
9 uniformed member of the highway patrol and subject to the mandatory retirement  
10 provisions of section 104.081, such member's attainment of at least age sixty or  
11 the attainment of at least age fifty-five with ten years of credited service;

12           (2) For members of the general assembly, the member's attainment of at  
13 least age sixty-two and the completion of at least three full biennial assemblies;  
14 or the member's attainment of at least age fifty-five with the sum of the member's  
15 age and credited service equaling at least ninety;

16           (3) For statewide elected officials, the official's attainment of at least age  
17 sixty-two and the completion of at least four years of credited service; or the  
18 official's attainment of at least age fifty-five with the sum of the official's age and  
19 credited service equaling at least ninety.

20           3. A vested former member's normal retirement eligibility shall be based  
21 on the attainment of at least age sixty-seven and the completion of at least ten  
22 years of credited service.

23           4. A temporary annuity paid pursuant to subsection 4 of section 104.1024  
24 shall be payable if the member has attained at least age fifty-five with the sum  
25 of the member's age and credited service equaling at least ninety; or in the case  
26 of a member who is serving as a uniformed member of the highway patrol and  
27 subject to the mandatory retirement provisions of section 104.081, the temporary  
28 annuity shall be payable if the member has attained at least age sixty, or at least  
29 age fifty-five with ten years of credited service.

30           5. A member, other than a member who is serving as a uniformed member  
31 of the highway patrol and subject to the mandatory retirement provisions of  
32 section 104.081, shall be eligible for an early retirement annuity upon the  
33 attainment of at least age sixty-two and the completion of at least ten years of  
34 credited service. A vested former member **who terminated employment prior**  
35 **to the attainment of early retirement eligibility** shall not be eligible for  
36 early retirement.

37           6. The provisions of subsection 6 of section 104.1021 and section 104.344  
38 as applied pursuant to subsection 7 of section 104.1021 and section 104.1090 shall

39 not apply to members covered by this section.

40           7. The minimum credited service requirements of five years contained in  
41 sections 104.1018, 104.1030, 104.1036, and 104.1051 shall be ten years for  
42 members covered by this section. The normal and early retirement eligibility  
43 requirements in this section shall apply for purposes of administering section  
44 104.1087.

45           8. A member shall be required to contribute four percent of the member's  
46 pay to the retirement system, which shall stand to the member's credit in his or  
47 her individual account with the system, together with investment credits thereon,  
48 for purposes of funding retirement benefits payable under the year 2000 plan,  
49 subject to the following provisions:

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

56           (2) Member contributions picked up by the employer shall be paid from  
57 the same source of funds used for the payment of pay to a member. A deduction  
58 shall be made from each member's pay equal to the amount of the member's  
59 contributions picked up by the employer. This deduction, however, shall not  
60 reduce the member's pay for purposes of computing benefits under the retirement  
61 system pursuant to this chapter;

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

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

70           (5) Interest shall be credited annually on June thirtieth based on the  
71 value in the account as of July first of the immediately preceding year at a rate  
72 of four percent. Effective June 30, 2014, and each June thirtieth thereafter, the  
73 interest crediting rate shall be equal to the investment rate that is published by  
74 the United States Department of Treasury, or its successor agency, for fifty-two

75 week treasury bills for the relevant auction that is nearest to the preceding July  
76 first, or a successor treasury bill investment rate as approved by the board if the  
77 fifty-two week treasury bill is no longer issued. Interest credits shall cease upon  
78 termination of employment if the member is not a vested former  
79 member. Otherwise, interest credits shall cease upon retirement or death;

