

SECOND REGULAR SESSION

SENATE BILL NO. 999

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WALSH.

Read 1st time February 12, 2020, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5127S.02I

AN ACT

To repeal sections 86.200, 86.223, 86.247, 86.250, 86.251, 86.253, 86.254, 86.257, 86.260, 86.263, 86.267, 86.277, 86.283, 86.288, 86.290, 86.320, 86.330, 86.333, 86.337, 86.344, and 86.354, RSMo, and to enact in lieu thereof twenty-one new sections relating to retirement benefits for police officers.

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

Section A. Sections 86.200, 86.223, 86.247, 86.250, 86.251, 86.253, 86.254, 86.257, 86.260, 86.263, 86.267, 86.277, 86.283, 86.288, 86.290, 86.320, 86.330, 86.333, 86.337, 86.344, and 86.354, RSMo, are repealed and twenty-one new sections enacted in lieu thereof, to be known as sections 86.200, 86.223, 86.247, 86.250, 86.251, 86.253, 86.254, 86.257, 86.260, 86.263, 86.267, 86.277, 86.283, 86.288, 86.290, 86.320, 86.330, 86.333, 86.337, 86.344, and 86.354, to read as follows:

86.200. The following words and phrases as used in sections 86.200 to 86.366, unless a different meaning is plainly required by the context, shall have the following meanings:

(1) "Accumulated contributions", the sum of all mandatory contributions deducted from the compensation of a member and credited to the member's individual account, together with members' interest thereon;

(2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of mortality tables and interest assumptions adopted by the board of trustees;

(3) "Average final compensation":

(a) [With respect to a member who earns no creditable service on or after October 1, 2001, the average earnable compensation of the member during the

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

13 member's last three years of creditable service as a police officer, or if the member
14 has had less than three years of creditable service, the average earnable
15 compensation of the member's entire period of creditable service;

16 (b)] With respect to a member **who commenced employment before**
17 **October 1, 2020**, who is not participating in the DROP pursuant to section
18 86.251 on October 1, 2001, who did not participate in the DROP at any time
19 before such date, and who earns any creditable service on or after October 1,
20 2001, the average earnable compensation of the member during the member's last
21 two years of creditable service as a policeman, or if the member has had less than
22 two years of creditable service, then the average earnable compensation of the
23 member's entire period of creditable service; **provided, however, that with**
24 **respect to a member who commenced employment on or after October**
25 **1, 2020, who is not participating in the DROP under section 86.251, who**
26 **did not participate in the DROP at any time before such date, and who**
27 **earns any creditable service on or after October 1, 2020, the "average**
28 **final compensation" means the average earnable compensation of the**
29 **member during the member's last three years of creditable service as**
30 **a police officer or, if the member has had less than three years of**
31 **creditable service, the average earnable compensation of the member's**
32 **entire period of creditable service;**

33 [(c) With respect to a member who is participating in the DROP pursuant
34 to section 86.251 on October 1, 2001, or whose participation in DROP ended
35 before such date, who returns to active participation in the system pursuant to
36 section 86.251, and who terminates employment as a police officer for reasons
37 other than death or disability before earning at least two years of creditable
38 service after such return, the portion of the member's benefit attributable to
39 creditable service earned before DROP entry shall be determined using average
40 final compensation as defined in paragraph (a) of this subdivision; and the
41 portion of the member's benefit attributable to creditable service earned after
42 return to active participation in the system shall be determined using average
43 final compensation as defined in paragraph (b) of this subdivision;

44 (d)] (b) With respect to a member **who commenced employment**
45 **before October 1, 2020**, who is participating in the DROP pursuant to section
46 86.251 [on] **before** October 1, [2001] **2020**, or whose participation in the DROP
47 ended before such date, who returns to active participation in the system
48 pursuant to section 86.251, and who terminates employment as a police officer

49 after earning at least two years of creditable service after such return, the
50 member's benefit attributable to all of such member's creditable service shall be
51 determined using the member's average final compensation as defined in
52 paragraph [(b)] **(a)** of this subdivision; **provided, however, that with respect**
53 **to a member who commenced employment for the first time on or after**
54 **October 1, 2020, who is participating in the DROP (regardless of the**
55 **period of time such member has participated in DROP) under section**
56 **86.251, and who shall terminate employment as a police officer and**
57 **actually retire:**

58 **a. At the end of the five-year DROP period; or**

59 **b. At the time such member elects to withdraw from**
60 **participation in DROP (regardless of the period of time such member**
61 **participated in DROP),**

62 **the portion of the member's benefit attributable to creditable service**
63 **earned before DROP entry shall be determined using average final**
64 **compensation as defined in paragraph (a) of this subdivision;**

65 [(e) With respect to a member who is participating in the DROP pursuant
66 to section 86.251 on October 1, 2001, or whose participation in DROP ended
67 before such date, who returns to active participation in the system pursuant to
68 section 86.251, and whose employment as a police officer terminates due to death
69 or disability after such return, the member's benefit attributable to all of such
70 member's creditable service shall be determined using the member's average final
71 compensation as defined in paragraph (b) of this subdivision;] and

72 [(f)] **(c)** With respect to the surviving spouse or surviving dependent
73 child of a member who earns any creditable service on or after October 1, 2001,
74 the average earnable compensation of the member during the member's last two
75 years of creditable service as a police officer or, if the member has had less than
76 two years of creditable service, the average earnable compensation of the
77 member's entire period of creditable service; **provided, however, that with**
78 **respect to a member who commenced employment for the first time on**
79 **or after October 1, 2020, the "average final compensation" for purposes**
80 **of this paragraph means the average earnable compensation of the**
81 **member during the member's last three years of creditable service as**
82 **a police officer or, if the member has had less than three years of**
83 **creditable service, the average earnable compensation of the member's**
84 **entire period of creditable service;**

