

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/Senate Bill No. 898, Page 31, Section 105.688, Line 53,

2 by inserting after all of said line the following:

3 "169.070. 1. The retirement allowance of a member
4 whose age at retirement is sixty years or more and whose
5 creditable service is five years or more, or whose sum of
6 age and creditable service equals eighty years or more, or
7 who has attained age fifty-five and whose creditable service
8 is twenty-five years or more or whose creditable service is
9 thirty years or more regardless of age, may be the sum of
10 the following items, not to exceed one hundred percent of
11 the member's final average salary:

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

14 (2) Six-tenths of the amount payable for a year of
15 membership service for each year of prior service not
16 exceeding thirty years.

17 In lieu of the retirement allowance otherwise provided in
18 subdivisions (1) and (2) of this subsection, a member may
19 elect to receive a retirement allowance of:

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

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

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

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

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

45 (8) Two and fifty-five hundredths percent of the
46 member's final average salary for each year of membership
47 service, if the member's creditable service is thirty-two
48 years or more regardless of age;

49 (9) Two and six-tenths percent of the member's final
50 average salary for each year of membership service, if the
51 member's creditable service is thirty-three years or more
52 regardless of age.

53 2. In lieu of the retirement allowance provided in
54 subsection 1 of this section, a member whose age is sixty
55 years or more on September 28, 1975, may elect to have the
56 member's retirement allowance calculated as a sum of the
57 following items:

91 interest in the life of the member and as the member shall
92 have nominated in an election of the option, and provided
93 further that if the person so nominated dies before the
94 retired member, the retirement allowance will be increased
95 to the amount the retired member would be receiving had the
96 member elected option 1; or

97 Option 4.

98 Upon the death of the member one-half of the reduced
99 retirement allowance shall be continued throughout the life
100 of, and paid to, such person as has an insurable interest in
101 the life of the member and as the member shall have
102 nominated in an election of the option, and provided further
103 that if the person so nominated dies before the retired
104 member, the retirement allowance shall be increased to the
105 amount the retired member would be receiving had the member
106 elected option 1; or

107 Option 5.

108 Upon the death of the member prior to the member having
109 received one hundred twenty monthly payments of the member's
110 reduced allowance, the remainder of the one hundred twenty
111 monthly payments of the reduced allowance shall be paid to
112 such beneficiary as the member shall have nominated in the
113 member's election of the option or in a subsequent
114 nomination. If there is no beneficiary so nominated who
115 survives the member for the remainder of the one hundred
116 twenty monthly payments, the total of the remainder of such
117 one hundred twenty monthly payments shall be paid to the
118 surviving spouse, surviving children in equal shares,
119 surviving parents in equal shares, or estate of the last
120 person, in that order of precedence, to receive a monthly
121 allowance in a lump sum payment. If the total of the one
122 hundred twenty payments paid to the retired individual and
123 the beneficiary of the retired individual is less than the

124 total of the member's accumulated contributions, the
125 difference shall be paid to the beneficiary in a lump sum; or
126 Option 6.

127 Upon the death of the member prior to the member having
128 received sixty monthly payments of the member's reduced
129 allowance, the remainder of the sixty monthly payments of
130 the reduced allowance shall be paid to such beneficiary as
131 the member shall have nominated in the member's election of
132 the option or in a subsequent nomination. If there is no
133 beneficiary so nominated who survives the member for the
134 remainder of the sixty monthly payments, the total of the
135 remainder of such sixty monthly payments shall be paid to
136 the surviving spouse, surviving children in equal shares,
137 surviving parents in equal shares, or estate of the last
138 person, in that order of precedence, to receive a monthly
139 allowance in a lump sum payment. If the total of the sixty
140 payments paid to the retired individual and the beneficiary
141 of the retired individual is less than the total of the
142 member's accumulated contributions, the difference shall be
143 paid to the beneficiary in a lump sum.

