

SECOND REGULAR SESSION

SENATE BILL NO. 962

89TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR DePASCO,

Read 1st time February 25, 1998, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

S3989.011

AN ACT

To repeal section 86.672, RSMo Supp. 1997, relating to certain police retirement systems, 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Section A. Section 86.672, RSMo Supp. 1997, is repealed and one new section enacted in lieu thereof, to be known as section 86.672, to read as follows:

86.672. 1. Any member who retires after August 28, 1996, and who is entitled to a pension under sections 86.600 to 86.790, shall receive each month, in addition to such member's base pension and any other benefits provided in sections 86.600 to 86.790, a supplemental retirement health insurance benefit in the amount of fifty dollars per month. Any person who receives such a supplemental retirement health insurance benefit may also receive not more frequently than annually, in addition to a base pension as may be adjusted pursuant to section 86.675 and in addition to such supplemental retirement benefit, a cost-of-living adjustment to the supplemental retirement health insurance benefit in monthly adjustment increments to be determined by the retirement board.

2. Any member who retired after August 28, 1995, and on or before August 28, 1996, and who met the requirements of subsection 7 of this section on the date of such member's retirement, shall receive each month, in addition to such member's base pension and any other benefits provided in sections 86.600 to 86.790, a supplemental retirement health insurance benefit in the amount of fifty dollars per month payable until the member attains the age of sixty-five years. Any person who receives such a supplemental retirement health insurance benefit may also receive not more frequently than annually, in addition to a base pension as may be adjusted

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

pursuant to section 86.675, and in addition to such supplemental retirement health insurance benefit, a cost-of-living adjustment to the supplemental retirement health insurance benefit in monthly adjustment increments to be determined by the retirement board.

3. Any member who retired after August 28, 1992, and on or before August 28, 1995, and who met the requirements of subsection 7 of this section on the date of such member's retirement, shall receive each month, in addition to the member's base pension and any other benefits provided in sections 86.600 to 86.790, a supplemental retirement health insurance benefit in the amount of fifty dollars per month payable until the member attains the age of sixty-five years. Any member who was retired after August 28, 1992, and on or before August 28, 1995, and who receives a supplemental retirement health insurance benefit, shall upon application to the retirement board, be made, constituted, appointed and employed by the retirement board as a special consultant on the problems of retirement, aging and other matters, until the member attains the age of sixty-five years, and upon request of the retirement board shall give opinions and be available to give opinions in writing or orally, in response to such requests, as may be required. For such services the member shall be compensated monthly, in addition to a base pension as may be adjusted pursuant to section 86.675, and in addition to the supplemental retirement health insurance benefit set out in this subsection, by a cost-of-living adjustment to the supplemental retirement health insurance benefit payable in monthly adjustment increments to be determined by the retirement board.

4. Any member who retired on or before August 28, [1996] **1998**, who at the time of such retirement was entitled to a pension under sections 86.600 to 86.790 and who either was not eligible for any supplemental retirement health insurance benefits or was eligible for and began receiving supplemental retirement health insurance benefits but ceased eligibility by attaining age sixty-five, shall upon application to the retirement board, be made, constituted, appointed and employed by the retirement board as a special consultant on the problems [of retirement board as a special consultant on the problems] of retirement, aging and other matters, and upon request of the retirement board shall give opinions and be available to give opinions in writing or orally in response to such requests, as may be required. For such services the member shall, beginning the later of August 28, [1996] **1998**, or the time of such appointment under this subsection, be compensated monthly, in addition to a base pension as may be adjusted pursuant to section 86.675, by a supplemental retirement health insurance benefit in the amount of fifty dollars per month, for assistance in meeting hospitalization and medical care costs or other expenses, and by a cost-of-living adjustment to the supplemental retirement health insurance benefit, in monthly adjustment increments to be determined by the retirement board.

5. The determination of cost-of-living adjustments under this section shall be based on advice of the plan's actuary that the increase in the benefit will not cause the present value of anticipated future plan benefits calculated on the actuarial assumptions used for the last annual

valuation to exceed the sum of the retirement system assets plus the present value of anticipated contributions to the retirement system. The determination of whether an adjustment will satisfy said actuarial standard shall be made at the time an increase is granted. If at any time the retirement system shall cease to satisfy such standard, all benefit payments shall continue as adjusted by increases theretofore granted. A member of the retirement board shall have no personal liability for granting increases under this section if that retirement board member in good faith relied and acted upon advice of a qualified actuary that the retirement system would satisfy such standard at the time an adjustment is made. In determining and granting cost-of-living adjustments under this section, the retirement board shall adopt such rules and regulations as may be necessary to effectuate the purposes of this section, including provisions for the manner of computation of such adjustments and the effective dates thereof. The retirement board shall provide for such adjustments to be determined once each year and granted on a date or dates to be chosen by the board and may apply such adjustments in full to members who have retired during the year prior to such adjustments but who have not been retired for one full year.

6. Any member's employment as a special consultant under subsection 3 or 4 of this section shall in no way affect such member's eligibility for retirement benefits under the provisions of sections 86.600 to 86.790, or in any way have the effect of reducing retirement benefits otherwise payable to such member.

7. Members entitled to the benefits provided in subsections 2 and 3 of this section are those members who:

- (1) Are under the age of sixty-five years; and
- (2) (a) Have at least twenty-five years of creditable service; or
- (b) Have a total of age and years of creditable service which equals or exceeds eighty; or
- (c) Meet the eligibility requirements for a duty disability pension under the provisions of section 86.670.

8. For purposes of this section, the term member shall include a surviving spouse who is entitled to a pension under sections 86.600 to 86.790. In determining which subsection or subsections are applicable in a given instance, the surviving spouse shall be deemed to have retired on the date of retirement of the member of whom such person is the surviving spouse or on the date of death of such member if such member died prior to retirement. Any such surviving spouse of a member who dies while entitled to payments under this section shall succeed to the full amount of payment under this section to which such member was entitled at the time of such member's death, including any cost-of-living adjustments received by such member in the payment hereunder prior to such member's death.