- 85 (4) "Beneficiary", any person in receipt of a retirement allowance or other
86 benefit;
- 87 (5) "Board of trustees", the board provided in sections 86.200 to 86.366 to
88 administer the retirement system;
- 89 (6) "Creditable service", prior service plus membership service as provided
90 in sections 86.200 to 86.366;
- 91 (7) "DROP", the deferred retirement option plan provided for in section
92 86.251;
- 93 (8) "Earnable compensation", the annual salary established under section
94 84.160 which a member would earn during one year on the basis of the member's
95 rank or position plus any additional compensation for academic work and shift
96 differential that may be provided by any official or board now or hereafter
97 authorized by law to employ and manage a permanent police force in such
98 cities. Such amount shall include the member's deferrals to a deferred
99 compensation plan pursuant to Section 457 of the Internal Revenue Code or to a
100 cafeteria plan pursuant to Section 125 of the Internal Revenue Code or, effective
101 October 1, 2001, to a transportation fringe benefit program pursuant to Section
102 132(f)(4) of the Internal Revenue Code. Earnable compensation shall not include
103 a member's additional compensation for overtime, standby time, court time,
104 nonuniform time or unused vacation time. Notwithstanding the foregoing, the
105 earnable compensation taken into account under the plan established pursuant
106 to sections 86.200 to 86.366 with respect to a member who is a noneligible
107 participant, as defined in this subdivision, for any plan year beginning on or after
108 October 1, 1996, shall not exceed the amount of compensation that may be taken
109 into account under Section 401(a)(17) of the Internal Revenue Code, as adjusted
110 for increases in the cost of living, for such plan year. For purposes of this
111 subdivision, a "noneligible participant" is an individual who first becomes a
112 member on or after the first day of the first plan year beginning after the earlier
113 of:
- 114 (a) The last day of the plan year that includes August 28, 1995; or
115 (b) December 31, 1995;
- 116 (9) "Internal Revenue Code", the federal Internal Revenue Code of 1986,
117 as amended;
- 118 (10) "Mandatory contributions", the contributions required to be deducted
119 from the salary of each member who is not participating in DROP in accordance
120 with section 86.320;

121 (11) "Medical board", [the health care organization] **not less than one**
122 **nor more than three physicians** appointed by the trustees of the police
123 retirement board and responsible for arranging and passing upon all medical
124 examinations required under the provisions of sections 86.200 to 86.366, which
125 shall investigate all essential statements and certificates made by or on behalf
126 of a member in connection with an application for disability retirement and shall
127 report in writing to the board of trustees its conclusions and recommendations;

128 (12) "Member", a member of the retirement system as defined by sections
129 86.200 to 86.366;

130 (13) "Members' interest", interest on accumulated contributions at such
131 rate as may be set from time to time by the board of trustees;

132 (14) "Membership service", service as a policeman rendered since last
133 becoming a member, except in the case of a member who has served in the Armed
134 Forces of the United States and has subsequently been reinstated as a policeman,
135 in which case "membership service" means service as a policeman rendered since
136 last becoming a member prior to entering such armed service;

137 (15) "Plan year" or "limitation year", the twelve consecutive-month period
138 beginning each October first and ending each September thirtieth;

139 (16) "Policeman" or "police officer", any member of the police force of such
140 cities who holds a rank in such police force;

141 (17) "Prior service", all service as a policeman rendered prior to the date
142 the system becomes operative or prior to membership service which is creditable
143 in accordance with the provisions of sections 86.200 to 86.366;

144 (18) "Reserve officer", any member of the police reserve force of such
145 cities, armed or unarmed, who works less than full time, without compensation,
146 and who, by his or her assigned function or as implied by his or her uniform,
147 performs duties associated with those of a police officer and who currently
148 receives a service retirement as provided by sections 86.200 to 86.366;

149 (19) "Retirement allowance", annual payments for life as provided by
150 sections 86.200 to 86.366 which shall be payable in equal monthly installments
151 or any benefits in lieu thereof granted to a member upon termination of
152 employment as a police officer and actual retirement;

153 (20) "Retirement system", the police retirement system of the cities as
154 defined in sections 86.200 to 86.366;

155 (21) "Surviving spouse", the surviving spouse of a member who was the
156 member's spouse at the time of the member's death.

86.223. **[Six] A majority of the appointed and elected** trustees shall
2 constitute a quorum for the transaction of business, and any official action of the
3 board shall be based on the majority vote of the trustees present.

86.247. On the basis of such tables as the board of trustees shall adopt,
2 the actuary shall make an annual valuation of the assets and liabilities of the
3 system created by sections 86.200 to 86.366. **The actuary may use the entry**
4 **age normal actuarial cost method subject to subsection 2 of section**
5 **86.344.**

86.250. Retirement of a member on a service retirement allowance shall
2 be made by the board of trustees as follows:

3 **[(1)] Any member who commenced employment before October 1,**
4 **2020,** may terminate employment as a police officer and actually retire after
5 completing twenty or more years of creditable service or attaining the age of
6 fifty-five upon the member's written application to the board of trustees setting
7 forth at what time, but not more than ninety days subsequent to the execution
8 and filing of the application, the member desires to be retired[;

9 (2) Any member in service who has attained the age of sixty-five shall be
10 terminated as a police officer and actually retired forthwith provided that upon
11 request of the chief of police the board of trustees may permit such member to
12 remain in service for periods of not to exceed one year from the date of the last
13 request from the chief of police]. **Any member who commenced employment**
14 **for the first time on or after October 1, 2020, may terminate**
15 **employment as a police officer and actually retire after completing ten**
16 **or more years of creditable service and attaining the age of fifty-five**
17 **upon the member's written application to the board of trustees setting**
18 **forth at what time, but not more than ninety days subsequent to the**
19 **execution and filing of the application, the member desires to be**
20 **retired; provided, however, that any member who commenced**
21 **employment for the first time on or after October 1, 2020, may enter the**
22 **DROP at any time after completing twenty years of creditable**
23 **service. Any member who commenced employment for the first time on**
24 **or after October 1, 2020, who terminates employment before age fifty-**
25 **five shall not be eligible to receive a retirement allowance until he or**
26 **she reaches age fifty-five.**

86.251. 1. The board of trustees may develop and establish a deferred
2 retirement option plan (DROP) in which members who are eligible for retirement

3 but who have not terminated employment as police officers and who have not
4 actually retired may participate. The DROP shall be designed to allow members
5 with at least twenty years of creditable service or who have attained the age of
6 fifty-five who have achieved eligibility for retirement and are entitled to a service
7 retirement allowance and other benefits to postpone actual retirement, continue
8 active employment and accumulate a deferred receipt of the service retirement
9 allowance. No one shall participate in the DROP for a period exceeding five
10 years.

11 2. Any member who has at least twenty years of creditable service or has
12 attained the age of fifty-five may elect in writing before retirement to participate
13 in the DROP. A member electing to participate in the DROP shall postpone
14 actual retirement, shall continue in active employment and shall not receive any
15 direct retirement allowance payments or benefits during the period of
16 participation.

17 3. Upon the start of the participation in the DROP, the member shall
18 cease to make any mandatory contributions to the system. No contribution shall
19 be required by the city into the DROP account. During the period of participation
20 in the DROP, the amount that the member would have received as a service
21 retirement allowance if the member had actually retired instead of entering
22 DROP shall be deposited monthly in the member's DROP account which shall be
23 established in the member's name by the board of trustees. The member's service
24 retirement allowance shall not be adjusted for any cost-of-living increases for any
25 period prior to the member's termination of employment as a police officer and
26 actual retirement. Cost-of-living increases, if any, for any period following the
27 member's termination of employment as a police officer and actual retirement
28 shall be applied only to monthly service retirement payments made following
29 termination of employment as a police officer and actual retirement. Service
30 earned during the period of participation in the DROP shall not be creditable
31 service and shall not be counted in determination of any service retirement
32 allowance or surviving spouse's or dependents' benefits. Compensation paid
33 during the period of participation in the DROP shall not be earnable
34 compensation and shall not be counted in the determination of any service
35 retirement allowance or surviving spouse's or dependent's benefits. The member's
36 service retirement allowance shall be frozen as of the date the member enters
37 DROP. Except as specifically provided in sections 86.200 to 86.366, the member's
38 frozen service retirement allowance shall not increase while the member is

39 participating in DROP or after the member's participation in DROP ends, and the
40 member shall not share in any benefit improvement that is enacted or that
41 becomes effective while such member is participating in the DROP.

