

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1999
100TH GENERAL ASSEMBLY

4672H.02C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 104.020, 104.035, 104.090, 104.130, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, RSMo, and to enact in lieu thereof twenty-three new sections relating to retirement systems.

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

Section A. Sections 104.020, 104.035, 104.090, 104.130, 104.170, 104.200, 104.312, 2 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 3 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, RSMo, 4 are repealed and twenty-three new sections enacted in lieu thereof, to be known as sections 5 104.020, 104.035, 104.090, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 6 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 7 104.1072, 104.1084, 104.1091, and 476.521, to read as follows:

104.020. There is hereby created the "Missouri Department of Transportation and 2 Highway Patrol Employees' Retirement System", which shall be a body corporate and an 3 instrumentality of the state. In such system shall be vested the powers and duties specified in 4 sections 104.010 to [~~104.270~~] **104.312** and such other powers as may be necessary or proper to 5 enable it, its officers, employees, and agents to carry out fully and effectively all the purposes of 6 sections 104.010 to [~~104.270~~] **104.312**.

104.035. 1. Any member whose employment terminated prior to August 13, 1976, and 2 who had served twenty years or more as an employee shall be entitled to a deferred normal 3 annuity based on his creditable service, average compensation, and the act in effect at the time 4 his employment was terminated.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

5 2. Any member whose employment terminates on or after August 13, 1976, and prior
6 to June 1, 1981, and who had served fifteen or more years' creditable service as an employee or
7 had served ten or more years of creditable service as an employee and was at least thirty-five
8 years of age at the date of termination of employment shall be entitled to a deferred normal
9 annuity based on his creditable service, average compensation, and the act in effect at the time
10 his employment was terminated.

11 3. Any member whose employment terminates on or after June 1, 1981, and who has ten
12 or more years of creditable service at the date of termination of employment shall be entitled to
13 a deferred normal annuity based on the member's creditable service, average compensation and
14 the act in effect at the time the member's employment is terminated.

15 4. Any member entitled to a deferred normal annuity as provided in subsection 1, 2, 3
16 or 5 of this section who reenters the service of a department and again becomes a member of the
17 system [~~and thereafter serves for one continuous year~~] shall have his prior period of service
18 restored, so that benefits determined by reason of his retirement or subsequent withdrawal from
19 service will include the sum of all periods of creditable service, and his annuity shall be based
20 on his creditable service, average compensation, and the act in effect at the time of his retirement
21 or subsequent withdrawal from service.

22 5. Notwithstanding any other law to the contrary, any member of the transportation
23 department and highway patrol retirement system whose employment terminated on or after
24 September 28, 1992, who has five or more years of vesting service as an employee at the date
25 of termination of employment shall be entitled to a deferred normal annuity based on the
26 member's creditable service, average compensation, and the act in effect at the time the member's
27 employment was terminated.

104.090. 1. The normal annuity of a member shall equal one and six-tenths percent of
2 the average compensation of the member multiplied by the number of years of creditable service
3 of such member. In addition, the normal annuity of a uniformed member of the patrol shall be
4 increased by thirty-three and one-third percent.

5 2. In addition, a uniformed member of the highway patrol who is retiring with a normal
6 annuity after attaining normal retirement age shall receive an additional sum of ninety dollars per
7 month as a contribution by the system until such member attains the age of sixty-five years, when
8 such contribution shall cease. To qualify for the contribution provided in this subsection by the
9 system, the retired uniformed member of the highway patrol is made, constituted, appointed and
10 employed by the board as a special consultant on the problems of retirement, aging and other
11 state matters. Such additional contribution shall be reduced each month by such amount earned
12 by the retired uniformed member of the highway patrol in gainful employment. In order to

13 qualify for the additional contribution provided in this subsection, the retired uniformed member
14 of the highway patrol shall have been:

15 (1) Hired by the Missouri state highway patrol prior to January 1, 1995; and

16 (2) Employed by the Missouri state highway patrol or receiving long-term disability or
17 work-related disability benefits on the day before the effective date of the member's retirement.

18 3. In lieu of the annuity payable to the member pursuant to section 104.100, a member
19 whose age at retirement is forty-eight or more may elect in the member's application for
20 retirement to receive one of the following:

21

22 Option 1.

23

24 An actuarial reduction approved by the board of the member's annuity in reduced monthly
25 payments for life during retirement with the provision that upon the member's death the reduced
26 annuity at date of death shall be continued throughout the life of, and be paid to, the member's
27 spouse; or

28

29 Option 2.

30

31 The member's normal annuity in regular monthly payments for life during retirement with
32 the provision that upon the member's death a survivor's benefit equal to one-half the member's
33 normal annuity at date of death shall be paid to the member's spouse in regular monthly
34 payments for life; or

35

36 Option 3.

37

38 An actuarial reduction approved by the board of the member's normal annuity in reduced
39 monthly payments for the member's life with the provision that if the member dies prior to the
40 member's having received one hundred twenty monthly payments of the member's reduced
41 annuity, the member's reduced allowance to which the member would have been entitled had the
42 member lived shall be paid for the remainder of the one hundred twenty-month period to such
43 beneficiary as the member shall have nominated by written designation duly executed and filed
44 with the board. If there is no beneficiary surviving the retiree, the reserve for such allowance for
45 the remainder of such one hundred twenty-month period shall be paid to the retiree's estate; or

46

47 Option 4.

48

49 An actuarial reduction approved by the board of the member's normal annuity in reduced
50 monthly payments for the member's life with the provision that if the member dies prior to the
51 member having received sixty monthly payments of the member's reduced annuity, the member's
52 reduced allowance to which the member would have been entitled had the member lived shall
53 be paid for the remainder of the sixty-month period to such beneficiary as the member shall have
54 nominated by written designation duly executed and filed with the board. If there is no
55 beneficiary surviving the retiree, the reserve for such allowance for the remainder of such
56 sixty-month period shall be paid to the retiree's estate.

57 4. The election may be made only in the application for retirement, and such application
58 shall be filed at least thirty days but not more than ninety days prior to the date on which the
59 retirement of the member is to be effective, provided that if either the member or the spouse
60 nominated to receive the survivorship payment dies before the effective date of retirement, the
61 election shall not be effective. If after the reduced annuity commences, the spouse predeceases
62 the retired member, the reduced annuity continues to the retired member during the member's
63 lifetime.

64 5. Effective July 1, 2000, a member may make an election under option 1 or 2 after the
65 date retirement benefits are initiated if the member makes the election within one year from the
66 date of marriage or July 1, 2000, whichever is later, under any of the following circumstances:

67 (1) The member elected to receive a normal annuity and was not eligible to elect option
68 1 or 2 on the date retirement benefits were initiated; or

69 (2) The member's annuity reverted to a normal annuity pursuant to ~~[subsection]~~
70 **subsections 7 and 8** of section 104.103 and the member remarried; or

71 (3) The member elected option 1 or 2 but the member's spouse at the time of retirement
72 has died and the member has remarried.

73 6. Any person who terminates employment or retires prior to July 1, 2000, shall be made,
74 constituted, appointed and employed by the board as a special consultant on the problems of
75 retirement, aging and other state matters, and for such services shall be eligible to elect to receive
76 the benefits described in subsection 5 of this section.

77 7. For retirement applications filed on or after August 28, 2004, the beneficiary for either
78 option 1 or option 2 of subsection 3 of this section shall be the member's spouse at the time of
79 retirement. If the member's marriage ends after retirement as a result of a dissolution of
80 marriage, such dissolution shall not affect the option election and the former spouse shall
81 continue to be eligible to receive survivor benefits upon death of the member.

82 8. Any application for retirement shall only become effective on the first day of the
83 month.

104.170. 1. The board shall elect [~~by secret ballot~~] one member as chair and one
2 member as vice chair at the first board meeting of each year. The chair may not serve more than
3 two consecutive terms beginning after August 13, 1988. The chair shall preside over meetings
4 of the board and perform such other duties as may be required by action of the board. The vice
5 chair shall perform the duties of the chair in the absence of the latter or upon the chair's inability
6 or refusal to act.

7 2. The board shall appoint a full-time executive director, who shall not be compensated
8 for any other duties under the state highways and transportation commission. The executive
9 director shall have charge of the offices and records and shall hire such employees that the
10 executive director deems necessary subject to the direction of the board. The executive director
11 and all other employees of the system shall be members of the system and the board shall make
12 contributions to provide the insurance benefits available pursuant to section 104.270 on the same
13 basis as provided for other state employees pursuant to the provisions of section 104.515, and
14 also shall make contributions to provide the retirement benefits on the same basis as provided
15 for other employees pursuant to the provisions of sections 104.090 to 104.260. The executive
16 director is authorized to execute all documents including contracts necessary to carry out any and
17 all actions of the board.

18 3. Any summons or other writ issued by the courts of the state shall be served upon the
19 executive director or, in the executive director's absence, on the assistant director.

