

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 1572

103RD GENERAL ASSEMBLY
2026

6641H.02T

AN ACT

To repeal sections 84.570, 86.213, 104.200, 104.490, 104.1060, 104.1091, 104.1092, and 169.450, RSMo, and to enact in lieu thereof nine new sections relating to public employee retirement systems.

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

Section A. Sections 84.570, 86.213, 104.200, 104.490,
2 104.1060, 104.1091, 104.1092, and 169.450, RSMo, are repealed
3 and nine new sections enacted in lieu thereof, to be known as
4 sections 84.570, 86.213, 104.200, 104.490, 104.1060, 104.1091,
5 104.1092, 105.695, and 169.450, to read as follows:

84.570. 1. No person shall be appointed policeman or
2 officer of police who shall have been convicted of any
3 offense, the punishment of which may be confinement in the
4 state penitentiary; nor shall any person be appointed who is
5 not proven to be of good character, or who is not proven to
6 be a bona fide citizen of the United States, or who cannot
7 read and write the English language and who does not possess
8 ordinary physical strength and courage, nor shall any person
9 be originally appointed to said police force who is less
10 than twenty-one years of age. Notwithstanding any other
11 provision of law, the board shall have the sole authority to
12 determine conditions of employment for police officers
13 pursuant to section 84.460.

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

14 2. In the interest of efficiency and public safety,
15 law enforcement officers, as such term is defined in 29
16 U.S.C. Section 630 or any successor statute, shall be
17 separated from service on the last day of the month in which
18 the employee becomes sixty-five years of age or reaches
19 thirty-five years of creditable service, as such term is
20 defined in subdivision (8) of section 86.900, whichever
21 occurs [**later**] **first**.

22 3. The board shall from time to time require open
23 competitive examinations or tests for determining the
24 qualifications and fitness of all applicants for appointment
25 to positions on the police force. Such examinations and
26 tests shall be practical and shall relate to matters which
27 fairly measure the relative fitness of the candidates to
28 discharge the duties of the positions to which they seek to
29 be appointed. Notice of such examinations and tests shall
30 be given not less than ten days in advance thereof by public
31 advertisement in at least one newspaper of general
32 circulation in such city, and by posting notice in the
33 police headquarters building. A list of those qualifying in
34 such examinations shall be established, listing those
35 qualified in order of rank. When an appointment is to be
36 made, the appointment shall be made from such eligible list.

37 4. The board shall also establish rules for:

38 (1) Temporary employment for not exceeding sixty days
39 in the absence of any eligible list;

40 (2) Hours of work of police employees and officers
41 subject to the provisions of section 84.510; and

42 (3) Attendance regulations and leaves of absence.

86.213. 1. The general administration and the
2 responsibility for the proper operation of the retirement
3 system and for making effective the provisions of sections

4 86.200 to 86.366 are hereby vested in a board of trustees of
5 nine persons. The board shall be constituted as follows:

6 (1) The comptroller of the city, ex officio. If the
7 comptroller is absent from any meeting of the board of
8 trustees for any cause whatsoever, the comptroller may be
9 represented by either the deputy comptroller or the first
10 assistant comptroller who in such case shall have full power
11 to act as a member of the said board of trustees;

12 (2) Two members to be appointed by the mayor of the
13 city, **provided that, effective October 1, 2026, the mayor**
14 **shall appoint one member to serve a term of one year and one**
15 **member to serve a term of two years and thereafter, each**
16 **appointee** to serve for a term of two years, except the mayor
17 shall not appoint the police chief of the municipal police
18 force or the city's director of public safety;

19 (3) Three members **who are actively commissioned**
20 **officers of the municipal police force of any city not**
21 **within a county** to be elected by [the] **those** members of the
22 retirement system **who are actively commissioned officers of**
23 **the municipal police force of [the] any city not within a**
24 **county** for a term of three years; provided, however, that
25 the term of office of the first three members so elected
26 shall begin immediately upon their election and one such
27 member's term shall expire one year from the date the
28 retirement system becomes operative, another such member's
29 term shall expire two years from the date the retirement
30 system becomes operative and the other such member's term
31 shall expire three years from the date the retirement system
32 becomes operative; provided, further, that such members
33 shall be members of the system and hold office only while
34 members of the system;