42 4. A member shall cease participation in the DROP upon the termination
43 of the member's employment as a police officer and actual retirement, or at the
44 end of the five-year period commencing on the first day of the member's
45 participation in the DROP, or as of the effective date of the member's election to
46 return to active participation in the system, whichever occurs first. A member's
47 election to return to active participation in the system before the end of the
48 five-year period commencing on the first day of participation in the DROP shall
49 be made and shall become effective in accordance with procedures established by
50 the board of trustees. Upon the member's termination of employment as a police
51 officer and actual retirement, the member shall elect to receive the value of the
52 member's DROP account, in one of the following forms of payment:

53 (1) A lump sum payment; or

54 (2) Equal monthly installments over a ten-year period.

55 Either form of payment should begin within thirty days after the member's notice
56 to the board of trustees that the member has selected a particular option.

57 5. If a member who is participating in the DROP elects to return to active
58 participation in the system or if a member who is participating in the DROP does
59 not terminate employment and actually retires as a police officer in the city for
60 which the retirement system was established pursuant to sections 86.200 to
61 86.366 at the end of the five-year period commencing on the first day of the
62 member's participation in the DROP, the member shall return to active
63 participation in the system and shall resume making mandatory contributions to
64 the system effective as of the day after participation in the DROP ends. The
65 board of trustees shall notify the chief of police to begin deducting mandatory
66 contributions from the member's salary and the member's employment period
67 shall count as creditable service beginning as of the day the member returns to
68 active participation.

69 6. In no event shall a member, **including any member who**
70 **commenced employment for the first time on or after October 1, 2020,**
71 whose participation in DROP has ended for any reason be eligible to participate
72 in DROP again.

73 7. Upon the member's termination of employment as a police officer and
74 actual retirement, the member's mandatory contributions to the retirement

75 system shall be paid to the member pursuant to subsection 4 of section 86.253.

76 8. If a member dies prior to termination of employment as a police officer
77 and actual retirement while participating in the DROP or before the member has
78 received full withdrawal of the amount in the member's DROP account under the
79 installment optional payment form, the remaining balance of the member's DROP
80 account shall be payable to the member's surviving spouse; or, if the member is
81 then unmarried, to the member's dependent children in equal shares; or, if none,
82 to the member's dependent mother or father; or, if none, to the member's
83 designated beneficiary or, if no such beneficiary is then living, to the member's
84 estate. Payment shall be made in a lump sum within sixty days after receipt by
85 the board of trustees of evidence and proof of the death of a member. In addition,
86 the member's mandatory contributions, if any, that were not already paid to the
87 member pursuant to subsection 4 of section 86.253 shall be paid to the member's
88 surviving spouse pursuant to section 86.288.

89 9. If a member applies for and receives benefits for an accidental
90 disability retirement allowance pursuant to the provisions of section 86.263, the
91 member shall forfeit all rights, claims or interest in the member's DROP account
92 and the member's benefits shall be calculated as if the member has continued in
93 employment and had not elected to participate in the DROP. Any portion of a
94 DROP account that has been forfeited as provided in this subsection shall be a
95 general asset of the system.

96 10. [A member's] **The DROP account of a member who commenced**
97 **employment before October 1, 2020**, shall earn interest equal to the rate of
98 return earned by the system's investment portfolio on a market value basis,
99 including realized and unrealized gains and losses, net of investment expense, as
100 certified by the system's actuary. As of the last day of each plan year beginning
101 after DROP participation begins, the member's DROP account balance,
102 determined as of the last day of the prior plan year, shall be credited with
103 interest at the investment rate earned by the assets of the retirement system for
104 such prior plan year. If distribution of the member's DROP account balance is
105 made in a lump sum under subsection 4 or 8 of this section, interest for the plan
106 year of distribution shall be credited on the ending balance for the prior plan year
107 at the investment rate earned on the assets of the retirement system for the prior
108 plan year, in proportion to the part of the plan year preceding the date of the
109 member's termination of employment or death, whichever is earlier. If the
110 member's DROP account is paid in equal monthly installments pursuant to

111 subsection 4 of this section, interest during the installment period shall be
112 credited as of the last day of each plan year ending after installment payment
113 begins on the account balance as of the first or last day of the plan year,
114 whichever is lower, at the investment rate earned by the assets of the system for
115 the prior plan year. Interest for the year in which the final installment is paid
116 shall be credited on the balance remaining after the final installment is paid, at
117 the investment rate earned on the assets of the system for the prior plan year, in
118 proportion to the part of the plan year preceding payment of the final
119 installment. Any interest credited to the DROP account during the installment
120 period shall be paid as soon as reasonably possible after the final monthly
121 installment. No interest shall be credited on amounts, if any, added to the
122 member's DROP account during the year in which the distribution of the account
123 is completed. **Any member who commenced employment for the first**
124 **time on or after October 1, 2020, shall earn interest for all purposes for**
125 **which interest is allowed at the rate of return earned by the ten-year**
126 **United States Treasury note as of September thirtieth each year plus**
127 **one percent, not to exceed a rate of six percent per annum.**

128 11. The board of trustees shall not incur any liability individually or on
129 behalf of other individuals for any act or omission made in good faith in relation
130 to the DROP or assets credited to DROP accounts established by this
131 section. The provisions of the Internal Revenue Code and regulations
132 promulgated thereunder shall supersede any provision of this section if there is
133 any inconsistency with the Internal Revenue Code or regulation.

134 12. Upon the receipt by the board of trustees of evidence and proof that
135 the death of a member resulted from an event occurring while the member was
136 in the actual performance of duty, and if the member is participating in the
137 DROP, the member's surviving spouse or, if the member is then unmarried, the
138 member's unmarried dependent children, may elect within thirty days after the
139 member's death to have the amount in the member's DROP account paid in the
140 form of a monthly survivor annuity. Payment of the survivor annuity shall begin
141 within sixty days after the election is received. Payment to the member's
142 surviving spouse shall continue until the surviving spouse's death; payment to
143 the member's unmarried dependent children shall be made while any child
144 qualifies as an unmarried dependent child pursuant to section 86.280. The
145 survivor annuity shall be the actuarial equivalent of the member's DROP account
146 as of the date of the member's death. In no event shall the total amount paid

147 pursuant to this subsection be less than the member's DROP account balance as
148 of the date of the member's death.