104.200. Should any error in any records result in any [~~member's~~] **member** or
2 [~~beneficiary's~~] **beneficiary** receiving more or less than he **or she** would have been entitled to
3 receive had the records been correct, the board shall correct such error, and, as far as practicable,
4 make future payments in such a manner that the actuarial equivalent of the benefit to which such
5 member or beneficiary was entitled shall be paid, and to this end may recover any overpayments.
6 In all cases in which such error has been made, no such error shall be corrected unless the system
7 discovers or is notified of such error within ten years after the **member's annuity starting date**
8 **or the [~~initial~~] date of error, whichever occurs later. In cases of fraud, any error discovered**
9 **shall be corrected without concern to the amount of time that has passed.**

104.312. 1. The provisions of subsection 2 of section 104.250, subsection 2 of section
2 104.540, subsection 2 of section 287.820, and section 476.688 to the contrary notwithstanding,
3 any pension, annuity, benefit, right, or retirement allowance provided pursuant to this chapter,
4 chapter 287, or chapter 476 is marital property and after August 28, 1994, a court of competent
5 jurisdiction may divide the pension, annuity, benefits, rights, and retirement allowance provided
6 pursuant to this chapter, chapter 287, or chapter 476 between the parties to any action for
7 dissolution of marriage. A division of benefits order issued pursuant to this section:

8 (1) Shall not require the applicable retirement system to provide any form or type of
9 annuity or retirement plan not selected by the member and not normally made available by that
10 system;

11 (2) Shall not require the applicable retirement system to commence payments until the
12 member submits a valid application for an annuity and the annuity becomes payable in
13 accordance with the application;

14 (3) Shall identify the monthly amount to be paid to the alternate payee, which shall be
15 expressed as a percentage and which shall not exceed fifty percent of the amount of the member's
16 annuity accrued during all or part of the time while the member and alternate payee were
17 married, **excluding service accrued under section 104.601**; and which shall be based on the
18 member's vested annuity on the date of the dissolution of marriage or an earlier date as specified
19 in the order, which amount shall be adjusted proportionately if the member's annuity is reduced
20 due to early retirement or the member's annuity is reduced pursuant to section 104.395 under an
21 annuity option in which the member named the alternate payee as beneficiary prior to the
22 dissolution of marriage or pursuant to section 104.090 under an annuity option in which the
23 member on or after August 28, 2007, named the alternative payee as beneficiary prior to the
24 dissolution of marriage, and the percentage established shall be applied to the pro rata portion
25 of any lump sum distribution pursuant to subsection 6 of section 104.335, accrued during the
26 time while the member and alternate payee were married;

27 (4) Shall not require the payment of an annuity amount to the member and alternate
28 payee which in total exceeds the amount which the member would have received without regard
29 to the order;

30 (5) Shall provide that any benefit formula increases, additional years of service,
31 increased average compensation or other type of increases accrued after the date of the
32 dissolution of marriage shall accrue solely to the benefit of the member; except that on or after
33 September 1, 2001, any annual benefit increase **paid after the member's annuity starting date**
34 shall not be considered to be an increase accrued after the date of termination of marriage and
35 shall be part of the monthly amount subject to division pursuant to any order issued after
36 September 1, 2001;

37 (6) Shall terminate upon the death of either the member or the alternate payee, whichever
38 occurs first;

39 (7) Shall not create an interest which is assignable or subject to any legal process;

40 (8) Shall include the name, address, and date of birth of both the member and the
41 alternate payee, and the identity of the retirement system to which it applies;

42 (9) Shall be consistent with any other division of benefits orders which are applicable
43 to the same member;

44 (10) Shall not require the applicable retirement system to continue payments to the
45 alternate payee if the member's retirement benefit is suspended or waived as provided by this
46 chapter but such payments shall resume when the retiree begins to receive retirement benefits
47 in the future.

48 2. A system established by this chapter shall provide the court having jurisdiction of a
49 dissolution of marriage proceeding or the parties to the proceeding with information necessary
50 to issue a division of benefits order concerning a member of the system, upon written request
51 from either the court, the member or the member's spouse, which cites this section and identifies
52 the case number and parties.

53 3. A system established by this chapter shall have the discretionary authority to reject a
54 division of benefits order for the following reasons:

55 (1) The order does not clearly state the rights of the member and the alternate payee;

56 (2) The order is inconsistent with any law governing the retirement system.

57 4. The amount paid to an alternate payee under an order issued pursuant to this section
58 shall be based on the plan the member was in on the date of the dissolution of marriage; except
59 that any annual benefit increases subject to division shall be based on the actual annual benefit
60 increases received after the retirement plan election.

61 **5. The lump sum payment described in section 104.625 shall not be subject to any**
62 **division of benefits order.**

104.410. 1. Any uniformed member of the water patrol who shall be affirmatively found
2 by the board to be wholly and permanently incapable of holding any position of gainful
3 employment as a result of injuries or illness incurred in the performance of the member's duties
4 shall be entitled to receive disability benefits in an amount equal to one-half of the compensation
5 that the employee was receiving at the time of the occurrence of the injury entitling the employee
6 to such disability benefits. Any disability benefit payable pursuant to this subsection shall be
7 decreased by any amount paid to such uniformed member of the water patrol by reason of the
8 workers' compensation laws of this state. After termination of payment under workers'
9 compensation, however, any such reduction and disability benefits shall be restored.

10 2. The board of trustees may require a medical examination of any uniformed member
11 of the water patrol who is receiving disability benefits pursuant to this section at any time by a
12 designated physician, and disability benefits shall be discontinued if the board finds that such
13 member is able to perform the duties of the member's former position, or if such member refuses
14 to submit to such an examination.

15 3. The disability benefits described in this section shall not be paid to any uniformed
16 member of the water patrol who has retained or regained more than fifty percent of the member's
17 earning capacity. If any uniformed member of the water patrol who has been receiving disability

18 benefits again becomes an employee, the member's disability benefits shall be discontinued, the
19 member's prior period of creditable service shall be restored, and any subsequent determination
20 of benefits due the member or the member's survivors shall be based on the sum of the member's
21 creditable service accrued to the date the member's disability benefits commenced and the period
22 of creditable service after the member's return to employment.

23 4. Any uniformed member of the water patrol receiving benefits pursuant to the
24 provisions of this section for five or more years immediately prior to attainment of age fifty-five
25 shall be considered a normal retirant at age fifty-five, and may elect, within thirty days preceding
26 the attainment of age fifty-five, option 1 of section 104.395, but only for the member's spouse
27 who was the member's spouse for two or more years prior to the member's attainment of age
28 fifty-five.

29 5. Any member who is receiving disability benefits as of December 31, 1985, or any
30 member who is disabled on December 31, 1985, and would have been entitled to receive
31 disability benefits pursuant to this section as the provisions of this section existed immediately
32 prior to September 28, 1985, shall be eligible to receive or shall continue to receive benefits in
33 accordance with such prior provisions of this section until the member again becomes an
34 employee; however, all employees of the department of conservation who are disabled shall
35 receive benefits pursuant only to this section or section 104.518, whichever is applicable, and
36 shall not be eligible for benefits under any other plan or program purchased or provided after
37 September 28, 1985.

38 6. Any member who qualifies for disability benefits pursuant to subsection 1 of this
39 section or pursuant to the provisions of section 104.518, or under a long-term disability program
40 provided by the member's employing department as a consequence of employment by the
41 department, shall continue to accrue creditable service based on the member's rate of pay
42 immediately prior to the date the member became disabled in accordance with sections 104.370,
43 104.371, 104.374 and 104.615, until the date the member's retirement benefit goes into pay
44 status, the disability benefits cease being paid to the member, or the member is no longer
45 disabled, whichever comes first. Persons covered by the provisions of sections 476.515 to
46 476.565 or sections 287.812 to 287.855, who qualify for disability benefits pursuant to the
47 provisions of section 104.518, at the date the person becomes disabled, shall continue to accrue
48 creditable service based on the person's rate of pay immediately prior to the date the person
49 becomes disabled until the date the person's retirement benefit goes into pay status, the disability
50 benefits cease being paid to the person or the person is no longer disabled, whichever comes first.
51 Members or persons continuing to accrue creditable service pursuant to this subsection shall be
52 entitled to continue their life insurance coverage subject to the provisions of the life insurance
53 plan administered by the board pursuant to section 104.517. The rate of pay for purposes of

54 calculating retirement benefits for a member or person described in this subsection who becomes
55 disabled and retires on or after August 28, 1999, shall be the member's or person's regular
56 monthly compensation received at the time of disablement, increased thereafter for any increases
57 in the consumer price index. Such increases in the member's monthly pay shall be made annually
58 beginning twelve months after disablement and shall be equal to eighty percent of the increase
59 in the consumer price index during the calendar year prior to the adjustment, but not more than
60 five percent of the member's monthly pay immediately before the increase. Such accruals shall
61 continue until the earliest of: receipt of an early retirement annuity, attainment of normal
62 retirement eligibility or termination of disability benefits.

63 7. A member or person who continues to be disabled as provided in subsection 6 of this
64 section until the member's normal retirement age shall be eligible to retire on the first day of the
65 month next following the member's or person's final payment pursuant to section 104.518 or, if
66 applicable, subsection 1 of this section. A member or person who retires pursuant to this
67 subsection shall receive the greater of the normal annuity or the minimum annuity, if applicable,
68 determined pursuant to sections 104.370, 104.371, 104.374 and 104.615, and section 287.820,
69 and section 476.530 as if the member or person had continued in the active employ of the
70 employer until the member's or person's retirement benefit goes into pay status, the disability
71 benefits cease being paid to the member or person, or the member or person is no longer
72 disabled, whichever comes first and the member's or person's compensation for such period had
73 been the member's or person's rate of pay immediately preceding the date the member or person
74 became disabled.

75 8. If a member who has been disabled becomes an employee again and if the member
76 was disabled during the entire period of the member's absence, then the member shall resume
77 active participation as of the date of reemployment. Such a member shall receive creditable
78 service for the entire period the member was disabled as provided in subsection 6 of this section.

79 9. If a member ceases to be disabled and if the member does not return to work as
80 provided in subsection 8 of this section, the member's rights to further benefits shall be
81 determined in accordance with sections 104.335, 104.380, 104.400, 104.420 and 104.615 as
82 though the member had withdrawn from service as of the date the member ceased to be disabled,
83 as determined by the system.