35 (4) Three members who shall be retired members of the
36 retirement system to be elected by [the] **those** retired
37 members of the retirement system for a term of three years;
38 except that, the term of office of the first two members so
39 elected shall begin immediately upon their election and one
40 such member's term shall expire two years from the date of
41 election and the other such member's term shall expire three
42 years from the date of election.

43 2. Any member elected chairman of the board of
44 trustees may serve without term limitations.

45 3. Each **actively** commissioned elected trustee shall be
46 granted travel time by the St. Louis metropolitan police
47 department to attend any and all functions that have been
48 authorized by the board of trustees of the police retirement
49 system of St. Louis. Travel time, with compensation, for a
50 trustee shall not exceed thirty days in any board fiscal
51 year.

52 **4. Members appointed by the mayor of the city pursuant**
53 **to subdivision (2) of subsection 1 of this section shall**
54 **continue to serve until their successors have been appointed.**

104.200. Should any error in any records result in any
2 member or beneficiary receiving more or less than he or she
3 would have been entitled to receive had the records been
4 correct, the board shall correct such error, and, as far as
5 practicable, **to recover any overpayments, may accept single**
6 **sum or installment repayments or** make future payments in
7 such a manner that the actuarial equivalent of the benefit
8 to which such member or beneficiary was entitled shall be
9 paid[, and to this end may recover any overpayments]. In
10 all cases in which such error has been made, no such error
11 shall be corrected unless the system discovers or is
12 notified of such error within ten years after the member's

13 annuity starting date or the date of error, whichever occurs
14 later. In cases of fraud, any error discovered shall be
15 corrected without concern for the amount of time that has
16 passed.

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

16 2. A person who knowingly makes a false statement, or
17 falsifies or permits to be falsified a record of the system,
18 in an attempt to defraud the system is subject to fine or
19 imprisonment pursuant to the Missouri revised statutes.

20 3. The board of trustees of the Missouri state
21 employees' retirement system shall cease paying benefits to
22 any survivor or beneficiary who is charged with the
23 intentional killing of a member without legal excuse or
24 justification. A survivor or beneficiary who is convicted
25 of such charge shall no longer be entitled to receive
26 benefits. If the survivor or beneficiary is not convicted
27 of such charge, the board shall resume payment of benefits

28 and shall pay the survivor or beneficiary any benefits that
29 were suspended pending resolution of such charge.

104.1060. 1. Should any error result in any person
2 receiving more or less than the person would have been
3 entitled to receive had the error not occurred, the board
4 shall correct such error, and, as far as practicable, **to**
5 **recover any overpayments, may accept single sum or**
6 **installment repayments or** make future payments in such a
7 manner that the actuarial equivalent of the annuity to which
8 such person was entitled shall be paid[, and to this end may
9 recover any overpayments]. In all cases in which such error
10 has been made, no such error shall be corrected unless the
11 system discovers or is notified of such error within ten
12 years after the member's annuity starting date or the date
13 of error, whichever occurs later. In cases of fraud, any
14 error discovered shall be corrected without concern to the
15 amount of time that has passed.

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

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

104.1091. 1. Notwithstanding any provision of the
2 year 2000 plan to the contrary, each person who first

3 becomes an employee on or after January 1, 2011, shall be a
4 member of the year 2000 plan subject to the provisions of
5 this section.