86.253. 1. Upon termination of employment as a police officer and actual
2 retirement for service, a member shall receive a service retirement allowance
3 which shall be an amount equal to two percent of the member's average final
4 compensation multiplied by the number of years of the member's creditable
5 service, up to twenty-five years, plus an amount equal to four percent of the
6 member's average final compensation for each year of creditable service in excess
7 of twenty-five years but not in excess of thirty years; plus an additional five
8 percent of the member's average final compensation for any creditable service in
9 excess of thirty years. Notwithstanding the foregoing, the service retirement
10 allowance of a member who does not earn any creditable service after August 11,
11 1999, shall not exceed an amount equal to seventy percent of the member's
12 average final compensation, and the service retirement allowance of a member
13 who earns creditable service on or after August 12, 1999, shall not exceed an
14 amount equal to seventy-five percent of the member's average final compensation;
15 provided, however, that the service retirement allowance of a member who is
16 participating in the DROP pursuant to section 86.251 on August 12, 1999, who
17 returns to active participation in the system pursuant to section 86.251, and who
18 terminates employment as a police officer and actually retires for reasons other
19 than death or disability before earning at least two years of creditable service
20 after such return shall be the sum of (1) the member's service retirement
21 allowance as of the date the member entered DROP and (2) an additional service
22 retirement allowance based solely on the creditable service earned by the member
23 following the member's return to active participation. The member's total years
24 of creditable service shall be taken into account for the purpose of determining
25 whether the additional allowance attributable to such additional creditable
26 service is two percent, four percent or five percent of the member's average final
27 compensation.

28 2. If, at any time since first becoming a member of the retirement system,
29 the member has served in the Armed Forces of the United States, and has
30 subsequently been reinstated as a policeman within ninety days after the
31 member's discharge, the member shall be granted credit for such service as if the
32 member's service in the police department of such city had not been interrupted
33 by the member's induction into the Armed Forces of the United States. If
34 earnable compensation is needed for such period in computation of benefits it

35 shall be calculated on the basis of the compensation payable to the officers of the
36 member's rank during the period of the member's absence. Notwithstanding any
37 provision of sections 86.200 to 86.366 to the contrary, the retirement system
38 governed by sections 86.200 to 86.366 shall be operated and administered in
39 accordance with the applicable provisions of the Uniformed Services Employment
40 and Reemployment Rights Act of 1994, as amended.

41 3. The service retirement allowance of each present and future retired
42 member **who earned creditable service before October 1, 2020, and** who
43 terminated employment as a police officer and actually retired from service after
44 attaining age fifty-five or after completing twenty years of creditable service shall
45 be increased annually at a rate not to exceed three percent as approved by the
46 board of trustees beginning with the first increase in the second October following
47 the member's retirement and subsequent increases in each October thereafter,
48 provided that each increase is subject to a determination by the board of trustees
49 that the consumer price index (United States City Average Index) as published
50 by the United States Department of Labor shows an increase of not less than the
51 approved rate during the latest twelve-month period for which the index is
52 available at the date of determination; and provided further, that if the increase
53 is in excess of the approved rate for any year, such excess shall be accumulated
54 as to any retired member and increases may be granted in subsequent years
55 subject to a maximum of three percent for each full year from October following
56 the member's retirement but not to exceed a total percentage increase of thirty
57 percent. **The service retirement allowance of a member who commenced**
58 **employment for the first time on or after October 1, 2020, shall be**
59 **increased in the same manner.** In no event shall the increase described
60 under this subsection be applied to the amount, if any, paid to a member or
61 surviving spouse of a deceased member for services as a special consultant under
62 subsection 5 of this section [or, if applicable, subsection 6 of this section]. If the
63 board of trustees determines that the index has decreased for any year, the
64 benefits of any retired member that have been increased shall be decreased but
65 not below the member's initial benefit. No annual increase shall be made of less
66 than one percent and no decrease of less than three percent except that any
67 decrease may be limited in amount by the initial benefit.

68 4. In addition to any other retirement allowance payable under this
69 section and section 86.250, a member, upon termination of employment as police
70 officer and actual service retirement, may request payment of the total amount

71 of the member's mandatory contributions to the retirement system without
72 interest. Upon receipt of such request, the board shall pay the retired member
73 such total amount of the member's mandatory contributions to the retirement
74 system to be paid pursuant to this subsection within sixty days after such retired
75 member's date of termination of employment as a police officer and actual
76 retirement. **Notwithstanding the foregoing, a member who commenced**
77 **employment for the first time on or after October 1, 2020, shall not be**
78 **eligible for the return of his or her mandatory contributions to the**
79 **retirement system upon termination of employment as a police officer**
80 **and actual service retirement; except that, a member who commenced**
81 **employment for the first time on or after October 1, 2020, shall receive**
82 **his or her mandatory contributions to the retirement system without**
83 **interest if not vested at the time of termination of employment as a**
84 **police officer or actual service retirement.**

85 5. Any person who is receiving retirement benefits from the retirement
86 system, upon application to the board of trustees, shall be made, constituted,
87 appointed and employed by the board of trustees as a special consultant on the
88 problems of retirement, aging and other matters, for the remainder of the person's
89 life or, in the case of a deceased member's surviving spouse, until the earlier of
90 the person's death or remarriage, and upon request of the board of trustees shall
91 give opinions and be available to give opinions in writing or orally, in response
92 to such requests, as may be required. For such services the special consultant
93 shall be compensated monthly, in an amount which, when added to any monthly
94 retirement benefits being received from the retirement system, including any
95 cost-of-living increases under subsection 3 of this section, shall total six hundred
96 fifty dollars a month. This employment shall in no way affect any person's
97 eligibility for retirement benefits under this chapter, or in any way have the effect
98 of reducing retirement benefits, notwithstanding any provisions of law to the
99 contrary.

86.254. 1. Beginning July 1, 1994, in addition to any other annuity,
2 benefits, or retirement allowance provided pursuant to sections 86.200 to 86.366,
3 each present and future retired member **who commenced employment before**
4 **October 1, 2020**, after attaining the age of sixty years shall, upon application
5 to the board of trustees, be made, constituted, appointed and employed by the
6 board of trustees as an advisor on the problems of retirement, aging and other
7 matters, for the remainder of the retired member's life, and upon request of the

8 board of trustees shall give opinions in writing or orally in response to such
9 requests as may be required.

10 2. For the performance of duties required in subsection 1 of this section,
11 each retired member employed as an advisor by the board of trustees shall be
12 compensated monthly in an amount of ten dollars per month multiplied by the
13 number of years the retired member is past the age of sixty years. The
14 compensation provided by this subsection shall be adjusted annually. No funding
15 shall be required prior to the effective date of this benefit.