80 (6) A vested former member or a former member who is not vested may  
81 request a refund of his or her contributions and interest credited thereon. If such  
82 member is married at the time of such request, such request shall not be  
83 processed without consent from the spouse. Such member is not eligible to  
84 request a refund if such member's retirement benefit is subject to a division of  
85 benefit order pursuant to section 104.1051. [Such refund shall be paid by the  
86 system after ninety days from the date of termination of employment or the  
87 request, whichever is later] **After ninety days from the date of termination,**  
88 **a member may request such refund which shall be paid by the system**  
89 **within sixty days from the date of request,** and shall include all  
90 contributions made to any retirement plan administered by the system and  
91 interest credited thereon. A vested former member may not request a refund  
92 after such member becomes eligible for normal retirement. A vested former  
93 member or a former member who is not vested who receives a refund shall forfeit  
94 all the member's credited service and future rights to receive benefits from the  
95 system and shall not be eligible to receive any [long-term] disability benefits;  
96 provided that any member or vested former member receiving [long-term]  
97 disability benefits shall not be eligible for a refund. If such member subsequently  
98 becomes an employee and works continuously for at least one year, the credited  
99 service previously forfeited shall be restored if the member returns to the system  
100 the amount previously refunded plus interest at a rate established by the board;

101 (7) The beneficiary of any member who made contributions shall receive  
102 a refund upon the member's death equal to the amount, if any, of such  
103 contributions and interest credited thereon less any retirement benefits received  
104 by the member unless an annuity is payable to a survivor or beneficiary as a  
105 result of the member's death. In that event, the beneficiary of the survivor or  
106 beneficiary who received the annuity shall receive a refund upon the survivor's  
107 or beneficiary's death equal to the amount, if any, of the member's contributions  
108 less any annuity amounts received by the member and the survivor or beneficiary.

109 9. The employee contribution rate, the benefits provided under the year  
110 2000 plan to members covered under this section, and any other provision of the

111 year 2000 plan with regard to members covered under this section may be  
112 altered, amended, increased, decreased, or repealed, but only with respect to  
113 services rendered by the member after the effective date of such alteration,  
114 amendment, increase, decrease, or repeal, or, with respect to interest credits, for  
115 periods of time after the effective date of such alteration, amendment, increase,  
116 decrease, or repeal.

117 10. For purposes of members covered by this section, the options under  
118 section 104.1027 shall be as follows:

119 Option 1.

120 A retiree's life annuity shall be reduced to a certain percent of the annuity  
121 otherwise payable. Such percent shall be eighty-eight and one half percent  
122 adjusted as follows: if the retiree's age on the annuity starting date is younger  
123 than sixty-seven years, an increase of three-tenths of one percent for each year  
124 the retiree's age is younger than age sixty-seven years; and if the beneficiary's  
125 age is younger than the retiree's age on the annuity starting date, a decrease of  
126 three-tenths of one percent for each year of age difference; and if the retiree's age  
127 is younger than the beneficiary's age on the annuity starting date, an increase of  
128 three-tenths of one percent for each year of age difference; provided, after all  
129 adjustments the option 1 percent cannot exceed ninety-four and one quarter  
130 percent. Upon the retiree's death, fifty percent of the retiree's reduced annuity  
131 shall be paid to such beneficiary who was the retiree's spouse on the annuity  
132 starting date or as otherwise provided by subsection 5 of this section.

133 Option 2.

134 A retiree's life annuity shall be reduced to a certain percent of the annuity  
135 otherwise payable. Such percent shall be eighty-one percent adjusted as follows:  
136 if the retiree's age on the annuity starting date is younger than sixty-seven years,  
137 an increase of four-tenths of one percent for each year the retiree's age is younger  
138 than sixty-seven years; and if the beneficiary's age is younger than the retiree's  
139 age on the annuity starting date, a decrease of five-tenths of one percent for each  
140 year of age difference; and if the retiree's age is younger than the beneficiary's  
141 age on the annuity starting date, an increase of five-tenths of one percent for each  
142 year of age difference; provided, after all adjustments the option 2 percent cannot  
143 exceed eighty-seven and three quarter percent. Upon the retiree's death one  
144 hundred percent of the retiree's reduced annuity shall be paid to such beneficiary  
145 who was the retiree's spouse on the annuity starting date or as otherwise  
146 provided by subsection 5 of this section.