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

8 (1) The member's attainment of at least age sixty-
9 seven and the completion of at least ten years of credited
10 service; or the member's attainment of at least age fifty-
11 five with the sum of the member's age and credited service
12 equaling at least ninety; or, in the case of a member who is
13 serving as a uniformed member of the highway patrol and
14 subject to the mandatory retirement provisions of section
15 104.081, such member's attainment of at least age sixty or
16 the attainment of at least age fifty-five with ten years of
17 credited service;

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

23 (3) For statewide elected officials, the official's
24 attainment of at least age sixty-two and the completion of
25 at least four years of credited service; or the official's
26 attainment of at least age fifty-five with the sum of the
27 official's age and credited service equaling at least ninety.

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

32 4. A temporary annuity paid pursuant to subsection 4
33 of section 104.1024 shall be payable if the member has
34 attained at least age fifty-five with the sum of the

35 member's age and credited service equaling at least ninety;
36 or in the case of a member who is serving as a uniformed
37 member of the highway patrol and subject to the mandatory
38 retirement provisions of section 104.081, the temporary
39 annuity shall be payable if the member has attained at least
40 age sixty, or at least age fifty-five with ten years of
41 credited service.

42 5. A member, other than a member who is serving as a
43 uniformed member of the highway patrol and subject to the
44 mandatory retirement provisions of section 104.081, shall be
45 eligible for an early retirement annuity upon the attainment
46 of at least age sixty-two and the completion of at least ten
47 years of credited service. A vested former member who
48 terminated employment prior to the attainment of early
49 retirement eligibility shall not be eligible for early
50 retirement.

51 6. The provisions of subsection 6 of section 104.1021
52 and section 104.344 as applied pursuant to subsection 7 of
53 section 104.1021 and section 104.1090 shall not apply to
54 members covered by this section.

55 7. The minimum credited service requirements of five
56 years contained in sections 104.1018, 104.1030, 104.1036,
57 and 104.1051 shall be ten years for members covered by this
58 section. The normal and early retirement eligibility
59 requirements in this section shall apply for purposes of
60 administering section 104.1087.

61 8. A member shall be required to contribute four
62 percent of the member's pay to the retirement system, which
63 shall stand to the member's credit in his or her individual
64 account with the system, together with investment credits
65 thereon, for purposes of funding retirement benefits payable

66 under the year 2000 plan, subject to the following
67 provisions:

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

75 (2) Member contributions picked up by the employer
76 shall be paid from the same source of funds used for the
77 payment of pay to a member. A deduction shall be made from
78 each member's pay equal to the amount of the member's
79 contributions picked up by the employer. This deduction,
80 however, shall not reduce the member's pay for purposes of
81 computing benefits under the retirement system pursuant to
82 this chapter;

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

88 (4) The contributions, although designated as employee
89 contributions, shall be paid by the employer in lieu of the
90 contributions by the member. The member shall not have the
91 option of choosing to receive the contributed amounts
92 directly instead of having them paid by the employer to the
93 retirement system;

94 (5) Interest shall be credited annually on June
95 thirtieth based on the value in the account as of July first
96 of the immediately preceding year at a rate of four
97 percent. Effective June 30, 2014, and each June thirtieth

98 thereafter, the interest crediting rate shall be equal to
99 the investment rate that is published by the United States
100 Department of the Treasury, or its successor agency, for
101 fifty-two week treasury bills for the relevant auction that
102 is nearest to the preceding July first, or a successor
103 treasury bill investment rate as approved by the board if
104 the fifty-two week treasury bill is no longer issued.
105 Interest credits shall cease upon termination of employment
106 if the member is not a vested former member. Otherwise,
107 interest credits shall cease upon retirement or death;

108 **(6) (a)** A vested former member or a former member who
109 is not vested may request a refund of his or her
110 contributions and interest credited thereon. If such member
111 is married at the time of such request, such request shall
112 not be processed without consent from the spouse. Such
113 member is not eligible to request a refund if such member's
114 retirement benefit is subject to a division of benefit order
115 pursuant to section 104.1051. [Such refund]

116 **(b)** For a former member who is not vested, the system
117 shall refund the former member's contributions and interest
118 credited thereon if the total amount thereof is one thousand
119 dollars or less, or such other amount as may be permitted
120 under applicable federal law.