16 3. Beginning October 1, 1999, in addition to any other benefit provided to
17 any surviving spouse pursuant to sections 86.200 to 86.366, each present and
18 future surviving spouse of a member **who commenced employment before**
19 **October 1, 2020**, after attaining the age of sixty years shall upon application to
20 the board of trustees, be made, constituted, appointed and employed by the board
21 of trustees as an advisor on the problems of retirement, aging and other matters
22 for the remainder of the surviving spouse's life or until the surviving spouse
23 remarries, whichever is earlier, and upon request of the board of trustees shall
24 give opinions in writing or orally in response to such requests as may be required.

25 4. For the performance of duties required in subsection 3 of this section,
26 each surviving spouse of a member employed as an advisor by the board of
27 trustees shall be compensated monthly in an amount of ten dollars per month
28 multiplied by the number of years the surviving spouse is past the age of sixty
29 years. The compensation provided by this subsection shall be adjusted annually.

86.257. 1. Upon the application of the chief of police or a member, any
2 member who has completed ten or more years of creditable service or upon the
3 police retirement system created by sections 86.200 to 86.366 first attaining, after
4 August 28, 2013, a funded ratio, as defined in section 105.660 and as determined
5 by the system's annual actuarial valuation, of at least eighty percent, a member
6 who has completed five or more years of creditable service and who has become
7 permanently unable to perform the duties of a police officer as the result of an
8 injury or illness not [exclusively] caused or induced by the actual performance of
9 his or her official duties or by his or her own negligence shall be retired by the
10 board of trustees of the police retirement system upon certification by **one or**
11 **more physicians of** the medical board of the police retirement system [and
12 approval by the board of trustees of the police retirement system] that the
13 member is mentally or physically unable to perform the duties of a police officer,
14 that the inability is permanent or likely to become permanent, and that the

15 member should be retired.

16 2. Once each year during the first five years following such member's
17 retirement, and at least once in every three-year period thereafter, the board of
18 trustees may, and upon the member's application shall, require any nonduty
19 disability beneficiary who has not yet attained sixty years of age to undergo a
20 medical examination at a place designated by the medical board or [such
21 physicians as the medical board appoints] **by a physician thereof**. If any
22 nonduty disability beneficiary who has not attained sixty years of age refuses to
23 submit to a medical examination, his or her nonduty disability [pension]
24 **retirement allowance** may be discontinued until his or her withdrawal of such
25 refusal, and if his or her refusal continues for one year, all rights in and to such
26 [pension] **disability retirement allowance** may be revoked by the board of
27 trustees.

28 3. If **one or more physicians** of the medical board certifies to the board
29 of trustees that a nonduty disability beneficiary is able to perform the duties of
30 a police officer, and if the board of trustees concurs on the report, then such
31 beneficiary's nonduty disability [pension] **retirement allowance** shall cease.

32 4. If upon cessation of a disability [pension] **retirement allowance**
33 under subsection 3 of this section, the former disability beneficiary is restored to
34 active service, he or she shall again become a member, and he or she shall
35 contribute thereafter at the same rate as other members. Upon his or her
36 subsequent retirement, he or she shall be credited with all of his or her active
37 retirement, but not including any time during which the former disability
38 beneficiary received a disability [pension] **retirement allowance** under this
39 section.

86.260. 1. Upon termination of employment as a police officer and actual
2 retirement for nonduty disability a member shall receive a service retirement
3 allowance as calculated under subsection 1 of section 86.253 if the member has
4 attained the age of fifty-five or completed twenty years of creditable service;
5 otherwise the member shall receive a nonduty disability retirement allowance
6 which shall be equal to ninety percent of the member's accrued service retirement
7 in section 86.253, but not less than one-fourth of the member's average final
8 compensation; provided, however, that no such allowance shall exceed ninety
9 percent of the member's accrued service retirement benefit based on continuation
10 of the member's creditable service to the age set out in section 86.250. **To the**
11 **extent a member receiving a nonduty disability retirement allowance**

12 **is gainfully employed, a proportionate offset shall apply against any**
13 **disability retirement allowance received if the sum of the member's**
14 **current salary plus disability retirement allowance equals an amount**
15 **in excess of one hundred twenty-five percent of the member's current**
16 **salary.**

17 2. Effective October 1, 1999, the nonduty disability retirement allowance
18 will be increased by fifteen percent of the member's average final compensation
19 for each unmarried dependent child of the disabled member who is under the age
20 of eighteen, or who, regardless of age, is totally and permanently mentally or
21 physically disabled and incapacitated from engaging in gainful occupation
22 sufficient to support himself or herself.

23 3. Any member receiving benefits pursuant to the provisions of this
24 section immediately prior to October 1, 1999, shall upon application to the board
25 of trustees be made, constituted, appointed and employed by the board of trustees
26 as a special consultant on the problems of retirement, aging and other matters
27 while the member is receiving such benefits, and upon request of the board of
28 trustees shall give opinions in writing or orally in response to such requests as
29 may be required. Beginning October 1, 1999, for such services as may be
30 required, there shall be payable an additional monthly compensation of one
31 hundred dollars or five percent of the member's average final compensation,
32 whichever is greater, for each unmarried dependent child of the member.

33 4. Any benefit payable to or for the benefit of a child or children under the
34 age of eighteen years pursuant to the provisions of subsections 2 and 3 of this
35 section shall continue to be paid beyond the age of eighteen years through the age
36 of twenty-two years in those cases where the child is a full-time student at a
37 regularly accredited college, business school, nursing school, school for technical
38 or vocational training, or university, but such extended benefit shall cease
39 whenever the child ceases to be a student. A college or university shall be
40 deemed to be regularly accredited which maintains membership in good standing
41 in a national or regional accrediting agency recognized by any state college or
42 university.

43 5. No benefits pursuant to this section shall be paid to a child over
44 eighteen years of age who is totally and permanently disabled if such child is a
45 patient or resident of a public-supported institution, nor shall such benefits be
46 paid unless such disability occurred prior to such child reaching the age of
47 eighteen.

86.263. 1. Any member in active service who is permanently unable to
2 perform the full and unrestricted duties of a police officer as the natural[,] and
3 proximate[, and exclusive] result of an accident occurring within the actual
4 performance of duty at some definite time and place, through no negligence on the
5 member's part, shall be retired by the board of trustees of the police retirement
6 system upon certification by **one or more physicians of** the medical board that
7 the member is mentally or physically unable to perform the full and unrestricted
8 duties of a police officer, that the inability is permanent or likely to become
9 permanent, and that the member should be retired. The inability to perform the
10 "full and unrestricted duties of a police officer" means the member is unable to
11 perform all the essential job functions for the position of police officer as
12 established by the chief of police.