84 **10. Members of the general assembly who are accruing service under subsection**
85 **6 of this section shall continue to accrue service until the earliest of attainment of normal**
86 **retirement age eligibility, termination of disability benefits, or the end of the member's**
87 **constitutionally mandated limit on service as a member of the general assembly for the**
88 **chamber in which the member was serving at the time of disablement.**

89 **11. Statewide elected officials who are accruing service under subsection 6 of this**
90 **section shall continue to accrue service until the earliest of attainment of normal retirement**
91 **age eligibility, termination of disability benefits, or the end of the statewide elected official's**
92 **constitutionally mandated limit on service as a statewide elected official for the office in**
93 **which the statewide elected official was serving at the time of disablement.**

104.436. 1. The board intends to follow a financing pattern which computes and
2 requires contribution amounts which, expressed as percents of active member payroll, will
3 remain approximately level from year to year and from one generation of citizens to the next
4 generation. Such contribution determinations require regular actuarial valuations, which shall
5 be made by the board's actuary, using assumptions and methods adopted by the board after
6 consulting with its actuary. The entry age normal cost valuation method shall be used in
7 determining **the normal cost calculation** [~~and contributions for unfunded accrued liabilities~~
8 ~~shall be determined using level percent of payroll amortization~~].

9 2. At least ninety days before each regular session of the general assembly, the board
10 shall certify to the division of budget the contribution rate necessary to cover the liabilities of the
11 plan administered by the system, including costs of administration, expected to accrue during the
12 next appropriation period. The commissioner of administration shall request appropriation of
13 the amount calculated pursuant to the provisions of this subsection. Following each pay period,
14 the commissioner of administration shall requisition and certify the payment to the executive
15 director of the Missouri state employees' retirement system. The executive director shall
16 promptly deposit the amounts certified to the credit of the Missouri state employees' retirement
17 fund.

18 3. The employers of members of the system who are not paid out of funds that have been
19 deposited in the state treasury shall remit promptly to the executive director an amount equal to
20 the amount which the state would have paid if those members had been paid entirely from state
21 funds. The executive director shall promptly deposit the amounts certified to the credit of the
22 Missouri state employees' retirement system fund.

23 4. These amounts are funds of the system, and shall not be commingled with any funds
24 in the state treasury.

104.490. 1. Should any error result in any member or beneficiary receiving more or less
2 than he or she would have been entitled to receive had the error not occurred, the board shall
3 correct such error, and, as far as practicable, make future payments in such a manner that the
4 actuarial equivalent of the benefit to which such member or beneficiary was entitled shall be
5 paid, and to this end may recover any overpayments. In all cases in which such error has been
6 made, no such error shall be corrected unless the system discovers or is notified of such error
7 within ten years after the **member's annuity starting date or the [initial] date of error,**

8 **whichever occurs later. In cases of fraud, any error discovered shall be corrected without**
9 **concern to the amount of time that has passed.**

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

13 3. The board of trustees of the Missouri state employees' retirement system shall cease
14 paying benefits to any survivor or beneficiary who is charged with the intentional killing of a
15 member without legal excuse or justification. A survivor or beneficiary who is convicted of such
16 charge shall no longer be entitled to receive benefits. If the survivor or beneficiary is not
17 convicted of such charge, the board shall resume payment of benefits and shall pay the survivor
18 or beneficiary any benefits that were suspended pending resolution of such charge.

104.515. 1. Separate accounts for medical, life insurance and disability benefits
2 provided pursuant to sections 104.517 and 104.518 shall be established as part of the fund. The
3 funds, property and return on investments of the separate account shall not be commingled with
4 any other funds, property and investment return of the system. All benefits and premiums are
5 paid solely from the separate account for medical, life insurance and disability benefits provided
6 pursuant to this section.

7 2. The state shall contribute an amount as appropriated by law and approved by the
8 governor per month for medical benefits, life insurance and long-term disability benefits as
9 provided pursuant to this section and sections 104.517 and 104.518. Such amounts shall include
10 the cost of providing life insurance benefits for each active employee who is a member of the
11 Missouri state employees' retirement system, a member of the public school retirement system
12 and who is employed by a state agency other than an institution of higher learning, a member of
13 the retirement system established by sections 287.812 to 287.855, the judicial retirement system,
14 each legislator and official holding an elective state office, members not on payroll status who
15 are receiving workers' compensation benefits, and if the state highways and transportation
16 commission so elects, those employees who are members of the state transportation department
17 employees' and highway patrol retirement system; if the state highways and transportation
18 commission so elects to join the plan, the state shall contribute an amount as appropriated by law
19 for medical benefits for those employees who are members of the transportation department
20 employees' and highway patrol retirement system; an additional amount equal to the amount
21 required, based on competitive bidding or determined actuarially, to fund the retired members'
22 death benefit or life insurance benefit, or both, provided in subsection 4 of this section and the
23 disability benefits provided in section 104.518. This amount shall be reported as a separate item
24 in the monthly certification of required contributions which the commissioner of administration
25 submits to the state treasurer and shall be deposited to the separate account for medical, life

26 insurance and disability benefits. All contributions made on behalf of members of the state
27 transportation department employees' and highway patrol retirement system shall be made from
28 highway funds. If the highways and transportation commission so elects, the spouses and
29 unemancipated children under twenty-three years of age of employees who are members of the
30 state transportation department employees' and highway patrol retirement system shall be able
31 to participate in the program of insurance benefits to cover medical expenses pursuant to the
32 provisions of subsection 3 of this section.

33 3. The board shall determine the premium amounts required for participating employees.
34 The premium amounts shall be the amount, which, together with the state's contribution, is
35 required to fund the benefits provided, taking into account necessary actuarial reserves. Separate
36 premiums shall be established for employees' benefits and a separate premium or schedule of
37 premiums shall be established for benefits for spouses and unemancipated children under
38 twenty-three years of age of participating employees. The employee's premiums for spouse and
39 children benefits shall be established to cover that portion of the cost of such benefits which is
40 not paid for by contributions by the state. All such premium amounts shall be paid to the board
41 of trustees at the time that each employee's wages or salary would normally be paid. The
42 premium amounts so remitted will be placed in the separate account for medical, life insurance
43 and disability benefits. In lieu of the availability of premium deductions, the board may establish
44 alternative methods for the collection of premium amounts.

45 4. Each special consultant eligible for life benefits employed by a board of trustees of
46 a retirement system as provided in section 104.610 who is a member of the Missouri state life
47 insurance plan or Missouri state transportation department and Missouri state highway patrol life
48 insurance plan shall, in addition to duties prescribed in section 104.610 or any other law, and
49 upon request of the board of trustees, give the board, orally or in writing, a short detailed
50 statement on life insurance and death benefit problems affecting retirees. As compensation for
51 the extra duty imposed by this subsection, any special consultant as defined above, other than
52 a special consultant entitled to a deferred normal annuity pursuant to section 104.035 or 104.335,
53 who retires on or after September 28, 1985, shall receive as a part of compensation for these
54 extra duties, a death benefit of five thousand dollars, and any special consultant who terminates
55 employment on or after August 28, 1999, after reaching normal or early retirement age and
56 becomes a retiree within ~~sixty~~ **sixty-five** days of such termination shall receive five thousand
57 dollars of life insurance coverage. In addition, each special consultant who is a member of the
58 transportation department employees' and highway patrol retirement system medical insurance
59 plan shall also provide the board, upon request of the board, orally or in writing, a short detailed
60 statement on physical, medical and health problems affecting retirees. As compensation for this
61 extra duty, each special consultant as defined above shall receive, in addition to all other

62 compensation provided by law, nine dollars, or an amount equivalent to that provided to other
63 special consultants pursuant to the provisions of section 103.115. In addition, any special
64 consultant as defined in section 287.820 or section 476.601 who terminates employment and
65 immediately retires on or after August 28, 1995, shall receive as a part of compensation for these
66 duties, a death benefit of five thousand dollars and any special consultant who terminates
67 employment on or after August 28, 1999, after reaching the age of eligibility to receive
68 retirement benefits and becomes a retiree within ~~[sixty]~~ **sixty-five** days of such termination shall
69 receive five thousand dollars of life insurance coverage.

70 5. Any former employee who is receiving disability income benefits from the Missouri
71 state employees' retirement system or the transportation department employees' and highway
72 patrol retirement system shall, upon application with the board of trustees of the Missouri
73 consolidated health care plan or the transportation department employees and highway patrol
74 medical plan, be made, constituted, appointed and employed by the respective board as a special
75 consultant on the problems of the health of disability income recipients and, upon request of the
76 board of trustees of each medical plan, give the board, orally or in writing, a short detailed
77 statement of physical, medical and health problems affecting disability income recipients. As
78 compensation for the extra duty imposed by this subsection, each such special consultant as
79 defined in this subsection may receive, in addition to all other compensation provided by law,
80 an amount contributed toward medical benefits coverage provided by the Missouri consolidated
81 health care plan or the transportation employees and highway patrol medical plan pursuant to
82 appropriations.