121 **a.** The system and the treasurer are authorized to
122 share information consistent with section 447.560 for
123 purposes of the system's refunding such former member's
124 contributions and credited interest directly to the former
125 member or the former member's survivor or beneficiary.

126 **b.** The availability of the shared information for the
127 public inspection shall be consistent with section 447.560.

128 **c.** The system's procedures in effect from time to time
129 to locate such former member, survivor, or beneficiary shall

130 **be considered reasonable and necessary diligence consistent**
131 **with good business practice and in compliance with federal**
132 **law.**

133 **(c) Contribution refunds** shall be paid by the system
134 within an administratively reasonable period, but no sooner
135 than ninety days from the date of termination of
136 employment. The amount refunded shall include all employee
137 contributions made to any retirement plan administered by
138 the system and interest credited thereon.

139 **(d)** A vested former member may not request a refund
140 after such member becomes eligible for normal retirement.

141 **(e)** A vested former member or a former member who is
142 not vested who receives a refund shall forfeit all the
143 member's credited service and future rights to receive
144 benefits from the system and shall not be eligible to
145 receive any disability benefits; provided that any member or
146 vested former member receiving disability benefits shall not
147 be eligible for a refund. If such member subsequently
148 becomes an employee and works continuously for at least one
149 year, the credited service previously forfeited shall be
150 restored if the member returns to the system the amount
151 previously refunded plus interest at a rate established by
152 the board;

153 (7) The beneficiary of any member who made
154 contributions shall receive a refund upon the member's death
155 equal to the amount, if any, of such contributions and
156 interest credited thereon less any retirement benefits
157 received by the member unless an annuity is payable to a
158 survivor or beneficiary as a result of the member's death.
159 In that event, the beneficiary of the survivor or
160 beneficiary who received the annuity shall receive a refund
161 upon the survivor's or beneficiary's death equal to the

162 amount, if any, of the member's contributions less any
163 annuity amounts received by the member and the survivor or
164 beneficiary.

165 9. The employee contribution rate, the benefits
166 provided under the year 2000 plan to members covered under
167 this section, and any other provision of the year 2000 plan
168 with regard to members covered under this section may be
169 altered, amended, increased, decreased, or repealed, but
170 only with respect to services rendered by the member after
171 the effective date of such alteration, amendment, increase,
172 decrease, or repeal, or, with respect to interest credits,
173 for periods of time after the effective date of such
174 alteration, amendment, increase, decrease, or repeal.

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

177 Option 1.

178 A retiree's life annuity shall be reduced to a
179 certain percent of the annuity otherwise
180 payable. Such percent shall be eighty-eight and
181 one half percent adjusted as follows: if the
182 retiree's age on the annuity starting date is
183 younger than sixty-seven years, an increase of
184 three-tenths of one percent for each year the
185 retiree's age is younger than age sixty-seven
186 years; and if the beneficiary's age is younger
187 than the retiree's age on the annuity starting
188 date, a decrease of three-tenths of one percent
189 for each year of age difference; and if the
190 retiree's age is younger than the beneficiary's
191 age on the annuity starting date, an increase of
192 three-tenths of one percent for each year of age
193 difference; provided, after all adjustments the

194 option 1 percent cannot exceed ninety-four and
195 one quarter percent. Upon the retiree's death,
196 fifty percent of the retiree's reduced annuity
197 shall be paid to such beneficiary who was the
198 retiree's spouse on the annuity starting date or
199 as otherwise provided by subsection 5 of this
200 section.