13 2. No member shall be approved for retirement under the provisions of
14 subsection 1 of this section unless the application was made and submitted by the
15 chief of police or a member no later than five years following the date of accident,
16 provided, that if the accident was reported within five years of the date of the
17 accident and an examination made of the member within thirty days of the date
18 of accident by a health care provider whose services were provided through the
19 chief of police with subsequent examinations made as requested, then an
20 application made more than five years following the date of the accident shall be
21 considered timely.

22 3. Once each year during the first five years following a member's
23 retirement, and at least once in every three-year period thereafter, the board of
24 trustees may require any disability beneficiary who has not yet attained sixty
25 years of age to undergo a medical examination or medical examinations at a place
26 designated by the medical board or [such physicians as the medical board
27 appoints] **some physician thereof**. If any disability beneficiary who has not
28 attained sixty years of age refuses to submit to a medical examination, his or her
29 disability pension may be discontinued by the board of trustees of the police
30 retirement system until his or her withdrawal of such refusal, and if his or her
31 refusal continues for one year, all rights in and to such [pension] **disability**
32 **retirement allowance** may be revoked by the board of trustees.

33 4. If **one or more physicians of** the medical board certifies to the board
34 of trustees that a disability beneficiary is able to perform the duties of a police
35 officer, then such beneficiary's disability [pension] **retirement allowance** shall
36 cease.

37 5. If upon cessation of a disability [pension] **retirement allowance**
38 under subsection 4 of this section, the former disability beneficiary is restored to
39 active service, he or she shall again become a member, and he or she shall
40 contribute thereafter at the same rate as other members. Upon his or her
41 subsequent retirement, he or she shall be credited with all of his or her active
42 service time as a member including the service time prior to receiving disability
43 retirement, but not including any time during which the former disability
44 beneficiary received a disability [pension] **retirement allowance** under this
45 section.

46 6. If upon cessation of a disability [pension] **retirement allowance**
47 under subsection 4 of this section, the former disability beneficiary is not restored
48 to active service, such former disability beneficiary shall be entitled to the
49 retirement benefit to which such former disability beneficiary would have been
50 entitled if such former disability beneficiary had terminated service for any
51 reason other than dishonesty or being convicted of a felony at the time of such
52 cessation of such former disability beneficiary's disability [pension] **retirement**
53 **allowance**. For purposes of such retirement benefits, such former disability
54 beneficiary shall be credited with all of the former disability beneficiary's active
55 service time as a member, but not including any time during which the former
56 disability beneficiary received a disability [beneficiary pension] **retirement**
57 **allowance** under this section.

86.267. 1. Upon termination of employment as a police officer and actual
2 retirement for accidental disability, other than permanent total disability as
3 defined in subsection 2 **of this section**, a member shall receive a **disability**
4 retirement allowance of seventy-five percent of the member's average final
5 compensation.

6 2. Any member who, as the natural and proximate result of an accident
7 occurring at some definite time and place in the actual performance of the
8 member's duty through no negligence on the member's part, is permanently and
9 totally incapacitated from performing any work, occupation or vocation of any
10 kind whatsoever shall receive a **disability** retirement allowance as under
11 subsection 1 **of this section** or, in the discretion of the board of trustees, may
12 receive a larger **disability** retirement allowance in an amount not exceeding the
13 member's rate of compensation as a policeman in effect as of the date the
14 allowance begins.

15 3. The board of trustees, in its discretion, may, in addition to the

16 **disability retirement** allowance granted in accordance with the provisions of
17 subsections 1 and 2 of **this section**, grant an allowance in an amount to be
18 determined by the board of trustees, to provide such member with surgical,
19 medical and hospital care reasonably required after retirement, which are the
20 result and in consequence of the accident causing such disability.

21 4. Any person who is receiving benefits pursuant to subsection 2 of this
22 section on or after August 28, 1997, and any person who is receiving benefits
23 pursuant to subsection 1 of this section on or after October 1, 2001, and who
24 made mandatory contributions to the retirement system, upon application to the
25 board of trustees, shall be made, constituted, appointed and employed by the
26 board of trustees as a special consultant on the problems of retirement, aging and
27 other matters, and upon request of the board of trustees shall give opinions and
28 be available to give opinions in writing or orally, in response to such requests, as
29 may be required. For such services the retired member shall be paid a lump sum
30 payment in an amount equal to the total amount of the member's mandatory
31 contributions to the retirement system, without interest, within sixty days after
32 approval of the retired member's application by the board of trustees.

86.277. Should a disabled member be restored to active service, such
2 member's disability **retirement** allowance shall cease. The disabled member
3 shall again become a member and shall contribute thereafter at the same rate in
4 effect prior to disability. Any prior service certificate on the basis of which the
5 member's service was computed at the time of retirement shall be restored to full
6 force and effect and in addition upon the member's subsequent retirement, the
7 member shall be credited with all service as a member, and if the member's then
8 average final compensation is less than the average final compensation used in
9 determining the member's disability **retirement** allowance, the latter amount
10 shall be used in determining benefits.

86.283. Upon receipt of proper proofs of the death of a retired member
2 who retired while in service, including retirement for service, [ordinary] **nonduty**
3 disability or accidental disability, and provided no other benefits are payable from
4 the retirement system, there shall be paid the following benefits:

5 (1) Effective October 1, 1999, a pension to the surviving spouse until the
6 surviving spouse dies or remarries, whichever is earlier, of forty percent of the
7 deceased member's average final compensation plus fifteen percent of such
8 compensation to, or for the benefit of, each unmarried dependent child of the
9 deceased member, who is either under the age of eighteen, or who, regardless of

10 age, is totally and permanently mentally or physically disabled and incapacitated
11 from engaging in a gainful occupation sufficient to support himself or herself;

12 (2) Any surviving spouse or unmarried dependent child receiving benefits
13 pursuant to this section immediately prior to October 1, 1999, shall upon
14 application to the board of trustees be made, constituted, appointed and employed
15 by the board of trustees as a special consultant on the problems of retirement,
16 aging and other matters while the surviving spouse or unmarried dependent child
17 is receiving such benefits, and upon request of the board of trustees shall give
18 opinions in writing or orally in response to such requests as may be
19 required. Beginning October 1, 1999, for such services as may be required, a
20 surviving spouse shall receive additional monthly compensation equal to the
21 amount which when added to the benefits the surviving spouse was receiving
22 pursuant to this section prior to October 1, 1999, determined without regard to
23 any increase applied to such benefits prior to October 1, 1999, pursuant to
24 subdivision (8) of this section, will increase the surviving spouse's total monthly
25 payment pursuant to this section to forty percent of the deceased member's
26 average final compensation, and there shall be payable an additional monthly
27 compensation of one hundred dollars or five percent of the member's average final
28 compensation, whichever is greater, for each unmarried dependent child of the
29 member. The additional monthly compensation payable to a surviving spouse
30 pursuant to this subdivision shall be adjusted for any cost-of-living increases that
31 apply to the benefit the surviving spouse was receiving prior to October 1, 1999;