104.625. Effective July 1, 2002, any member retiring pursuant to the provisions of
2 sections 104.010 to 104.801, except an elected official or a member of the general assembly, who
3 has not been paid retirement benefits and continues employment for at least two years beyond
4 normal retirement age, may elect to receive an annuity and lump sum payment or payments,
5 determined as follows:

6 (1) A retroactive starting date shall be established which shall be a date selected by the
7 member; provided, however, that the retroactive starting date selected by the member shall not
8 be a date which is earlier than the date when a normal annuity would have first been payable.
9 In addition, the retroactive starting date shall not be more than five years prior to the annuity
10 starting date, which shall be the first day of the month with respect to which an amount is paid
11 as an annuity pursuant to this section. The member's selection of a retroactive starting date shall
12 be done in twelve-month increments, except this restriction shall not apply when the member
13 selects the total available time between the retroactive starting date and the annuity starting date;

14 (2) The prospective annuity payable as of the annuity starting date shall be determined
15 pursuant to the provisions otherwise applicable under the law, with the exception that it shall be

16 the amount which would have been payable had the member actually retired on the retroactive
17 starting date under the retirement plan selected by the member. Other than for the lump sum
18 payment or payments specified in subdivision (3) of this section, no other amount shall be due
19 for the period between the retroactive starting date and the annuity starting date;

20 (3) The lump sum payable shall be ninety percent of the annuity amounts which would
21 have been paid to the member from the retroactive starting date to the annuity starting date had
22 the member actually retired on the retroactive starting date and received a normal annuity. The
23 member shall ~~elect to~~ receive the lump sum amount ~~[either]~~ in its entirety at the same time as
24 the initial annuity payment is made ~~[or in three equal annual installments with the first payment~~
25 ~~made at the same time as the initial annuity payment]~~; **and**

26 (4) ~~[Any annuity payable pursuant to this section that is subject to a division of benefit~~
27 ~~order pursuant to section 104.312 shall be calculated as follows:~~

28 ~~—— (a) Any service of a member between the retroactive starting date and the annuity~~
29 ~~starting date shall not be considered creditable service except for purposes of calculating the~~
30 ~~division of benefit; and~~

31 ~~—— (b) The lump sum payment described in subdivision (3) of this section shall not be~~
32 ~~subject to any division of benefit order; and~~

33 ~~—— (5)]~~ For purposes of determining annual benefit increases payable as part of the lump
34 sum and annuity provided pursuant to this section, the retroactive starting date shall be
35 considered the member's date of retirement.

104.810. 1. Employees of the Missouri state water patrol who are earning creditable
2 service in the closed plan of the Missouri state employees' retirement system and who are
3 transferred to the division of water patrol with the Missouri state highway patrol shall elect
4 within ninety days of January 1, 2011, to either remain a member of the Missouri state
5 employees' retirement system or transfer membership and creditable service to the closed plan
6 of the Missouri department of transportation and highway patrol employees' retirement system.
7 The election shall be made in writing after the employee has received a detailed analysis
8 comparing retirement, life insurance, disability benefits, and medical benefits of a member of the
9 Missouri state employees' retirement system with the corresponding benefits provided an
10 employee of the highway patrol covered by the closed plan of the Missouri department of
11 transportation and highway patrol employees' retirement system. In electing plan membership
12 the employee shall acknowledge and agree that an election made under this subsection is
13 irrevocable, and constitutes a waiver to receive retirement, life insurance, disability benefits, and
14 medical benefits except as provided by the system elected by the employee. Furthermore, in
15 connection with the election, the employee shall be required to acknowledge that the benefits
16 provided by virtue of membership in either system, and any associated costs to the employee,

17 may be different now or in the future as a result of the election and that the employee agrees to
18 hold both systems harmless with regard to benefit differences resulting from the election. **If an
19 employee terminates employment and later returns to the same position, the employee shall
20 be a member of the system in which he or she was a member prior to termination. If the
21 employee returns to any other job, the employee shall be a member of the system that
22 currently covers that position.**

23 2. Employees of the Missouri state water patrol who are earning credited service in the
24 year 2000 plan of the Missouri state employees' retirement system and who are transferred to the
25 division of water patrol with the Missouri state highway patrol shall elect within ninety days of
26 January 1, 2011, to either remain a member of the Missouri state employees' retirement system
27 or transfer membership and creditable service to the year 2000 plan of the Missouri department
28 of transportation and highway patrol employees' retirement system. The election shall be made
29 in writing after the employee has received a detailed analysis comparing retirement, life
30 insurance, disability benefits, and medical benefits of a member of the Missouri state employees'
31 retirement system with the corresponding benefits provided an employee of the highway patrol
32 covered by the year 2000 plan of the Missouri department of transportation and highway patrol
33 employees' retirement system. In electing plan membership the employee shall acknowledge and
34 agree that an election made under this subsection is irrevocable, and constitutes a waiver to
35 receive retirement, life insurance, disability benefits, and medical benefits except as provided by
36 the system elected by the employee. Furthermore, in connection with the election, the employee
37 shall be required to acknowledge that the benefits provided by virtue of membership in either
38 system, and any associated costs to the employee, may be different now or in the future as a
39 result of the election and that the employee agrees to hold both systems harmless with regard to
40 benefit differences resulting from the election.

41 3. The Missouri state employees' retirement system shall pay to the Missouri department
42 of transportation and highway patrol employees' retirement system, by June 30, 2011, an amount
43 actuarially determined to equal the liability at the time of the transfer for any employee who
44 elects under subsection 1 or 2 of this section to transfer to the Missouri department of
45 transportation and highway patrol employees' retirement system, to the extent that liability is
46 funded as of the most recent actuarial valuation and based on the actuarial value of assets not to
47 exceed one hundred percent.

48 4. In no event shall any employee receive service credit for the same period of service
49 under more than one retirement system as a result of the provisions of this section.

50 5. The only medical coverage available for any employee who elects under subsection
51 1 or 2 of this section to transfer to the Missouri department of transportation and highway patrol
52 employees' retirement system shall be the medical coverage provided in section 104.270. The

53 effective date for commencement of medical coverage shall be July 1, 2011. However, this does
54 not preclude medical coverage for the transferred employee as a dependent under any other
55 health care plan.

56 6. Any employee who elects under subsection 1 or 2 of this section to transfer to the
57 Missouri department of transportation and highway patrol employees' retirement system and who
58 is also thereafter a uniformed member of the highway patrol shall be subject to the mandatory
59 retirement age stated in section 104.081.

104.1003. 1. Unless a different meaning is plainly required by the context, the following
2 words and phrases as used in sections 104.1003 to 104.1093 shall mean:

3 (1) "Act", the year 2000 plan created by sections 104.1003 to 104.1093;

4 (2) "Actuary", an actuary who is experienced in retirement plan financing and who is
5 either a member of the American Academy of Actuaries or an enrolled actuary under the
6 Employee Retirement Income Security Act of 1974;

7 (3) "Annuity", annual benefit amounts, paid in equal monthly installments, from funds
8 provided for in, or authorized by, sections 104.1003 to 104.1093;

9 (4) "Annuity starting date" means the first day of the first month with respect to which
10 an amount is paid as an annuity pursuant to sections 104.1003 to 104.1093;

11 (5) "Beneficiary", any persons or entities entitled to receive an annuity or other benefit
12 pursuant to sections 104.1003 to 104.1093 based upon the employment record of another person;

13 (6) "Board of trustees", "board", or "trustees", a governing body or bodies established
14 for the year 2000 plan pursuant to sections 104.1003 to 104.1093;

15 (7) "Closed plan", a benefit plan created pursuant to this chapter and administered by a
16 system prior to July 1, 2000. No person first employed on or after July 1, 2000, shall become
17 a member of the closed plan, but the closed plan shall continue to function for the benefit of
18 persons covered by and remaining in the closed plan and their beneficiaries;

19 (8) "Consumer price index", the Consumer Price Index for All Urban Consumers for the
20 United States, or its successor index, as approved by the board, as such index is defined and
21 officially reported by the United States Department of Labor, or its successor agency;

22 (9) "Credited service", the total credited service to a member's credit as provided in
23 sections 104.1003 to 104.1093; except that in no case shall more than one day of credited service
24 be credited to any member or vested former member for any one calendar day of eligible credit
25 as provided by law;

26 (10) "Department", any department or agency of the executive, legislative, or judicial
27 branch of the state of Missouri receiving state appropriations, including allocated funds from the
28 federal government but not including any body corporate or politic unless its employees are

29 eligible for retirement coverage from a system pursuant to this chapter as otherwise provided by
30 law;

31 (11) "Early retirement eligibility", a member's attainment of fifty-seven years of age and
32 the completion of at least five years of credited service;

33 (12) "Effective date", July 1, 2000;

34 (13) "Employee" shall be any person who is employed by a department and is paid a
35 salary or wage by a department in a position normally requiring the performance of duties of not
36 less than one thousand forty hours per year, provided:

37 (a) The term "employee" shall not include any patient or inmate of any state, charitable,
38 penal or correctional institution, or any person who is employed by a department in a position
39 that is covered by a state-sponsored defined benefit retirement plan not created by this chapter;

40 (b) The term "employee" shall be modified as provided by other provisions of sections
41 104.1003 to 104.1093;

42 (c) The system shall consider a person who is employed in multiple positions
43 simultaneously within a single agency to be working in a single position for purposes of
44 determining whether the person is an employee as defined in this subdivision; **and**

45 (d) ~~[Beginning September 1, 2001, the term "year" as used in this subdivision shall mean~~
46 ~~the twelve-month period beginning on the first day of employment;~~

47 ~~——(e)]~~ The term "employee" shall include any person as defined under paragraph (b) of
48 subdivision (21) of subsection 1 of section 104.010 who is first employed on or after July 1,
49 2000, but prior to August 28, 2007;

50 (14) "Employer", a department;

51 (15) "Executive director", the executive director employed by a board established
52 pursuant to the provisions of sections 104.1003 to 104.1093;