144 (2) The election of an option may be made only in the
145 application for retirement and such application must be
146 filed prior to the date on which the retirement of the
147 member is to be effective. If either the member or the
148 person nominated to receive the survivorship payments dies
149 before the effective date of retirement, the option shall
150 not be effective, provided that:

151 (a) If the member or a person retired on disability
152 retirement dies after acquiring twenty-five or more years of
153 creditable service or after attaining the age of fifty-five
154 years and acquiring five or more years of creditable service
155 and before retirement, except retirement with disability
156 benefits, and the person named by the member as the member's

157 beneficiary has an insurable interest in the life of the
158 deceased member, the designated beneficiary may elect to
159 receive either survivorship benefits under option 2 or a
160 payment of the accumulated contributions of the member. If
161 survivorship benefits under option 2 are elected and the
162 member at the time of death would have been eligible to
163 receive an actuarial equivalent of the member's retirement
164 allowance, the designated beneficiary may further elect to
165 defer the option 2 payments until the date the member would
166 have been eligible to receive the retirement allowance
167 provided in subsection 1 or 2 of this section;

168 (b) If the member or a person retired on disability
169 retirement dies before attaining age fifty-five but after
170 acquiring five but fewer than twenty-five years of
171 creditable service, and the person named as the member's
172 beneficiary has an insurable interest in the life of the
173 deceased member, the designated beneficiary may elect to
174 receive either a payment of the member's accumulated
175 contributions, or survivorship benefits under option 2 to
176 begin on the date the member would first have been eligible
177 to receive an actuarial equivalent of the member's
178 retirement allowance, or to begin on the date the member
179 would first have been eligible to receive the retirement
180 allowance provided in subsection 1 or 2 of this section.

181 4. If the total of the retirement or disability
182 allowance paid to an individual before the death of the
183 individual is less than the accumulated contributions at the
184 time of retirement, the difference shall be paid to the
185 beneficiary of the individual, or to the surviving spouse,
186 surviving children in equal shares, surviving parents in
187 equal shares, or estate of the individual in that order of
188 precedence. If an optional benefit as provided in option 2,
189 3 or 4 in subsection 3 of this section had been elected, and

190 the beneficiary dies after receiving the optional benefit,
191 and if the total retirement allowance paid to the retired
192 individual and the beneficiary of the retired individual is
193 less than the total of the contributions, the difference
194 shall be paid to the surviving spouse, surviving children in
195 equal shares, surviving parents in equal shares, or estate
196 of the beneficiary, in that order of precedence, unless the
197 retired individual designates a different recipient with the
198 board at or after retirement.

199 5. If a member dies and his or her financial
200 institution is unable to accept the final payment or
201 payments due to the member, the final payment or payments
202 shall be paid to the beneficiary of the member or, if there
203 is no beneficiary, to the surviving spouse, surviving
204 children in equal shares, surviving parents in equal shares,
205 or estate of the member, in that order of precedence, unless
206 otherwise stated. If the beneficiary of a deceased member
207 dies and his or her financial institution is unable to
208 accept the final payment or payments, the final payment or
209 payments shall be paid to the surviving spouse, surviving
210 children in equal shares, surviving parents in equal shares,
211 or estate of the member, in that order of precedence, unless
212 otherwise stated.

213 6. If a member dies before receiving a retirement
214 allowance, the member's accumulated contributions at the
215 time of the death of the member shall be paid to the
216 beneficiary of the member or, if there is no beneficiary, to
217 the surviving spouse, surviving children in equal shares,
218 surviving parents in equal shares, or to the estate of the
219 member, in that order of precedence; except that, no such
220 payment shall be made if the beneficiary elects option 2 in
221 subsection 3 of this section, unless the beneficiary dies
222 before having received benefits pursuant to that subsection

223 equal to the accumulated contributions of the member, in
224 which case the amount of accumulated contributions in excess
225 of the total benefits paid pursuant to that subsection shall
226 be paid to the surviving spouse, surviving children in equal
227 shares, surviving parents in equal shares, or estate of the
228 beneficiary, in that order of precedence.

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

234 8. Notwithstanding any provisions of sections 169.010
235 to 169.141 to the contrary, if a member ceases to be a
236 public school employee after acquiring five or more years of
237 membership service in Missouri, the member may at the option
238 of the member leave the member's contributions with the
239 retirement system and claim a retirement allowance any time
240 after reaching the minimum age for voluntary retirement.
241 When the member's claim is presented to the board, the
242 member shall be granted an allowance as provided in sections
243 169.010 to 169.141 on the basis of the member's age, years
244 of service, and the provisions of the law in effect at the
245 time the member requests the member's retirement to become
246 effective.