201 Option 2.

202 A retiree's life annuity shall be reduced to a
203 certain percent of the annuity otherwise
204 payable. Such percent shall be eighty-one
205 percent adjusted as follows: if the retiree's
206 age on the annuity starting date is younger than
207 sixty-seven years, an increase of four-tenths of
208 one percent for each year the retiree's age is
209 younger than sixty-seven years; and if the
210 beneficiary's age is younger than the retiree's
211 age on the annuity starting date, a decrease of
212 five-tenths of one percent for each year of age
213 difference; and if the retiree's age is younger
214 than the beneficiary's age on the annuity
215 starting date, an increase of five-tenths of one
216 percent for each year of age difference;
217 provided, after all adjustments the option 2
218 percent cannot exceed eighty-seven and three
219 quarter percent. Upon the retiree's death one
220 hundred percent of the retiree's reduced annuity
221 shall be paid to such beneficiary who was the
222 retiree's spouse on the annuity starting date or
223 as otherwise provided by subsection 5 of this
224 section.

225 Option 3.

226 A retiree's life annuity shall be reduced to
227 ninety-three percent of the annuity otherwise
228 payable. If the retiree dies before having
229 received one hundred twenty monthly payments,
230 the reduced annuity shall be continued for the
231 remainder of the one hundred twenty-month period
232 to the retiree's designated beneficiary provided
233 that if there is no beneficiary surviving the
234 retiree, the present value of the remaining
235 annuity payments shall be paid as provided under
236 subsection 3 of section 104.620. If the
237 beneficiary survives the retiree but dies before
238 receiving the remainder of such one hundred
239 twenty monthly payments, the present value of
240 the remaining annuity payments shall be paid as
241 provided under subsection 3 of section 104.620.

242 Option 4.

243 A retiree's life annuity shall be reduced to
244 eighty-six percent of the annuity otherwise
245 payable. If the retiree dies before having
246 received one hundred eighty monthly payments,
247 the reduced annuity shall be continued for the
248 remainder of the one hundred eighty-month period
249 to the retiree's designated beneficiary provided
250 that if there is no beneficiary surviving the
251 retiree, the present value of the remaining
252 annuity payments shall be paid as provided under
253 subsection 3 of section 104.620. If the
254 beneficiary survives the retiree but dies before
255 receiving the remainder of such one hundred
256 eighty monthly payments, the present value of

257 the remaining annuity payments shall be paid as
258 provided under subsection 3 of section 104.620.

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

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

265 (1) A member's normal retirement eligibility shall be
266 based on the attainment of at least age sixty-seven and the
267 completion of at least five years of credited service; or
268 the member's attainment of at least age fifty-five with the
269 sum of the member's age and credited service equaling at
270 least ninety; or in the case of a member who is serving as a
271 uniformed member of the highway patrol and subject to the
272 mandatory retirement provisions of section 104.081, such
273 member's attainment of at least age sixty or the attainment
274 of at least age fifty-five with five years of credited
275 service;

276 (2) A vested former member's normal retirement
277 eligibility shall be based on the attainment of at least age
278 sixty-seven and the completion of at least five years of
279 credited service; except that, a vested former member who
280 terminates employment after the attainment of normal
281 retirement eligibility as described in subdivision (1) of
282 this subsection shall be covered under such subdivision;

283 (3) A temporary annuity paid under subsection 4 of
284 section 104.1024 shall be payable if the member has attained
285 at least age fifty-five with the sum of the member's age and
286 credited service equaling at least ninety; or in the case of
287 a member who is serving as a uniformed member of the highway
288 patrol and subject to the mandatory retirement provisions of

289 section 104.081, the temporary annuity shall be payable if
290 the member has attained at least age sixty, or at least age
291 fifty-five with five years of credited service;

292 (4) A member, other than a member who is serving as a
293 uniformed member of the highway patrol and subject to the
294 mandatory retirement provisions of section 104.081, shall be
295 eligible for an early retirement annuity upon the attainment
296 of at least age sixty-two and the completion of at least
297 five years of credited service. A vested former member who
298 terminated employment prior to the attainment of early
299 retirement eligibility shall not be eligible for early
300 retirement;

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

304 (6) The survivor annuity payable under section
305 104.1030 for vested former members who terminated employment
306 prior to the attainment of early retirement eligibility and
307 who are covered by this section shall not be payable until
308 the deceased member would have reached his or her normal
309 retirement eligibility under this subsection;