53 (16) "Final average pay", the average pay of a member for the thirty-six full consecutive
54 months of service before termination of employment when the member's pay was greatest; or if
55 the member was on workers' compensation leave of absence or a medical leave of absence due
56 to an employee illness, the amount of pay the member would have received but for such leave
57 of absence as reported and verified by the employing department; or if the member was
58 employed for less than thirty-six months, the average monthly pay of a member during the period
59 for which the member was employed. The board of each system may promulgate rules for
60 purposes of calculating final average pay and other retirement provisions to accommodate for
61 any state payroll system in which pay is received on a monthly, semimonthly, biweekly, or other
62 basis;

63 (17) "Fund", a fund of the year 2000 plan established pursuant to sections 104.1003 to
64 104.1093;

65 (18) "Investment return", or "interest", rates as shall be determined and prescribed from
66 time to time by a board;

67 (19) "Member", a person who is included in the membership of the system, as set forth
68 in section 104.1009;

69 (20) "Normal retirement eligibility", a member's attainment of at least sixty-two years
70 of age and the completion of at least five or more years of credited service or, the attainment of
71 at least forty-eight years of age with a total of years of age and years of credited service which
72 is at least eighty or, in the case of a member of the highway patrol who shall be subject to the
73 mandatory retirement provisions of section 104.080, the mandatory retirement age and
74 completion of five years of credited service or, the attainment of at least forty-eight years of age
75 with a total of years of age and years of credited service which is at least eighty;

76 (21) "Pay" shall include:

77 (a) All salary and wages payable to an employee for personal services performed for a
78 department; but excluding:

79 a. Any amounts paid after an employee's employment is terminated, unless the payment
80 is made as a final installment of salary or wages at the same rate as in effect immediately prior
81 to termination of employment in accordance with a state payroll system adopted on or after
82 January 1, 2000;

83 b. Any amounts paid upon termination of employment for unused annual leave or unused
84 sick leave;

85 c. Pay in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue
86 Code of 1986 as amended and other applicable federal laws or regulations;

87 d. Any nonrecurring single sum payments; and

88 e. Any amounts for which contributions have not been made in accordance with section
89 104.1066;

90 (b) All salary and wages which would have been payable to an employee on workers'
91 compensation leave of absence during the period the employee is receiving a weekly workers'
92 compensation benefit, as reported and verified by the employing department;

93 (c) All salary and wages which would have been payable to an employee on a medical
94 leave due to employee illness, as reported and verified by the employing department;

95 (d) For purposes of members of the general assembly, pay shall be the annual salary
96 provided to each senator and representative pursuant to section 21.140, plus any salary
97 adjustment pursuant to section 21.140;

98 (22) "Retiree", a person receiving an annuity from the year 2000 plan based upon the
99 person's employment record;

100 (23) "State", the state of Missouri;

101 (24) "System" or "retirement system", the Missouri state employees' retirement system
102 or the Missouri department of transportation and highway patrol employees' retirement system,
103 as the case may be;

104 (25) "Vested former member", a person entitled to receive a deferred annuity pursuant
105 to section 104.1036;

106 (26) "Year 2000 plan", the benefit plan created by sections 104.1003 to 104.1093.

107 2. Benefits paid under the provisions of this chapter shall not exceed the limitations of
108 Internal Revenue Code Section 415, the provisions of which are hereby incorporated by
109 reference. Notwithstanding any other law to the contrary, the board of trustees may establish a
110 benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as amended. Such plan
111 shall be created solely for the purposes described in Section 415(m)(3)(A) of the Internal
112 Revenue Code of 1986, as amended. The board of trustees may promulgate regulations
113 necessary to implement the provisions of this subsection and to create and administer such
114 benefit plan.

104.1015. 1. Persons covered by a closed plan on July 1, 2000, shall elect whether or
2 not to change to year 2000 plan coverage. Any such person who elects to be covered by the year
3 2000 plan shall forfeit all rights to receive benefits under this chapter except as provided under
4 the year 2000 plan and all creditable service of such person under the closed plan shall be
5 credited under the year 2000 plan. Any such person who elects not to be covered by the year
6 2000 plan shall waive all rights to receive benefits under the year 2000 plan. In no event shall
7 any retroactive annuity be paid to such persons pursuant to sections 104.1003 to 104.1093 except
8 as described in subsection 2 of this section. Any person who elects year 2000 plan coverage
9 under subsection 3, 4, 5, or 6 of this section shall be in the closed plan until the person's annuity
10 starting date.

11 2. Each retiree of the closed plan on July 1, 2000, shall be furnished by the appropriate
12 system a written comparison of the retiree's closed plan coverage and the retiree's potential year
13 2000 plan coverage. A retiree shall elect whether or not to change to year 2000 plan coverage
14 by making a written election, on a form furnished by the appropriate board, and providing that
15 form to the system by no later than twelve months after July 1, 2000, and any retiree who fails
16 to make such election within such time period shall be deemed to have elected to remain covered
17 under the closed plan; provided the election must be after the retiree has received from the
18 appropriate system such written comparison. The retirement option elected under the year 2000
19 plan shall be the same as the retirement option elected under the closed plan, except any retiree
20 who is receiving one of the options providing for a continuing lifetime annuity to a surviving
21 spouse under the closed plan may elect to receive an annuity under option 1 or 2 of section
22 104.1027, or a life annuity under subsection 2 of section 104.1024, provided the person who was

23 married to the member at the time of retirement, if any, consents in writing to such election made
24 pursuant to section 104.1024, or to any election described in this section if the person was
25 married to a member of the Missouri state employees' retirement system. The effective date of
26 payment of an annuity under the year 2000 plan as provided in this subsection shall begin on July
27 1, 2000. No adjustment shall be made to retirement benefits paid to the retiree prior to July 1,
28 2000. In order to calculate a new monthly annuity for retirees electing coverage under the year
29 2000 plan pursuant to this subsection, the following calculations shall be made:

30 (1) Except as otherwise provided in this subsection, the retiree's gross monthly
31 retirement annuity in effect immediately prior to July 1, 2000, shall be multiplied by the
32 percentage increase in the life annuity formula between the closed plan and the year 2000 plan.
33 This amount shall be added to the retiree's gross monthly retirement annuity in effect
34 immediately prior to July 1, 2000, to arrive at the retiree's new monthly retirement annuity in the
35 year 2000 plan on July 1, 2000. The age of eligibility and reduction factors applicable to the
36 retiree's original annuity under the closed plan shall remain the same in the annuity payable under
37 the year 2000 plan, except as provided in subdivision (2) of this subsection;

38 (2) If option 1 or 2 pursuant to section 104.1027 is chosen by the retiree under the year
39 2000 plan, the new monthly retirement annuity calculated pursuant to subdivision (1) of this
40 subsection shall be recalculated using the reduction factors for the option chosen pursuant to
41 section 104.1027;

42 (3) If a temporary annuity is payable pursuant to subsection 4 of section 104.1024 the
43 additional temporary annuity shall be calculated by multiplying the retiree's credited service by
44 the retiree's final average pay by eight-tenths of one percent;

45 (4) Cost-of-living adjustments paid pursuant to section 104.1045 will commence on the
46 anniversary of the retiree's annuity starting date coincident with or next following July 1, 2000;

47 (5) Any retiree or other person described in this section who elects coverage under the
48 year 2000 plan based on service rendered as a member of the general assembly or as a statewide
49 elected official shall receive an annuity under the year 2000 plan calculated pursuant to the
50 provisions of section 104.1084 using the current monthly pay at the time of the election with
51 future COLAs calculated pursuant to subsection 7 of section 104.1084.

52 3. Each person who is an employee and covered by the closed plan and not a retiree of
53 the closed plan on July 1, 2000, shall elect whether or not to change to year 2000 plan coverage
54 prior to the last business day of the month before the person's annuity starting date, and if such
55 election has not been made within such time, annuity payments due beginning on and after the
56 month of the annuity starting date shall be made the month following the receipt by the
57 appropriate system of such election and any other information required by the year 2000 plan
58 created by sections 104.1003 to 104.1093; provided, such election must be after the person has

59 received from the year 2000 plan a written comparison of the person's closed plan coverage and
60 the person's potential year 2000 plan coverage and the election must be made in writing on a
61 form furnished by the appropriate board. If such person dies after the annuity starting date but
62 before making such election and providing such other information, no benefits shall be paid
63 except as required pursuant to section 104.420 or subsection 2 of section 104.372 for members
64 of the general assembly.

65 4. Each person who is not an employee and not a retiree and is eligible for a deferred
66 annuity from the closed plan on July 1, 2000, shall elect whether or not to change to the year
67 2000 plan coverage prior to the last business day of the month before the person's annuity
68 starting date, and if such election has not been made within such time, annuity payments due
69 beginning on and after the month of the annuity starting date shall be made the month following
70 the receipt by the appropriate system of such election and any other information required by the
71 year 2000 plan created by sections 104.1003 to 104.1093; provided, the election must be after
72 the person has received from the year 2000 plan a written comparison of the person's closed plan
73 coverage and the person's potential year 2000 plan coverage and the election must be made in
74 writing on a form furnished by the appropriate board. If such person dies after the annuity
75 starting date but before making such election and providing such other information, no benefits
76 shall be paid except as required pursuant to section 104.420 or subsection 2 of section 104.372
77 for members of the general assembly.

