

SECOND REGULAR SESSION

SENATE BILL NO. 1597

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR CARTER.

6663S.02I

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 70.686, RSMo, and to enact in lieu thereof one new section relating to working after retirement for employees of certain political subdivisions.

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

Section A. Section 70.686, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 70.686,
3 to read as follows:

70.686. 1. **(1) Except as provided in subdivision (2)**
2 **of this subsection**, if a retirant becomes reemployed in a
3 position covered by the system by a political subdivision
4 from which he or she is receiving a retirement allowance,
5 such retirant shall forfeit one monthly benefit allowance
6 for each calendar month in which the retirant renders
7 service in connection with such reemployment.

8 **(2) For all fiscal years beginning on or after the**
9 **July first immediately following compliance with section**
10 **105.684, but no earlier than July 1, 2027, if a retirant**
11 **becomes reemployed in a position covered by the system by a**
12 **political subdivision from which he or she is receiving a**
13 **retirement allowance and such political subdivision is a**
14 **city with less than twenty-five thousand inhabitants, the**
15 **retirant may continue to receive his or her retirement**
16 **allowance during such period of employment, provided that:**

17 (a) Such retirant shall not contribute to the system
18 for compensation earned during such period of reemployment
19 and shall not earn any additional membership service for
20 such reemployment. The employer's contribution rate for
21 such person shall be paid by the hiring political
22 subdivision into the system; and

23 (b) The employer shall compensate a person hired under
24 the provisions of this subdivision:

25 a. At the salary commensurate with the salary of a
26 person with similar years of experience and level of
27 education on such political subdivision's salary schedule
28 for such position filled by the retiree or comparable
29 position if the position did not exist; or

30 b. If the employer does not utilize a salary schedule
31 or if the position in question is not subject to the
32 employer's salary schedule, then at the salary that the
33 political subdivision set for the position that has been
34 submitted and approved by the board of the system and that
35 is commensurate with the salary of a person with similar
36 years of experience and level of education;

37 without a discontinuance of the person's retirement
38 allowance, provided that such salary may be reduced by an
39 amount equal to the percentage of the member contribution
40 rate for such individual.

41 2. If a retirant becomes employed in a position
42 covered by the system by a political subdivision from which
43 he or she is not receiving a retirement allowance, such
44 retirant shall continue to receive his or her retirement
45 allowance during such period of employment.

46 3. A retirant who becomes employed by any
47 participating political subdivision shall be considered a

48 reemployed member with contributions due immediately in
49 accordance with sections 70.705, 70.710, and 70.720. Such
50 period of employment shall be for a minimum of one year of
51 continuous membership service before the retirant shall
52 receive any additional allowance.

53 4. Any reemployed member who has one or more years of
54 membership service after reemployment and later retires
55 shall receive an additional allowance calculated to include
56 only the membership service and the average compensation
57 earned by the reemployed member since reemployment, if such
58 employment is less than the period described in section
59 70.656. In either event, the original allowance and the
60 additional allowance, if any, shall become effective after a
61 written application is submitted in accordance with section
62 70.645.

63 5. Notwithstanding any provision of this section to
64 the contrary, if the retirant retired pursuant to section
65 70.680, the provisions of section 70.680 shall apply.

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