310 (7) The annual cost-of-living adjustment payable under
311 section 104.1045 shall not commence until the second
312 anniversary of the annuity starting date for vested former
313 members who terminated employment prior to the attainment of
314 early retirement eligibility and who are covered by this
315 subsection;

316 (8) The unused sick leave credit granted under
317 subsection 2 of section 104.1021 shall not apply to members
318 covered by this subsection unless the member terminates
319 employment after reaching normal retirement eligibility or

320 becoming eligible for an early retirement annuity under this
321 subsection; and

322 (9) The minimum credited service requirements of five
323 years contained in sections 104.1018, 104.1030, 104.1036,
324 and 104.1051 shall be five years for members covered by this
325 subsection.

104.1092. 1. In lieu of retirement annuity benefits
2 otherwise payable under the closed plan or year 2000 plan,
3 any member who has terminated employment, is entitled to a
4 deferred annuity, and has not yet reached normal retirement
5 age or eligibility may make a one-time election to receive a
6 lump sum payment equal to a percentage of the present value
7 of such member's deferred annuity should a board choose to
8 establish such a program by board rule pursuant to section
9 104.1063.

10 2. Any such election under subsection 1 of this
11 section may be made by the member beginning on [a date as
12 established by the board under such program but not] **or**
13 after [May 31, 2018. After May 31, 2018, no such election
14 shall be made and retirement annuity benefits shall only be
15 paid as otherwise provided by law under this chapter]
16 **January 1, 2027.**

17 3. Any such member making such election under
18 subsection 1 of this section shall forfeit all such member's
19 creditable or credited service and future rights to receive
20 retirement annuity benefits from the system under this
21 chapter and shall not be eligible to receive any long-term
22 disability benefits. If such member subsequently becomes an
23 employee, such member shall be considered a new employee
24 with no prior credited service and shall be subject to the
25 provisions of section 104.1091.

105.695. 1. No contribution or expenditure of system
2 funds shall be made directly by any public pension system to
3 advocate, support, or oppose the passage or defeat of any
4 ballot measure or the nomination or election of any
5 candidate for public office. Nor shall any system funds pay
6 any debts or obligations of any committee supporting or
7 opposing such ballot measures or candidates.

8 2. Nothing in this section shall prohibit retirement
9 systems and their employees from educating and informing
10 members and the public about potential impacts to the system
11 through regular system programs, processes, and job duties.

12 3. For the purposes of this section, the term "system"
13 shall be defined as any retirement system established by the
14 state of Missouri or any political subdivision or
15 instrumentality of the state for the purpose of providing
16 plan benefits for elected or appointed public officials or
17 employees of the state of Missouri or any political
18 subdivision or instrumentality of the state.

169.450. 1. The general administration and
2 responsibility for the proper operation of the retirement
3 system and for making effective the provisions of sections
4 169.410 to 169.540 are hereby vested in a board of trustees
5 of thirteen persons, as follows:

6 (1) Four trustees to be appointed for terms of four
7 years by the board of education; provided, however, that
8 their terms shall be fixed so the terms of one of the
9 trustees so appointed shall expire each year. The members
10 of such board of trustees appointed by the board of
11 education may be members of the board of education or other
12 individuals deemed qualified to hold such positions by the
13 board of education;

14 (2) Four trustees to be elected for terms of four
15 years by and from the active members of the retirement
16 system who shall hold office as trustees only while active
17 members; provided, however, that their terms shall be fixed
18 so that the terms of one of the trustees so elected shall
19 expire each year; and provided further, that not more than
20 two of such persons shall be teachers and two shall be
21 nonteachers. For the purposes of this subsection, a school
22 administrator shall not be eligible for the positions
23 established pursuant to this subdivision and shall be
24 eligible for the position established pursuant to
25 subdivision (4) of this subsection;