78 5. Each person who is not an employee and not a retiree and is eligible for a deferred
79 annuity from the closed plan and returns to covered employment on or after July 1, 2000, shall
80 be covered under the closed plan; provided, such person shall elect whether or not to change to
81 the year 2000 plan coverage prior to the last business day of the month before the person's
82 annuity starting date, and if such election has not been made within such time, annuity payments
83 due beginning on and after the month of the annuity starting date shall be made the month
84 following the receipt by the appropriate system of such election and any other information
85 required by the year 2000 plan created by sections 104.1003 to 104.1093 and the election must
86 be after the person has received from the year 2000 plan a written comparison of the person's
87 closed plan coverage and the person's potential year 2000 plan coverage and the election must
88 be made in writing on a form furnished by the appropriate board. If such person dies after the
89 annuity starting date but before making such election and providing such other information, no
90 benefits shall be paid except as required under section 104.420 or subsection 2 of section
91 104.372 for members of the general assembly.

92 6. Each person who is not an employee and not a retiree and not eligible for a deferred
93 annuity from the closed plan **or year 2000 plan** but has forfeited creditable service with the
94 closed plan **or year 2000 plan** and becomes an employee on or after August 28, [2002] 2020,

95 shall be **subject to the provisions of section 104.1091** [~~changed to year 2000 plan coverage~~] and
96 upon receiving credited service continuously for one year shall receive credited service for all
97 such forfeited creditable service under the closed plan **or year 2000 plan**.

98 7. Each person who was employed as a member of the general assembly through
99 December 31, 2000, covered under the closed plan, and has served at least two full biennial
100 assemblies as defined in subdivision (25) of subsection 1 of section 104.010 but who is not
101 eligible for a deferred annuity under the closed plan shall be eligible to receive benefits under
102 the new plan pursuant to subdivision (5) of subsection 2 of this section upon meeting the age
103 requirements under the new plan.

104 8. The retirees and persons described in subsections 2 and 4 of this section shall be
105 eligible for benefits under those subsections pursuant to subsection 8 of section 104.610.

106 9. A member may change a member's plan election made under this section at any time
107 prior to the system mailing or electronically transferring the first annuity payment to such
108 member.

104.1018. 1. When a member is no longer employed in a position covered by the
2 system, membership in the system shall thereupon cease. If a member has five or more years of
3 credited service upon such member's termination of membership, such member shall be a vested
4 former member entitled to a deferred annuity pursuant to section 104.1036, **except as otherwise**
5 **provided in subsection 7 of section 104.1024**. If a member has fewer than five years of
6 credited service upon termination of membership, such former member's credited service shall
7 be forfeited, provided that if such former member becomes reemployed in a position covered by
8 the system, such former member shall again become a member of the system and the forfeited
9 credited service shall be restored after receiving creditable service continuously for one year.

10 2. Upon a member becoming a retiree, membership shall cease and, except as otherwise
11 provided in section 104.1039, the person shall not again become a member of the system.

12 3. If a vested former member becomes reemployed in a position covered by the system
13 before such vested former member's annuity starting date, membership shall be restored with the
14 previous credited service and increased by such reemployment.

104.1024. 1. Any member who terminates employment may retire on or after attaining
2 normal retirement eligibility by making application in written form and manner approved by the
3 appropriate board. The written application shall set forth the annuity starting date which shall
4 not be earlier than the first day of the second month following the month of the execution and
5 filing of the member's application for retirement nor later than the first day of the fourth month
6 following the month of the execution and filing of the member's application for retirement. The
7 payment of the annuity shall be made the last working day of each month, providing all

8 documentation required under section 104.1027 for the calculation and payment of the benefits
9 is received by the board.

10 2. A member's annuity shall be paid in the form of a life annuity, except as provided in
11 section 104.1027, and shall be an amount for life equal to one and seven-tenths percent of the
12 final average pay of the member multiplied by the member's years of credited service.

13 3. The life annuity defined in subsection 2 of this section shall not be less than a monthly
14 amount equal to fifteen dollars multiplied by the member's full years of credited service.

15 4. If as of the annuity starting date of a member who has attained normal retirement
16 eligibility the sum of the member's years of age and years of credited service equals eighty or
17 more years and if the member's age is at least forty-eight years but less than sixty-two years, or,
18 in the case of a member of the highway patrol who shall be subject to the mandatory retirement
19 provision of section 104.080, the mandatory retirement age and completion of five years of
20 credited service, then in addition to the life annuity described in subsection 2 of this section, the
21 member shall receive a temporary annuity equal to eight-tenths of one percent of the member's
22 final average pay multiplied by the member's years of credited service. The temporary annuity
23 and any cost-of-living adjustments attributable to the temporary annuity pursuant to section
24 104.1045 shall terminate at the end of the calendar month in which the earlier of the following
25 events occurs: the member's death or the member's attainment of the earliest age of eligibility
26 for reduced Social Security retirement benefits, but no later than age sixty-two.

27 5. The annuity described in subsection 2 of this section for any person who has credited
28 service not covered by the federal Social Security Act, as provided in [~~sections 105.300 to~~
29 ~~105.430~~] **subdivision (1) of subsection 7 of section 104.342**, shall be calculated as follows: the
30 life annuity shall be an amount equal to two and five-tenths percent of the final average pay of
31 the member multiplied by the number of years of service not covered by the federal Social
32 Security Act in addition to one and seven-tenths percent of the final average pay of the member
33 multiplied by the member's years of credited service covered by the federal Social Security Act.

34 6. Effective July 1, 2002, any member, except an elected official or a member of the
35 general assembly, who has not been paid retirement benefits and continues employment for at
36 least two years beyond the date of normal retirement eligibility, may elect to receive an annuity
37 and lump sum payment or payments, determined as follows:

38 (1) A retroactive starting date shall be established which shall be a date selected by the
39 member; provided, however, that the retroactive starting date selected by the member shall not
40 be a date which is earlier than the date when a normal annuity would have first been payable.
41 In addition, the retroactive starting date shall not be more than five years prior to the annuity
42 starting date. The member's selection of a retroactive starting date shall be done in twelve-month

43 increments, except this restriction shall not apply when the member selects the total available
44 time between the retroactive starting date and the annuity starting date;

45 (2) The prospective annuity payable as of the annuity starting date shall be determined
46 pursuant to the provisions of this section, with the exception that it shall be the amount which
47 would have been payable at the annuity starting date had the member actually retired on the
48 retroactive starting date under the retirement plan selected by the member. Other than for the
49 lump sum payment or payments specified in subdivision (3) of this subsection, no other amount
50 shall be due for the period between the retroactive starting date and the annuity starting date;

51 (3) The lump sum payable shall be ninety percent of the annuity amounts which would
52 have been paid to the member from the retroactive starting date to the annuity starting date had
53 the member actually retired on the retroactive starting date and received a life annuity. The
54 member shall ~~elect to~~ receive the lump sum amount ~~[either]~~ in its entirety at the same time as
55 the initial annuity payment is made ~~[or in three equal annual installments with the first payment~~
56 ~~made at the same time as the initial annuity payment]~~; **and**

57 (4) ~~[Any annuity payable pursuant to this section that is subject to a division of benefit~~
58 ~~order pursuant to section 104.1051 shall be calculated as follows:~~

59 ~~—— (a) Any service of a member between the retroactive starting date and the annuity~~
60 ~~starting date shall not be considered credited service except for purposes of calculating the~~
61 ~~division of benefit; and~~

62 ~~—— (b) The lump sum payment described in subdivision (3) of this section shall not be~~
63 ~~subject to any division of benefit order; and~~

64 ~~—— (5)] For purposes of determining annual benefit increases payable as part of the lump~~
65 ~~sum and annuity provided pursuant to this section, the retroactive starting date shall be~~
66 ~~considered the member's date of retirement.~~

67 **7. Any vested former member who terminated employment after attaining normal**
68 **retirement eligibility shall be considered a member for the purposes of this section.**

104.1051. 1. Any annuity provided pursuant to the year 2000 plan is marital property
2 and a court of competent jurisdiction may divide such annuity between the parties to any action
3 for dissolution of marriage if at the time of the dissolution the member has at least five years of
4 credited service pursuant to sections 104.1003 to 104.1093. A division of benefits order issued
5 pursuant to this section:

6 (1) Shall not require the applicable retirement system to provide any form or type of
7 annuity or retirement plan not selected by the member;

8 (2) Shall not require the applicable retirement system to commence payments until the
9 member's annuity starting date;

10 (3) Shall identify the monthly amount to be paid to the former spouse, which shall be
11 expressed as a percentage and which shall not exceed fifty percent of the amount of the member's
12 annuity accrued during all or part of the period of the marriage of the member and former spouse,
13 **excluding service accrued under subsection 2 of section 104.1021**, and which shall be based
14 on the member's vested annuity on the date of the dissolution of marriage or an earlier date as
15 specified in the order, which amount shall be adjusted proportionately upon the annuity starting
16 date if the member's annuity is reduced due to the receipt of an early retirement annuity or the
17 member's annuity is reduced pursuant to section 104.1027 under an annuity option in which the
18 member named the alternate payee as beneficiary prior to the dissolution of marriage;

19 (4) Shall not require the payment of an annuity amount to the member and former spouse
20 which in total exceeds the amount which the member would have received without regard to the
21 order;

22 (5) Shall provide that any annuity increases, additional years of credited service,
23 increased final average pay, increased pay pursuant to subsections 2 and 5 of section 104.1084,
24 or other type of increases accrued after the date of the dissolution of marriage and any temporary
25 annuity received pursuant to subsection 4 of section 104.1024 shall accrue solely to the benefit
26 of the member; except that on or after September 1, 2001, any cost-of-living adjustment (COLA)
27 due after the annuity starting date shall not be considered to be an increase accrued after the date
28 of termination of marriage and shall be part of the monthly amount subject to division pursuant
29 to any order issued after September 1, 2001;

30 (6) Shall terminate upon the death of either the member or the former spouse, whichever
31 occurs first;

32 (7) Shall not create an interest which is assignable or subject to any legal process;

33 (8) Shall include the name, address, and date of birth of both the member and the former
34 spouse, and the identity of the retirement system to which it applies;

35 (9) Shall be consistent with any other division of benefits orders which are applicable
36 to the same member;

37 (10) Shall not require the applicable retirement system to continue payments to the
38 alternate payee if the member's retirement benefit is suspended or waived as provided by this
39 chapter but such payments shall resume when the retiree begins to receive retirement benefits
40 in the future.