32 (3) If no surviving spouse benefits are payable pursuant to subdivisions
33 (1) and (2) of this section, such total pension as would have been paid pursuant
34 to subdivisions (1) and (2) of this section had there been a surviving spouse,
35 determined without regard to any increase which would have applied to the
36 surviving spouse's benefits pursuant to subdivision (8) of this section, shall be
37 divided among the unmarried dependent children under age eighteen and
38 unmarried dependent children, regardless of age, who are totally and
39 permanently mentally or physically disabled and incapacitated from engaging in
40 a gainful occupation sufficient to support themselves. The benefit shall be
41 divided equally among the eligible dependent children, and the share of a child
42 who is no longer eligible shall be divided equally among the remaining eligible
43 dependent children; provided that not more than one-half of the surviving
44 spouse's benefits shall be paid for one child;

45 (4) No benefits pursuant to this section shall be paid to a child over

46 eighteen years of age who is totally and permanently disabled if such child is a
47 patient or resident of a public-supported institution, nor shall such benefits be
48 paid unless such disability occurred prior to such child reaching the age of
49 eighteen;

50 (5) Whenever any dependent child designated by the board of trustees to
51 receive benefits pursuant to this section is in the care of the surviving spouse of
52 the deceased member, such benefits may be paid to such surviving spouse for the
53 child;

54 (6) In the event of the death of a retired member receiving accidental
55 disability benefits before such benefits have been paid for five years, the
56 member's surviving spouse until the surviving spouse dies or remarries,
57 whichever is earlier, shall receive an additional pension of ten percent of the
58 deceased member's final average compensation;

59 (7) Any benefit payable to, or for the benefit of, a child or children under
60 the age of eighteen years pursuant to subdivisions (1) to (3) of this section shall
61 continue to be paid beyond the age of eighteen years through the age of
62 twenty-two years if the child is a full-time student at a regularly accredited
63 college, business school, nursing school, school for technical or vocational
64 training, or university, but such extended benefit shall cease whenever the child
65 ceases to be a student. A college or university shall be deemed to be regularly
66 accredited which maintains membership in good standing in a national or
67 regional accrediting agency recognized by any state college or university;

68 (8) The benefits payable pursuant to this section to the surviving spouse
69 of a retired member who received or was entitled to receive a service retirement
70 allowance shall be increased in the same percentages and pursuant to the same
71 method as is provided in section 86.253 for adjustments in the service retirement
72 allowance of a retired member.

86.288. In addition to any other benefits payable, notwithstanding any
2 provisions of sections 86.280 and 86.287 to the contrary, if a member **who**
3 **commenced employment before October 1, 2020**, dies while commissioned
4 as a peace officer, or after retiring and before receiving a refund of the member's
5 mandatory contributions in accordance with section 86.253 or 86.290, or while
6 receiving a disability retirement allowance in accordance with section 86.253 or
7 86.257, the total amount of the member's mandatory contributions to the
8 retirement system shall be paid without interest to the surviving spouse of such
9 member. Payment pursuant to this section shall be made within sixty days after

10 the later of the date proper proofs of death are provided or August 28, 1994,
11 regardless of when the member died or actually retired, provided that the
12 surviving spouse shall be alive on the date that payment is made.

86.290. **Except in the case of a member who commenced**
2 **employment for the first time on or after October 1, 2020, who is not**
3 **vested under section 86.354**, should a member cease to be a policeman except
4 by death or actual retirement, the member may request payment of the amount
5 of the accumulated contributions standing to the credit of the member's
6 individual account, including members' interest, in which event such amount
7 shall be paid to the member not later than one year after the member ceases to
8 be a policeman. If the former member is reemployed as a policeman before any
9 portion of such former member's accumulated contributions is distributed, no
10 distribution shall be made. If the former member is reemployed as a policeman
11 after a portion of the former member's accumulated contributions is distributed,
12 the amount remaining shall also be distributed.

86.320. 1. **(1)** The board of trustees shall certify to the chief of police
2 who shall cause to be deducted, **prior to taxation**, from the salary of each
3 member **hired before October 1, 2020**, on each and every payroll for each and
4 every pay period, [seven] **nine** percent of the compensation of each member who
5 is not participating in the DROP, including each member whose participation in
6 the DROP has ended and who has returned to active participation in the system
7 pursuant to section 86.251, and zero percent of the compensation of each member
8 who is participating in the DROP or whose participation in the DROP has ended
9 but who has not returned to active participation in the system pursuant to section
10 86.251.

11 **(2)** The board of trustees shall certify to the chief of police who
12 shall cause to be deducted, **prior to taxation**, from the salary of each
13 member **hired on or after October 1, 2020**, on each and every payroll for
14 each and every pay period, **nine percent of the compensation of each**
15 **member who is not participating in the DROP and zero percent of the**
16 **compensation of each member who is participating in the DROP.**

17 2. The deductions provided for in this section shall be made
18 notwithstanding that the minimum compensation provided by law for any
19 member shall be reduced thereby. Every member shall be deemed to consent to
20 the deductions made and provided for in this section, and shall receipt for the
21 member's full salary or compensation and payment of salary or compensation less

22 such deduction shall be a full and complete discharge and acquittance of all
23 claims and demands whatsoever for services rendered during the period covered
24 by the payment except as to benefits provided by sections 86.200 to 86.366. The
25 chief of police shall certify to the board of trustees on each and every payroll or
26 in such other manner as the board of trustees shall prescribe the amount
27 deducted, and such amounts shall be paid into the system and shall be credited
28 together with members' interest thereon to the individual account of the member
29 from whose compensation such deduction was made.

30 3. The board of trustees is authorized to grant additional benefits for such
31 parts of contributions as were made prior to the adoption of the seven-percent
32 rate for all members which were in excess of the compulsory contributions
33 required of each member.

86.330. 1. After each annual valuation, the actuary engaged by the board
2 to make the valuation required by sections 86.200 to 86.366, shall determine the
3 normal contribution rate. The normal contribution rate shall be the rate percent
4 of the earnable compensation of all members obtained by deducting from the total
5 liabilities of the retirement system the amount of the assets in hand to the credit
6 of the retirement system and the present value of expected future member
7 contributions and dividing the remainder by one percent of the present value of
8 the prospective future compensation of all members as computed on the basis of
9 mortality and service tables and interest assumptions adopted by the board of
10 trustees.