26 (3) Two trustees, who shall be retired members, to be
27 elected for terms of four years by and from the retired
28 members of the retirement system; provided, however, that
29 the terms of office of the first two trustees so elected
30 shall begin immediately upon their election and shall expire
31 two and four years from the date of their election,
32 respectively; and provided further, that not more than one
33 of such persons shall be a teacher and one shall be a
34 nonteacher;

35 (4) One member, who shall be a school administrator,
36 to be elected for a term of four years by and from the
37 active members of the retirement system who shall hold
38 office as a trustee only while an active member; except
39 that, the initial term of office of such trustee shall
40 expire on December 31, 1999;

41 (5) Two trustees to be appointed for terms of four
42 years by the Missouri Charter Public School Association;
43 provided, however, that the terms of office of the first two
44 trustees so elected shall begin immediately upon their
45 election and shall expire two and four years from the date

46 of their election, respectively. The members of such board
47 of trustees appointed by the Missouri Charter Public School
48 Association shall have experience or qualifications relevant
49 to public charter schools and the retirement system, and at
50 least one such member shall be a teacher. The appointment
51 of the trustees shall be subject to the same rules and
52 regulations applicable to other trustees, including, but not
53 limited to, taking an oath of office as provided in
54 subsection 5 of this section.

55 2. If a vacancy occurs in the office of trustee, the
56 vacancy shall be filled for the unexpired term in the same
57 manner as the office was previously filled. No vacancy or
58 vacancies on the board of trustees shall impair the power of
59 the remaining trustees to administer the retirement system
60 pending the filling of such vacancies.

61 3. In the event of a lapse of a school district's
62 corporate organization as described in subsections 1 and 4
63 of section 162.081, or for any other reason, the general
64 administration and the responsibility for the proper
65 operation of the retirement system shall continue to be
66 fully vested in the trustees then currently serving and such
67 trustees shall continue to serve and be elected in the same
68 manner as set forth in this statute as if no lapse had
69 occurred, except that in the event of vacancies occurring in
70 the office of trustees appointed by the board of education
71 prior to the lapse, the board of trustees shall appoint a
72 qualified person or persons to fill such vacancy or
73 vacancies for terms of up to four years.

74 4. Trustees shall serve without compensation, and any
75 trustee shall be reimbursed from the expense fund for all
76 necessary expenses which the trustee may incur through
77 service on the board of trustees.

78 5. Each trustee shall, within ten days after such
79 trustee's appointment or election, take an oath of office
80 before the clerk of the circuit court of the judicial
81 circuit in which the school district is located that, so far
82 as it devolves upon the trustee, the trustee will diligently
83 and honestly administer the affairs of the board of trustees
84 and that the trustee will not knowingly violate or willingly
85 permit to be violated any of the provisions of the law
86 applicable to the retirement system. Such oath shall be
87 subscribed to by the trustee making it and filed in the
88 office of the clerk of the circuit court.

89 6. The circuit court of the judicial circuit in which
90 the school district is located shall have jurisdiction over
91 the members of the board of trustees to require them to
92 account for their official conduct in the management and
93 disposition of the funds and property committed to their
94 charge; to order, decree and compel payment by them to the
95 public school retirement system of their school district of
96 all sums of money, and of the value of all property which
97 may have been improperly retained by them, or transferred to
98 others, or which may have been lost or wasted by any
99 violation of their duties or abuse of their powers as such
100 members of such board; to remove any such member upon proof
101 that the trustee has abused the trustee's trust or has
102 violated the duties of the trustee's office; to restrain and
103 prevent any alienation or disposition of property of such
104 public school retirement system by the members, in cases
105 where it may be threatened, or there is good reason to
106 apprehend that it is intended to be made in fraud of the
107 rights and interests of such public school retirement
108 system. The jurisdiction conferred by sections 169.410 to
109 169.540 shall be exercised as in ordinary cases upon

110 petition, filed by the board of education of such school
111 district, or by any two members of the board of trustees.
112 Such petition shall be heard in a summary manner after ten
113 days' notice in writing to the member complained of, and an
114 appeal shall lie from the judgment of the circuit court as
115 in other causes and be speedily determined, but such appeal
116 shall not operate under any condition as a supersedeas of a
117 judgment of removal from office.