41 2. A system shall provide the court having jurisdiction of a dissolution of a marriage
42 proceeding or the parties to the proceeding with information necessary to issue a division of
43 benefits order concerning a member of the system, upon written request from either the court,
44 the member, or the member's spouse, citing this section and identifying the case number and
45 parties.

46 3. A system shall have the discretionary authority to reject a division of benefits order
47 for the following reasons:

48 (1) The order does not clearly state the rights of the member and the former spouse;

49 (2) The order is inconsistent with any law governing the retirement system.

50 4. Any member of the closed plan who elected the year 2000 plan pursuant to section
51 104.1015 and then becomes divorced and subject to a division of benefits order shall have the
52 division of benefits order calculated pursuant to the provisions of the year 2000 plan.

53 **5. The lump sum payment described in subsection 6 of section 104.1024 shall not**
54 **be subject to any division of benefits order.**

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

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

13 3. A board shall not pay an annuity to any survivor or beneficiary who is charged with
14 the intentional killing of a member, retiree or survivor without legal excuse or justification. A
15 survivor or beneficiary who is convicted of such charge shall no longer be entitled to receive an
16 annuity. If the survivor or beneficiary is not convicted of such charge, the board shall resume
17 annuity payments and shall pay the survivor or beneficiary any annuity payments that were
18 suspended pending resolution of such charge.

104.1066. 1. The year 2000 plan intends to follow a financing pattern which computes
2 and requires contribution amounts which, expressed as percents of active member payroll, will
3 remain approximately level from year to year and from one generation of citizens to the next
4 generation. Such contribution determinations require regular actuarial valuations, which shall
5 be made by the board's actuary, using assumptions and methods adopted by the board after
6 consulting with its actuary. The entry age-normal cost valuation method shall be used in
7 determining **the normal cost calculation** [~~and contributions for unfunded accrued liabilities~~
8 ~~shall be determined using level percent of payroll amortization~~]. For purposes of this subsection
9 and section 104.436, the actuary shall determine a single contribution rate applicable to both

10 closed plan and year 2000 plan participants and, in determining such rate, make estimates of the
11 probabilities of closed plan participants transferring to the year 2000 plan.

12 2. At least ninety days before each regular session of the general assembly, the board of
13 the Missouri state employees' retirement system shall certify to the division of budget the
14 contribution rate necessary to cover the liabilities of the year 2000 plan administered by such
15 system, including costs of administration, expected to accrue during the next appropriation
16 period. The commissioner of administration shall request appropriations based upon the
17 contribution rate so certified. From appropriations so made, the commissioner of administration
18 shall certify contribution amounts to the state treasurer who in turn shall immediately pay the
19 contributions to the year 2000 plan.

20 3. The employers of members covered by the Missouri state employees' retirement
21 system who are not paid out of funds that have been deposited in the state treasury shall remit
22 following each pay period to the year 2000 plan an amount equal to the amount which the state
23 would have paid if those members had been paid entirely from state funds. Such employers shall
24 maintain payroll records for a minimum of five years and shall produce all such records as
25 requested by the system. The system is authorized to request from the state office of
26 administration an appropriation out of the annual budget of any such employer in the event such
27 records indicate that such employer has not contributed the amounts required by this section.
28 The office of administration shall request such appropriation which shall be equal to the amount
29 necessary to replace any shortfall in contributions as determined by the system. From
30 appropriations so made, the commissioner of administration shall certify contribution amounts
31 to the state treasurer who in turn shall immediately pay such contributions to the year 2000 plan.

32 4. At least ninety days before each regular session of the general assembly, the board of
33 the transportation department and highway patrol retirement system shall certify to the
34 department of transportation and the department of public safety the contribution rate necessary
35 to cover the liabilities of the year 2000 plan administered by such system, including costs of
36 administration, expected to accrue during the next biennial or other appropriation period. Each
37 department shall include in its budget and in its request for appropriations for personal service
38 the sum so certified to it by such board, and shall present the same to the general assembly for
39 allowance. The sums so certified and appropriated, when available, shall be immediately paid
40 to the system and deposited in the highway and transportation employees' and highway patrol
41 retirement and benefit fund.

42 5. These amounts are funds of the year 2000 plan and shall not be commingled with any
43 funds in the state treasury.

104.1072. 1. Each board shall provide or contract, or both, for life insurance benefits
2 for employees covered pursuant to the year 2000 plan as follows:

3 (1) Employees shall be provided fifteen thousand dollars of life insurance until
4 December 31, 2000. Effective January 1, 2001, the system shall provide or contract or both for
5 basic life insurance for employees covered under any retirement plan administered by the system
6 pursuant to this chapter, persons covered by sections 287.812 to 287.856, for employees who are
7 members of the judicial retirement system as provided in section 476.590, and, at the election
8 of the state highways and transportation commission, employees who are members of the
9 highways and transportation employees' and highway patrol retirement system, in the amount
10 equal to one times annual pay, subject to a minimum amount of fifteen thousand dollars. The
11 board shall establish by rule or contract the method for determining the annual rate of pay and
12 any other terms of such insurance as it deems necessary to implement the requirements pursuant
13 to this section. Annual rate of pay shall not include overtime or any other irregular payments as
14 determined by the board. Such life insurance shall provide for triple indemnity in the event the
15 cause of death is a proximate result of a personal injury or disease arising out of and in the course
16 of actual performance of duty as an employee;

17 (2) Any member who terminates employment after reaching normal or early retirement
18 eligibility and becomes a retiree within ~~[sixty]~~ **sixty-five** days of such termination shall receive
19 five thousand dollars of life insurance coverage.

20 2. (1) In addition to the life insurance authorized by the provisions of subsection 1 of
21 this section, any person for whom life insurance is provided or contracted for pursuant to such
22 subsection may purchase, at the person's own expense and only if monthly voluntary payroll
23 deductions are authorized, additional life insurance at a cost to be stipulated in a contract with
24 a private insurance company or as may be required by a system if the board of trustees
25 determines that the system should provide such insurance itself. The maximum amount of
26 additional life insurance which may be so purchased prior to January 1, 2004, is that amount
27 which equals six times the amount of the person's annual rate of pay, subject to any maximum
28 established by a board, except that if such maximum amount is not evenly divisible by one
29 thousand dollars, then the maximum amount of additional insurance which may be purchased
30 is the next higher amount evenly divisible by one thousand dollars. The maximum amount of
31 additional life insurance which may be so purchased on or after January 1, 2004, is an amount
32 to be stipulated in a contract with a private insurance company or as may be required by the
33 system if the board of trustees determines that the system should provide the insurance itself.

34 (2) Any person defined in subdivision (1) of this subsection may retain an amount not
35 to exceed sixty thousand dollars of life insurance following the date of his or her retirement if
36 such person becomes a retiree the month following termination of employment and makes
37 written application for such life insurance at the same time such person's application is made to
38 the board for retirement benefits. Such life insurance shall only be provided if such person pays

39 the entire cost of the insurance, as determined by the board, by allowing voluntary deductions
40 from the member's annuity.

41 (3) In addition to the life insurance authorized in subdivision (1) of this subsection, any
42 person for whom life insurance is provided or contracted for pursuant to this subsection may
43 purchase, at the person's own expense and only if monthly voluntary payroll deductions are
44 authorized, life insurance covering the person's children or the person's spouse or both at
45 coverage amounts to be determined by the board at a cost to be stipulated in a contract with a
46 private insurer or as may be required by the system if the board of trustees determines that the
47 system should provide such insurance itself.

48 (4) Effective July 1, 2000, any member who applies and is eligible to receive an annuity
49 based on the attainment of at least forty-eight years of age with a total of years of age and years
50 of credited service which is at least eighty shall be eligible to retain any optional life insurance
51 described in subdivision (1) of this subsection. The amount of such retained insurance shall not
52 be greater than the amount in effect during the month prior to termination of employment. Such
53 insurance may be retained until the member's attainment of the earliest age for eligibility for
54 reduced Social Security retirement benefits but no later than age sixty-two, at which time the
55 amount of such insurance that may be retained shall be that amount permitted pursuant to
56 subdivision (2) of this subsection.

57 3. The state highways and transportation commission may provide for insurance benefits
58 to cover medical expenses for members of the highways and transportation employees' and
59 highway patrol retirement system. The state highways and transportation commission may
60 provide medical benefits for dependents of members and for retired members. Contributions by
61 the state highways and transportation commission to provide the benefits shall be on the same
62 basis as provided for other state employees pursuant to the provisions of section 104.515. Except
63 as otherwise provided by law, the cost of benefits for dependents of members and for retirees and
64 their dependents shall be paid by the members or retirees. The commission may contract with
65 other persons or entities including but not limited to third-party administrators, health network
66 providers and health maintenance organizations for all, or any part of, the benefits provided for
67 in this section. The commission may require reimbursement of any medical claims paid by the
68 commission's medical plan for which there was third-party liability.