11 2. **Notwithstanding the provisions of subsection 1 of this section,**
12 **if a city not within a county adopts an ordinance as described in**
13 **subsection 2 of section 86.344, then, after the effective date of such**
14 **ordinance, for each annual valuation for the first of the plan years**
15 **beginning with the plan year of such adoption and each subsequent**
16 **year, the actuary engaged by the board to make the valuation required**
17 **by sections 86.200 to 86.366 shall determine the normal cost for such**
18 **year using the entry age normal actuarial cost method as described in**
19 **this subsection. Under the entry age normal actuarial cost method, the**
20 **actuarial present value of the projected benefits of each individual**
21 **included in an actuarial valuation is allocated on a level basis over the**
22 **service of the individual between entry age and assumed exit age. The**
23 **portion of this actuarial present value allocated to a valuation year is**
24 **called the "normal cost".**

86.333. 1. At the first valuation after the effective date of these
2 amendments the actuary engaged by the board of trustees shall compute the rate
3 percent of the total earnable compensation of all members which is equivalent to
4 four percent of the amount of the total unfunded benefit liability on account of all
5 members and beneficiaries which is not dischargeable by the aforesaid normal
6 contribution made on account of such members during the remainder of their
7 active service. The rate percent originally so determined shall be known as "the
8 accrued liability contribution rate".

9 **2. (1) Notwithstanding the provisions of subsection 1 of this**
10 **section, if a city not within a county adopts an ordinance as described**
11 **in subsection 2 of section 86.344, then, after each annual valuation for**
12 **plan years beginning with the year of such adoption, the actuary**
13 **engaged by the board to make the valuation required by sections 86.200**
14 **to 86.366 shall determine the actuarial accrued liability under the entry**
15 **age normal actuarial cost method. Under the entry age normal**
16 **actuarial cost method, the actuarial present value of the projected**
17 **benefits of each individual included in an actuarial valuation is**
18 **allocated on a level basis over the service of the individual between**
19 **entry age and assumed exit age. The portion of this actuarial present**
20 **value not provided for at a valuation date by the actuarial present**
21 **value of future normal costs is called the "actuarial accrued liability".**

22 **(2) The actuary shall determine the initial unfunded actuarial**
23 **accrued liability as the amount by which the actuarial accrued liability**
24 **exceeds the actuarial value of the assets of the retirement system. The**
25 **amortization payment for the initial unfunded actuarial accrued**
26 **liability as of October 1, 2020, shall be determined as a level percentage**
27 **of payroll for a twenty-year period. The amortization period for**
28 **subsequent years for the initial unfunded accrued liability shall decline**
29 **by one year for each of the next twenty years. Any changes in the**
30 **unfunded accrued liability that result from experience gains and losses,**
31 **changes in actuarial assumptions, and changes in plan benefits for plan**
32 **years beginning on or after October 1, 2020, shall be amortized in**
33 **accordance with policies and procedures adopted by the board. Such**
34 **policies shall include the period of amortization and pattern of**
35 **payments, provided that the period of amortization is no more than**
36 **thirty years. Other than the initial unfunded liability, the board may**
37 **combine amortization periods in the interest of efficiency if the effect**

38 **upon the contribution calculation is not considered material. Such**
39 **policies adopted by the board shall be based on the advice of the**
40 **system's actuary and shall comply with all applicable actuarial**
41 **standards of practice.**

86.337. 1. The total amount payable to the retirement system for each
2 fiscal year shall be not less than the normal contribution rate of the total
3 compensation earnable by all members during the year; provided, however, that
4 the aggregate payment by the said cities shall be sufficient when combined with
5 the assets of the retirement system to provide the pensions and other benefits
6 payable during the then current year.

7 **2. Notwithstanding the provisions of subsection 1 of this section,**
8 **if a city not within a county adopts an ordinance as described in**
9 **subsection 2 of section 86.344, the total amount payable to the**
10 **retirement system for each plan year, beginning on or after October**
11 **first of the year of the adoption of such ordinance, shall be not less**
12 **than the greater of the following:**

13 **(1) The sum of:**

14 **(a) The normal cost determined under section 86.330; and**

15 **(b) The unfunded accrued liability contribution determined**
16 **under section 86.333; or**

17 **(2) The amount, when combined with the assets of the retirement**
18 **system, required to provide the pensions and other benefits payable**
19 **during the then current plan year.**

86.344. 1. On or before the first day of March of each year the board of
2 trustees shall certify to the board of estimate and apportionment of the city the
3 amounts which will become due and payable during the year next following for
4 expenses pursuant to subsection 2 of section 86.343 and the cost of benefits as
5 determined pursuant to section 86.337. The amounts so certified shall be
6 appropriated by the city and transferred to the retirement system in equal
7 payments in the first six months of the ensuing year.

8 **2. The city may change the actuarial formula by which such**
9 **amounts are calculated to the entry age normal actuarial cost**
10 **method. The city may adopt an ordinance authorizing the change to**
11 **the entry age normal actuarial cost method, which ordinance shall**
12 **include the city's expressed acknowledgment that the benefit**
13 **calculation formula change is undertaken voluntarily and not under**

14 **compulsion by the state of Missouri, so that the conversion does not**
15 **implicate the provisions of article X, sections 16 to 23 of the**
16 **Constitution of Missouri. If either the provisions of this subsection or**
17 **the city's adoption of the entry age normal actuarial cost method is**
18 **determined by a final judgment of a court of competent jurisdiction to**
19 **violate article X, sections 16 to 23 of the Constitution of Missouri, then**
20 **this subsection and subsection 2 of section 86.330, subsection 2 of**
21 **section 86.333, and subsection 2 of section 86.337 referencing this**
22 **subsection shall be null and void, the method of calculation shall revert**
23 **to the method used before the effective date of this subsection, and the**
24 **board of trustees shall certify to the board of estimate and**
25 **apportionment of the city the amounts that will become due and**
26 **payable during the year based upon the formula described in**
27 **subsection 1 of section 86.330, subsection 1 of section 86.333, and**
28 **subsection 1 of section 86.337.**

86.354. 1. A member's benefit shall be one hundred percent vested and
2 nonforfeitable upon the first of the following to occur:

3 (1) The member's attainment of age fifty-five, the normal retirement age;
4 or

5 (2) The member's completion of twenty years of creditable service
6 regardless of age; or

7 (3) The termination of the plan established pursuant to sections 86.200
8 to 86.366, to the extent the plan is funded.

9 **2. Notwithstanding any provision in subsection 1 of this section**
10 **to the contrary:**

11 (1) **Any member who commenced employment before October 1,**
12 **2020, who has completed a total of twenty years of creditable service is**
13 **eligible for retirement at any age; and**

14 (2) **Any member who commenced employment for the first time**
15 **on or after October 1, 2020, who is one hundred percent vested due to**
16 **the completion of ten years of creditable service shall not be eligible to**
17 **receive a retirement allowance until the age of fifty-five.**

18 3. Forfeitures of any nature under such plan shall not be used to increase
19 the benefits of any member, but shall be used to reduce the city's contributions
20 pursuant to section 86.243.

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