247 9. The retirement allowance of a member retired
248 because of disability shall be nine-tenths of the allowance
249 to which the member's creditable service would entitle the
250 member if the member's age were sixty, or fifty percent of
251 one-twelfth of the annual salary rate used in determining
252 the member's contributions during the last school year for
253 which the member received a year of creditable service
254 immediately prior to the member's disability, whichever is
255 greater, except that no such allowance shall exceed the

256 retirement allowance to which the member would have been
257 entitled upon retirement at age sixty if the member had
258 continued to teach from the date of disability until age
259 sixty at the same salary rate.

260 10. Notwithstanding any provisions of sections 169.010
261 to 169.141 to the contrary, from October 13, 1961, the
262 contribution rate pursuant to sections 169.010 to 169.141
263 shall be multiplied by the factor of two-thirds for any
264 member of the system for whom federal Old Age and Survivors
265 Insurance tax is paid from state or local tax funds on
266 account of the member's employment entitling the person to
267 membership in the system. The monetary benefits for a
268 member who elected not to exercise an option to pay into the
269 system a retroactive contribution of four percent on that
270 part of the member's annual salary rate which was in excess
271 of four thousand eight hundred dollars but not in excess of
272 eight thousand four hundred dollars for each year of
273 employment in a position covered by this system between July
274 1, 1957, and July 1, 1961, as provided in subsection 10 of
275 this section as it appears in RSMo, 1969, shall be the sum
276 of:

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

280 (2) For years of membership service after July 1,
281 1946, in which the full contribution rate was paid, full
282 benefits under the formula in effect at the time of the
283 member's retirement;

284 (3) For years of membership service after July 1,
285 1957, and prior to July 1, 1961, the benefits provided in
286 this section as it appears in RSMo, 1959; except that if the
287 member has at least thirty years of creditable service at
288 retirement the member shall receive the benefit payable

289 pursuant to that section as though the member's age were
290 sixty-five at retirement;

291 (4) For years of membership service after July 1,
292 1961, in which the two-thirds contribution rate was paid,
293 two-thirds of the benefits under the formula in effect at
294 the time of the member's retirement.

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

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

303 (2) For years of membership service after July 1,
304 1946, in which the full contribution rate was paid, full
305 benefits under the formula in effect at the time of the
306 member's retirement;

307 (3) For years of membership service after July 1,
308 1957, in which the two-thirds contribution rate was paid,
309 two-thirds of the benefits under the formula in effect at
310 the time of the member's retirement.

311 12. Any retired member of the system who was retired
312 prior to September 1, 1972, or beneficiary receiving
313 payments under option 1 or option 2 of subsection 3 of this
314 section, as such option existed prior to September 1, 1972,
315 will be eligible to receive an increase in the retirement
316 allowance of the member of two percent for each year, or
317 major fraction of more than one-half of a year, which the
318 retired member has been retired prior to July 1, 1975. This
319 increased amount shall be payable commencing with January,
320 1976, and shall thereafter be referred to as the member's
321 retirement allowance. The increase provided for in this

322 subsection shall not affect the retired member's eligibility
323 for compensation provided for in section 169.580 or 169.585,
324 nor shall the amount being paid pursuant to these sections
325 be reduced because of any increases provided for in this
326 section.