147

## Option 3.

148 A retiree's life annuity shall be reduced to ninety-three percent of the  
149 annuity otherwise payable. If the retiree dies before having received one hundred  
150 twenty monthly payments, the reduced annuity shall be continued for the  
151 remainder of the one hundred twenty-month period to the retiree's designated  
152 beneficiary provided that if there is no beneficiary surviving the retiree, the  
153 present value of the remaining annuity payments shall be paid as provided under  
154 subsection 3 of section 104.620. If the beneficiary survives the retiree but dies  
155 before receiving the remainder of such one hundred twenty monthly payments,  
156 the present value of the remaining annuity payments shall be paid as provided  
157 under subsection 3 of section 104.620.

158

## Option 4.

159 A retiree's life annuity shall be reduced to eighty-six percent of the  
160 annuity otherwise payable. If the retiree dies before having received one hundred  
161 eighty monthly payments, the reduced annuity shall be continued for the  
162 remainder of the one hundred eighty-month period to the retiree's designated  
163 beneficiary provided that if there is no beneficiary surviving the retiree, the  
164 present value of the remaining annuity payments shall be paid as provided under  
165 subsection 3 of section 104.620. If the beneficiary survives the retiree but dies  
166 before receiving the remainder of such one hundred eighty monthly payments, the  
167 present value of the remaining annuity payments shall be paid as provided under  
168 subsection 3 of section 104.620.

169 11. The provisions of subsection 6 of section 104.1024 shall not apply to  
170 members covered by this section.

171 12. Effective January 1, 2018, a member who is not a statewide elected  
172 official or a member of the general assembly shall be eligible for retirement under  
173 this subsection subject to the following conditions:

174 (1) A member's normal retirement eligibility shall be based on the  
175 attainment of at least age sixty-seven and the completion of at least five years of  
176 credited service; or the member's attainment of at least age fifty-five with the  
177 sum of the member's age and credited service equaling at least ninety; or in the  
178 case of a member who is serving as a uniformed member of the highway patrol  
179 and subject to the mandatory retirement provisions of section 104.081, such  
180 member's attainment of at least age sixty or the attainment of at least age  
181 fifty-five with five years of credited service;

182 (2) A vested former member's normal retirement eligibility shall be based

183 on the attainment of at least age sixty-seven and the completion of at least five  
184 years of credited service, **except a vested former member who terminates**  
185 **employment after the attainment of normal retirement eligibility as**  
186 **described in subdivision (1) of this subsection shall be covered under**  
187 **such subdivision;**

188 (3) A temporary annuity paid under subsection 4 of section 104.1024 shall  
189 be payable if the member has attained at least age fifty-five with the sum of the  
190 member's age and credited service equaling at least ninety; or in the case of a  
191 member who is serving as a uniformed member of the highway patrol and subject  
192 to the mandatory retirement provisions of section 104.081, the temporary annuity  
193 shall be payable if the member has attained at least age sixty, or at least age  
194 fifty-five with five years of credited service;

195 (4) A member, other than a member who is serving as a uniformed  
196 member of the highway patrol and subject to the mandatory retirement provisions  
197 of section 104.081, shall be eligible for an early retirement annuity upon the  
198 attainment of at least age sixty-two and the completion of at least five years of  
199 credited service. A vested former member **who terminated employment prior**  
200 **to the attainment of early retirement eligibility** shall not be eligible for  
201 early retirement;

202 (5) The normal and early retirement eligibility requirements in this  
203 subsection shall apply for purposes of administering section 104.1087;

204 (6) The survivor annuity payable under section 104.1030 for vested former  
205 members **who terminated employment prior to the attainment of early**  
206 **retirement eligibility and who are** covered by this section shall not be  
207 payable until the deceased member would have reached his or her normal  
208 retirement eligibility under this subsection;

