

SECOND REGULAR SESSION

SENATE BILL NO. 926

89TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS SINGLETON, WESTFALL AND CHILDERS.

Read 1st time February 18, 1998, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S1890.02I

AN ACT

To repeal section 169.056, as both versions appear in RSMo Supp. 1997, relating to public school retirement, and to enact in lieu thereof one new section relating to the same subject.

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

Section A. Section 169.056, as both versions appear in RSMo Supp. 1997, is repealed and one new section enacted in lieu thereof, to be known as section 169.056, to read as follows:

[169.056. 1. As used in this section, the term "private school" means a school which is not a part of the public school system of this state and which charges tuition for the rendering of elementary and secondary educational services.

2. A member having membership service in the retirement system provided by sections 169.010 to 169.141, after the member was employed by a private school on a full-time basis and duly certified under the law governing the certification of teachers during all of such employment, may elect to purchase membership credit for service rendered to the private school, but not to exceed three years. The purchase allowed by this section shall be effected by the member paying to the retirement system with interest an amount based on the annual salary rate of the member's initial employment after private school employment in the public school district under the system in which credit is being purchased and the contribution rate in effect in that system at the date of the election to purchase credit. Such payments shall include any payments that would have been made by the employer of the member during the period for which creditable service is being purchased, for each year of creditable service being purchased, plus interest at the rates fixed by the board of trustees. The purchase allowed by this section shall be effected before

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

retirement of the member, and may be paid in installments over a period not to exceed five years. The purchase allowed by this section shall be subject to all rules and regulations of the board of trustees.]

169.056. 1. Members who have accrued at least one year of membership service credit for employment in a position covered by this system may purchase membership service credit under the circumstances, terms and conditions provided in this section. With respect to each such purchase authorized by this section the following provisions apply:

(1) The purchase shall be effected by the member paying to the retirement system with interest, the amount the member would have contributed and the amount the employer would have contributed had such member been an employee for the number of years for which the member is electing to purchase credit, and had the member's compensation during such period been the same as the annual salary rate at which the member is first employed in a position qualifying for membership in the retirement system after the period being purchased. For purposes of this section, "annual salary rate" means the annual salary rate for full-time service for the position of employment. The contribution rate used in determining the amount to be paid shall be the contribution rate in effect on the date of election to purchase credit. The interest rate used in determining the amount to be paid shall be the actuarially assumed rate of return on invested funds of the system in effect at the date of election to purchase credit;

(2) Payment shall be made over a period not longer than the period of membership service credit being purchased, measured from the date of election, and with interest on the unpaid balance;

(3) Membership service credit purchased pursuant to this section shall be deemed to be membership service in Missouri for purposes of subsection 7 of section 169.070;

(4) An election to purchase membership service credit pursuant to this section and payment for the purchase shall be completed prior to retirement;

(5) Members may purchase membership service credit in increments of one-tenth of a year, and multiple elections to purchase may be made;

(6) Additional terms and conditions applicable to purchase made pursuant to this section including, but not limited to, minimum payments, payment schedules and provisions applicable when a member fails to complete payment may be set by rules of the board.

2. Membership service credit shall not be allowed pursuant to this section which exceeds in length the member's membership service credit for employment in a position covered by this system, and in no event may the member receive membership service credit with both this system and another public retirement plan, as defined in section 105.660, RSMo, for the same service.

3. A member who has rendered service for at least twenty hours per week as a teacher outside of this state including service in a public university or who has rendered service in the University of Missouri or Lincoln University after July 1, 1946, may elect prior to retirement to

purchase equivalent membership service credit but not in excess of ten years. An affidavit shall be required stipulating that the member is not presently receiving compensation from another teacher retirement system and will not receive credit in another system for the creditable time purchased.

4. (1) A member who enters the service of the armed forces of the United States of America who is an employee in a district included in the system at the time such member is inducted, enlisted or called to active duty, and who without voluntary reenlistment becomes an employee in a district within one year after discharge from such service shall not be subject to the provisions of subsection 4 of section 169.050 with regard to termination of membership due to the period of actual service in the armed forces of the United States. Such a member may elect prior to retirement to purchase membership service credit for the entire period of service in the armed forces of the United States, but not to exceed five years. The purchase may be made only if the member was discharged or separated from the armed forces by other than a dishonorable discharge.

(2) A member who had served in the armed forces of the United States prior to becoming a member, and who becomes employed in a position qualifying for membership in the retirement system within five years after such member's discharge under honorable conditions may elect, prior to retirement, to purchase membership service for the entire period of service in the armed forces, but not to exceed five years.

5. Any member granted unpaid maternity or paternity leave for a period, from a position covered by the retirement system, who returned to employment in such a position, may elect prior to retirement to purchase membership service credit for the period of leave. No member may purchase more than four years of membership service credit pursuant to this subsection.

6. Any member who is or was certified as a vocational-technical teacher on the basis of having a college degree [and] **or** who was required to have a period of work experience of at least two years in the area of the subject being taught in order to qualify for such certification may, upon written application to the board, purchase equivalent membership service credit for such work experience which shall not exceed the two years necessary for certification if the work experience was in the area that the member taught or is teaching and was completed in two years.

7. Any member who had membership service credit with the nonteacher school employee retirement system of Missouri governed by sections 169.600 to 169.715 as a certificated employee under the law governing the certification of teachers but which membership service credit was forfeited by withdrawal or refund, may elect, prior to retirement, to purchase credit for such service and receive pro rata credit not to exceed a total of ten years in this system for the service.

8. A member may elect to purchase membership service credit for service rendered while on leave from an employer, as defined in section 169.010, for a not for profit corporation or agency whose primary purpose is support of education or education research, not to exceed two years if

the member was employed by that organization to serve twenty or more hours per week; provided the member has returned to service for at least one year as an employee of the employer that granted the leave.

9. A member having membership service credit in the retirement system provided by sections 169.010 to 169.141, after the member was employed by a private school for at least twenty hours per week and duly certified under the law governing the certification of teachers during all of such employment, may elect to purchase membership service credit for service rendered to the private school, but not to exceed three years. As used in this subsection, the term "private school" means a school which is not a part of the public school system of this state and which charges tuition for the rendering of elementary and secondary education services.

10. A member who was employed by a district as a certificated employee under the law governing the certification of teachers for at least twenty hours per week on a regular basis but less than full time may elect to purchase credit for such service on a pro rata basis, not to exceed ten years.

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