327 13. If the board of trustees determines that the cost
328 of living, as measured by generally accepted standards,
329 increases two percent or more in the preceding fiscal year,
330 the board shall increase the retirement allowances which the
331 retired members or beneficiaries are receiving by two
332 percent of the amount being received by the retired member
333 or the beneficiary at the time the annual increase is
334 granted by the board with the provision that the increases
335 provided for in this subsection shall not become effective
336 until the fourth January first following the member's
337 retirement or January 1, 1977, whichever later occurs, or in
338 the case of any member retiring on or after July 1, 2000,
339 the increase provided for in this subsection shall not
340 become effective until the third January first following the
341 member's retirement, or in the case of any member retiring
342 on or after July 1, 2001, the increase provided for in this
343 subsection shall not become effective until the second
344 January first following the member's retirement. Commencing
345 with January 1, 1992, if the board of trustees determines
346 that the cost of living has increased five percent or more
347 in the preceding fiscal year, the board shall increase the
348 retirement allowances by five percent. The total of the
349 increases granted to a retired member or the beneficiary
350 after December 31, 1976, may not exceed eighty percent of
351 the retirement allowance established at retirement or as
352 previously adjusted by other subsections. If the cost of
353 living increases less than five percent, the board of
354 trustees may determine the percentage of increase to be made

355 in retirement allowances, but at no time can the increase
356 exceed five percent per year. If the cost of living
357 decreases in a fiscal year, there will be no increase in
358 allowances for retired members on the following January
359 first.

360 14. The board of trustees may reduce the amounts which
361 have been granted as increases to a member pursuant to
362 subsection 13 of this section if the cost of living, as
363 determined by the board and as measured by generally
364 accepted standards, is less than the cost of living was at
365 the time of the first increase granted to the member; except
366 that, the reductions shall not exceed the amount of
367 increases which have been made to the member's allowance
368 after December 31, 1976.

369 15. Any application for retirement shall include a
370 sworn statement by the member certifying that the spouse of
371 the member at the time the application was completed was
372 aware of the application and the plan of retirement elected
373 in the application.

374 16. Notwithstanding any other provision of law, any
375 person retired prior to September 28, 1983, who is receiving
376 a reduced retirement allowance under option 1 or option 2 of
377 subsection 3 of this section, as such option existed prior
378 to September 28, 1983, and whose beneficiary nominated to
379 receive continued retirement allowance payments under the
380 elected option dies or has died, shall upon application to
381 the board of trustees have his or her retirement allowance
382 increased to the amount he or she would have been receiving
383 had the option not been elected, actuarially adjusted to
384 recognize any excessive benefits which would have been paid
385 to him or her up to the time of application.

386 17. Benefits paid pursuant to the provisions of the
387 public school retirement system of Missouri shall not exceed

388 the limitations of Section 415 of Title 26 of the United
389 States Code except as provided pursuant to this subsection.
390 Notwithstanding any other law to the contrary, the board of
391 trustees may establish a benefit plan pursuant to Section
392 415(m) of Title 26 of the United States Code. Such plan
393 shall be created solely for the purpose described in Section
394 415(m) (3) (A) of Title 26 of the United States Code. The
395 board of trustees may promulgate regulations necessary to
396 implement the provisions of this subsection and to create
397 and administer such benefit plan.

398 18. Notwithstanding any other provision of law to the
399 contrary, any person retired before, on, or after May 26,
400 1994, shall be made, constituted, appointed and employed by
401 the board as a special consultant on the matters of
402 education, retirement and aging, and upon request shall give
403 written or oral opinions to the board in response to such
404 requests. As compensation for such duties the person shall
405 receive an amount based on the person's years of service so
406 that the total amount received pursuant to sections 169.010
407 to 169.141 shall be at least the minimum amounts specified
408 in subdivisions (1) to (4) of this subsection. In
409 determining the minimum amount to be received, the amounts
410 in subdivisions (3) and (4) of this subsection shall be
411 adjusted in accordance with the actuarial adjustment, if
412 any, that was applied to the person's retirement allowance.
413 In determining the minimum amount to be received, beginning
414 September 1, 1996, the amounts in subdivisions (1) and (2)
415 of this subsection shall be adjusted in accordance with the
416 actuarial adjustment, if any, that was applied to the
417 person's retirement allowance due to election of an optional
418 form of retirement having a continued monthly payment after
419 the person's death. Notwithstanding any other provision of
420 law to the contrary, no person retired before, on, or after

421 May 26, 1994, and no beneficiary of such a person, shall
422 receive a retirement benefit pursuant to sections 169.010 to
423 169.141 based on the person's years of service less than the
424 following amounts:

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

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

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

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

433 19. Notwithstanding any other provisions of law to the
434 contrary, any person retired prior to May 26, 1994, and any
435 designated beneficiary of such a retired member who was
436 deceased prior to July 1, 1999, shall be made, constituted,
437 appointed and employed by the board as a special consultant
438 on the matters of education, retirement or aging and upon
439 request shall give written or oral opinions to the board in
440 response to such requests. Beginning September 1, 1996, as
441 compensation for such service, the member shall have added,
442 pursuant to this subsection, to the member's monthly annuity
443 as provided by this section a dollar amount equal to the
444 lesser of sixty dollars or the product of two dollars
445 multiplied by the member's number of years of creditable
446 service. Beginning September 1, 1999, the designated
447 beneficiary of the deceased member shall as compensation for
448 such service have added, pursuant to this subsection, to the
449 monthly annuity as provided by this section a dollar amount
450 equal to the lesser of sixty dollars or the product of two
451 dollars multiplied by the member's number of years of
452 creditable service. The total compensation provided by this
453 section including the compensation provided by this

454 subsection shall be used in calculating any future cost-of-
455 living adjustments provided by subsection 13 of this section.

456 20. Any member who has retired prior to July 1, 1998,
457 and the designated beneficiary of a deceased retired member
458 shall be made, constituted, appointed and employed by the
459 board as a special consultant on the matters of education,
460 retirement and aging, and upon request shall give written or
461 oral opinions to the board in response to such requests. As
462 compensation for such duties the person shall receive a
463 payment equivalent to eight and seven-tenths percent of the
464 previous month's benefit, which shall be added to the
465 member's or beneficiary's monthly annuity and which shall
466 not be subject to the provisions of subsections 13 and 14 of
467 this section for the purposes of the limit on the total
468 amount of increases which may be received.

469 21. Any member who has retired shall be made,
470 constituted, appointed and employed by the board as a
471 special consultant on the matters of education, retirement
472 and aging, and upon request shall give written or oral
473 opinions to the board in response to such request. As
474 compensation for such duties, the beneficiary of the retired
475 member, or, if there is no beneficiary, the surviving
476 spouse, surviving children in equal shares, surviving
477 parents in equal shares, or estate of the retired member, in
478 that order of precedence, shall receive as a part of
479 compensation for these duties a death benefit of five
480 thousand dollars.

481 22. Any member who has retired prior to July 1, 1999,
482 and the designated beneficiary of a retired member who was
483 deceased prior to July 1, 1999, shall be made, constituted,
484 appointed and employed by the board as a special consultant
485 on the matters of education, retirement and aging, and upon
486 request shall give written or oral opinions to the board in

487 response to such requests. As compensation for such duties,
488 the person shall have added, pursuant to this subsection, to
489 the monthly annuity as provided by this section a dollar
490 amount equal to five dollars times the member's number of
491 years of creditable service.

492 23. Any member who has retired prior to July 1, 2000,
493 and the designated beneficiary of a deceased retired member
494 shall be made, constituted, appointed and employed by the
495 board as a special consultant on the matters of education,
496 retirement and aging, and upon request shall give written or
497 oral opinions to the board in response to such requests. As
498 compensation for such duties, the person shall receive a
499 payment equivalent to three and five-tenths percent of the
500 previous month's benefit, which shall be added to the member
501 or beneficiary's monthly annuity and which shall not be
502 subject to the provisions of subsections 13 and 14 of this
503 section for the purposes of the limit on the total amount of
504 increases which may be received.

505 24. Any member who has retired prior to July 1, 2001,
506 and the designated beneficiary of a deceased retired member
507 shall be made, constituted, appointed and employed by the
508 board as a special consultant on the matters of education,
509 retirement and aging, and upon request shall give written or
510 oral opinions to the board in response to such requests. As
511 compensation for such duties, the person shall receive a
512 dollar amount equal to three dollars times the member's
513 number of years of creditable service, which shall be added
514 to the member's or beneficiary's monthly annuity and which
515 shall not be subject to the provisions of subsections 13 and
516 14 of this section for the purposes of the limit on the
517 total amount of increases which may be received."; and

518 Further amend the title and enacting clause accordingly.