209 (7) The annual cost-of-living adjustment payable under section 104.1045  
210 shall not commence until the second anniversary of [a vested former member's]  
211 **the annuity starting date for [members] for vested former members who**  
212 **terminated prior to the attainment of early retirement eligibility and**  
213 **who are** covered by this subsection;

214 (8) The unused sick leave credit granted under subsection 2 of section  
215 104.1021 shall not apply to members covered by this subsection unless the  
216 member terminates employment after reaching normal retirement eligibility or  
217 becoming eligible for an early retirement annuity under this subsection; and

218 (9) The minimum credited service requirements of five years contained in



219 sections 104.1018, 104.1030, 104.1036, and 104.1051 shall be five years for  
220 members covered by this subsection.

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 to 476.688  
4 subject to the provisions of this section.

5 2. Any person who is at least sixty-seven years of age, has served in this  
6 state an aggregate of at least twelve years, continuously or otherwise, as a judge,  
7 and ceases to hold office by reason of the expiration of the judge's term, voluntary  
8 resignation, or retirement pursuant to the provisions of Subsection 2 of Section  
9 24 of Article V of the Constitution of Missouri may receive benefits as provided  
10 in sections 476.515 to 476.565. The twelve-year requirement of this subsection  
11 may be fulfilled by service as judge in any of the courts covered, or by service in  
12 any combination as judge of such courts, totaling an aggregate of twelve  
13 years. Any judge who is at least sixty-seven years of age and who has served less  
14 than twelve years and is otherwise qualified under sections 476.515 to 476.565  
15 may retire after reaching age sixty-seven, or thereafter, at a reduced retirement  
16 compensation in a sum equal to the proportion of the retirement compensation  
17 provided in section 476.530 that his or her period of judicial service bears to  
18 twelve years.

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

33 4. All judges under this section required by the provisions of Section 26  
34 of Article V of the Constitution of Missouri to retire at the age of seventy years

35 shall retire upon reaching that age.

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

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

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

49           (2) Judge contributions picked up by the employer shall be paid from the  
50 same source of funds used for the payment of compensation to a judge. A  
51 deduction shall be made from each judge's compensation equal to the amount of  
52 the judge's contributions picked up by the employer. This deduction, however,  
53 shall not reduce the judge's compensation for purposes of computing benefits  
54 under the retirement system pursuant to this chapter;

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

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

63           (5) Interest shall be credited annually on June thirtieth based on the  
64 value in the account as of July first of the immediately preceding year at a rate  
65 of four percent. **Effective June 30, 2021, and each June thirtieth**  
66 **thereafter, the interest crediting rate shall be equal to the investment**  
67 **rate that is published by the United States Department of Treasury, or**  
68 **its successor agency, for fifty-two week treasury bills for the relevant**  
69 **auction that is nearest to the preceding July first, or a successor**  
70 **treasury bill investment rate as approved by the board if the fifty-two**

71 **week treasury bill is no longer issued.** Interest credits shall cease upon  
72 retirement of the judge **or death;**

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

90 (7) The beneficiary of any judge who made contributions shall receive a  
91 refund upon the judge's death equal to the amount, if any, of such contributions  
92 **and interest credited thereon** less any retirement benefits received by the  
93 judge unless an annuity is payable to a survivor or beneficiary as a result of the  
94 judge's death. In that event, the beneficiary of the survivor or beneficiary who  
95 received the annuity shall receive a refund upon the survivor's or beneficiary's  
96 death equal to the amount, if any, of the judge's contributions less any annuity  
97 amounts received by the judge and the survivor or beneficiary.

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

106 8. Any judge who is receiving retirement compensation under section

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

2 [104.130. Upon the death of a retired member, the board  
3 shall pay to such member's designated beneficiaries or to his estate  
4 a death benefit equal to the excess, if any, of the accumulated  
5 contributions of the member at retirement over the total amount of  
retirement benefits received by such member prior to his death.]

✓

Copy