118 7. Each trustee shall be entitled to one vote in the
119 board of trustees. [Six votes shall be necessary for a
120 decision by the trustees at any meeting of the board of
121 trustees.] **Seven members of the board of trustees shall**
122 **constitute a quorum for the transaction of business at any**
123 **meeting of the board of trustees. Notwithstanding the**
124 **foregoing, no action or decision of the board of trustees**
125 **shall be effective unless approved by the affirmative vote**
126 **of at least seven members of the board of trustees.**

127 8. Subject to the limitations of sections 169.410 to
128 169.540, the board of trustees shall, from time to time,
129 establish rules and regulations for the administration of
130 the retirement system, for eligibility for and determination
131 of benefits under the retirement system, for the investment
132 of retirement system assets, and for the transaction of the
133 retirement system's business.

134 9. The board of trustees shall elect from its
135 membership a chairman and shall, by majority vote of its
136 members, appoint a secretary, who may be, but need not be,
137 one of its members. It shall engage such actuarial and
138 other services as shall be required to transact the business
139 of the retirement system. It shall also engage an
140 investment counselor who shall be experienced in the
141 investment of moneys to advise the trustees on investments

142 of the retirement system. The compensation of all persons
143 engaged by the board of trustees and all other expenses of
144 the board necessary for the operation of the retirement
145 system shall be paid at such rates and in such amounts as
146 the board of trustees shall approve.

147 10. The board of trustees shall keep in convenient
148 form such data as shall be necessary for actuarial
149 valuations of the assets of the retirement system and for
150 checking the experience of the system.

151 11. The board of trustees shall keep a record of all
152 its proceedings which shall be open to public inspection.
153 It shall prepare annually and send to the board of education
154 and to each member of the retirement system a report showing
155 the fiscal transactions of the retirement system for the
156 preceding fiscal year, a detailed listing of all salaries
157 and expenditures incurred by the trustees for its operation,
158 the amount of the accumulated cash and securities of the
159 system, and the last balance sheet showing the financial
160 condition of the system by means of an actuarial valuation
161 of the assets and liabilities of the retirement system. The
162 board of trustees shall also prepare or cause to be prepared
163 an annual report concerning the operation of the retirement
164 system herein provided for, which report shall be sent by
165 the chairman of the board of trustees to the board of
166 education.

167 12. The board of trustees shall arrange for necessary
168 legal advice for the operation of the retirement system.

169 13. The board of trustees shall designate a medical
170 board to be composed of three physicians, none of whom shall
171 be eligible for benefits pursuant to sections 169.410 to
172 169.540, who shall arrange for and pass upon all medical
173 examinations required pursuant to the provisions of sections

174 169.410 to 169.540, shall investigate all essential
175 statements and certificates made by or on behalf of a member
176 in connection with an application for disability retirement
177 and shall report in writing to the board of trustees its
178 conclusions and recommendations upon all matters referred to
179 it.

180 14. The actuary shall be the technical adviser of the
181 board of trustees on matters regarding the operation of the
182 system created by sections 169.410 to 169.540 and shall
183 perform such other duties as are required in connection
184 therewith. Such person shall be qualified as an actuary by
185 membership as a fellow in the Society of Actuaries or by
186 objective standards which are no less stringent than those
187 established by the Society of Actuaries.

188 15. At least once in each five-year period the actuary
189 shall make an investigation into the actuarial experience of
190 the retirement system, and taking into account the results
191 of such investigation of the experience, the board of
192 trustees shall adopt for the retirement system such
193 actuarial assumptions as shall be deemed necessary.

194 16. On the basis of such actuarial assumptions as the
195 board of trustees shall adopt, the actuary shall make an
196 annual valuation of the assets and liabilities of the funds
197 of the retirement system.

198 17. On the basis of the valuation the board of
199 trustees shall certify the rates of contribution payable by
200 the board of education.

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