69 4. The highways and transportation employees' and highway patrol retirement system
70 may request the state highways and transportation commission to provide life insurance benefits
71 as required in subsections 1 and 2 of this section. If the state highways and transportation
72 commission agrees to the request, the highways and transportation employees' and highway
73 patrol retirement system shall reimburse the state highways and transportation commission for
74 any and all costs for life insurance provided pursuant to subdivision (2) of subsection 1 of this

75 section. The person who is covered pursuant to subsection 2 of this section shall be solely
76 responsible for the costs of any additional life insurance. In lieu of the life insurance benefit in
77 subdivision (2) of subsection 1 of this section, the highways and transportation employees' and
78 highway patrol retirement system is authorized in its sole discretion to provide a death benefit
79 of five thousand dollars.

80 5. To the extent that the board enters or has entered into any contract with any insurer
81 or service organization to provide life insurance provided for pursuant to this section:

82 (1) The obligation to provide such life insurance shall be primarily that of the insurer or
83 service organization and secondarily that of the board;

84 (2) Any member who has been denied life insurance benefits by the insurer or service
85 organization and has exhausted all appeal procedures provided by the insurer or service
86 organization may appeal such decision by filing a petition against the insurer or service
87 organization in a court of law in the member's county of residence; and

88 (3) The board and the system shall not be liable for life insurance benefits provided by
89 an insurer or service organization pursuant to this section and shall not be subject to any cause
90 of action with regard to life insurance benefits or the denial of life insurance benefits by the
91 insurer or service organization unless the member has obtained judgment against the insurer or
92 service organization for life insurance benefits and the insurer or service organization is unable
93 to satisfy that judgment.

104.1084. 1. For members of the general assembly, the provisions of this section shall
2 supplement or replace the indicated other provisions of the year 2000 plan. "Normal retirement
3 eligibility" means attainment of age fifty-five for a member who has served at least three full
4 biennial assemblies or the attainment of at least age fifty for a member who has served at least
5 three full biennial assemblies with a total of years of age and years of credited service which is
6 at least eighty. A member shall receive two years of credited service for every full biennial
7 assembly served. A full biennial assembly shall be equal to the period of time beginning on the
8 first day the general assembly convenes for a first regular session until the last day of the
9 following year. If a member serves less than a full biennial assembly, the member shall receive
10 credited service for the pro rata portion of the full biennial assembly served.

11 2. For the purposes of section 104.1024, the normal retirement annuity of a member of
12 the general assembly shall be an amount for life equal to one twenty-fourth of the monthly pay
13 for a senator or representative on the annuity starting date multiplied by the years of credited
14 service as a member of the general assembly. In no event shall any such member or eligible
15 beneficiary receive annuity amounts in excess of one hundred percent of pay.

16 3. To be covered by the provisions of section 104.1030, or section 104.1036, a member
17 of the general assembly must have served at least three full biennial assemblies.

18 4. For members who are statewide elected officials, the provisions of this section shall
19 supplement or replace the indicated other provisions of the year 2000 plan. "Normal retirement
20 eligibility" means attainment of age fifty-five for a member who has served at least four years
21 as a statewide elected official, or the attainment of age fifty with a total of years of age and years
22 of such credited service which is at least eighty.

23 5. For the purposes of section 104.1024, the normal retirement annuity of a member who
24 is a statewide elected official shall be an amount for life equal to one twenty-fourth of the
25 monthly pay in the highest office held by such member on the annuity starting date multiplied
26 by the years of credited service as a statewide elected official not to exceed twelve years.

27 6. To be covered by the provisions of sections 104.1030 and 104.1036, a member who
28 is a statewide elected official must have at least four years as a statewide elected official.

29 7. The provisions of section 104.1045 shall not apply to persons covered by the general
30 assembly and statewide elected official provisions of this section. Persons covered by the
31 general assembly provisions and receiving a year 2000 plan annuity shall be entitled to a
32 cost-of-living adjustment (COLA) when there are increases in pay for members of the general
33 assembly. Persons covered by the statewide elected official provisions and receiving a year 2000
34 plan annuity shall be entitled to COLAs when there are increases in the pay for statewide elected
35 officials in the highest office held by such person. The COLA described in this subsection shall
36 be equal to and concurrent with the percentage increase in pay as described in section 105.005.
37 No COLA shall be less than zero.

38 8. Any member who serves under this chapter as a member of the general assembly or
39 as a statewide elected official on or after August 28, 1999, shall not be eligible to receive any
40 retirement benefits from the system under either the closed plan or the year 2000 plan based on
41 service rendered on or after August 28, 1999, as a member of the general assembly or as a
42 statewide elected official if such member is convicted of a felony that is determined by a court
43 of law to have been committed in connection with the member's duties either as a member of the
44 general assembly or as a statewide elected official, unless such conviction is later reversed by
45 a court of law.

46 9. A member of the general assembly who has purchased or transferred creditable service
47 shall not be subject to the cap on benefits pursuant to subsection 2 of this section for that portion
48 of the benefit attributable to the purchased or transferred service.

49 **10. For the purposes of section 104.1042, the service credit accrued by a member**
50 **of the general assembly while receiving long-term disability benefits shall continue to**
51 **accrue until the earliest of receipt of attainment of normal retirement age eligibility,**
52 **termination of disability benefits, or the end of the member's constitutionally mandated**

53 **limit on service as a member of the general assembly for the chamber in which the member**
54 **was serving at the time of disablement.**

55 **11. For the purposes of section 104.1042, the service credit accrued by a statewide**
56 **elected official while receiving long-term disability benefits shall continue to accrue until**
57 **the earliest of attainment of normal retirement age eligibility, termination of disability**
58 **benefits, or the end of the statewide elected official's constitutionally mandated limit on**
59 **service as a statewide elected official for the office in which the statewide elected official**
60 **was serving at the time of disablement.**

104.1091. 1. Notwithstanding any provision of the year 2000 plan to the contrary, each
2 person who first becomes an employee on or after January 1, 2011, shall be a member of the year
3 2000 plan subject to the provisions of this section.

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

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

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

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

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

20 4. A temporary annuity paid pursuant to subsection 4 of section 104.1024 shall be
21 payable if the member has attained at least age fifty-five with the sum of the member's age and
22 credited service equaling at least ninety; or in the case of a member who is serving as a
23 uniformed member of the highway patrol and subject to the mandatory retirement provisions of
24 section 104.081, the temporary annuity shall be payable if the member has attained at least age
25 sixty, or at least age fifty-five with ten years of credited service.

26 5. A member, other than a member who is serving as a uniformed member of the
27 highway patrol and subject to the mandatory retirement provisions of section 104.081, shall be
28 eligible for an early retirement annuity upon the attainment of at least age sixty-two and the

29 completion of at least ten years of credited service. A vested former member **who terminated**
30 **employment prior to the attainment of early retirement eligibility** shall not be eligible for
31 early retirement.

32 6. The provisions of subsection 6 of section 104.1021 and section 104.344 as applied
33 pursuant to subsection 7 of section 104.1021 and section 104.1090 shall not apply to members
34 covered by this section.

35 7. The minimum credited service requirements of five years contained in sections
36 104.1018, 104.1030, 104.1036, and 104.1051 shall be ten years for members covered by this
37 section. The normal and early retirement eligibility requirements in this section shall apply for
38 purposes of administering section 104.1087.

39 8. A member shall be required to contribute four percent of the member's pay to the
40 retirement system, which shall stand to the member's credit in his or her individual account with
41 the system, together with investment credits thereon, for purposes of funding retirement benefits
42 payable under the year 2000 plan, subject to the following provisions:

43 (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C. Section
44 414(h)(2), shall pick up and pay the contributions that would otherwise be payable by the
45 member under this section. The contributions so picked up shall be treated as employer
46 contributions for purposes of determining the member's pay that is includable in the member's
47 gross income for federal income tax purposes;

48 (2) Member contributions picked up by the employer shall be paid from the same source
49 of funds used for the payment of pay to a member. A deduction shall be made from each
50 member's pay equal to the amount of the member's contributions picked up by the employer.
51 This deduction, however, shall not reduce the member's pay for purposes of computing benefits
52 under the retirement system pursuant to this chapter;

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

56 (4) The contributions, although designated as employee contributions, shall be paid by
57 the employer in lieu of the contributions by the member. The member shall not have the option
58 of choosing to receive the contributed amounts directly instead of having them paid by the
59 employer to the retirement system;

60 (5) Interest shall be credited annually on June thirtieth based on the value in the account
61 as of July first of the immediately preceding year at a rate of four percent. Effective June 30,
62 2014, and each June thirtieth thereafter, the interest crediting rate shall be equal to the investment
63 rate that is published by the United States Department of Treasury, or its successor agency, for
64 fifty-two week treasury bills for the relevant auction that is nearest to the preceding July first, or

65 a successor treasury bill investment rate as approved by the board if the fifty-two week treasury
66 bill is no longer issued. Interest credits shall cease upon termination of employment if the
67 member is not a vested former member. Otherwise, interest credits shall cease upon retirement
68 or death;

69 (6) A vested former member or a former member who is not vested may request a refund
70 of his or her contributions and interest credited thereon. If such member is married at the time
71 of such request, such request shall not be processed without consent from the spouse. Such
72 member is not eligible to request a refund if such member's retirement benefit is subject to a
73 division of benefit order pursuant to section 104.1051. **After ninety days from the date of**
74 **termination, a member may request such refund, which shall be paid by the system within**
75 **sixty days from the date of the request, [Such refund shall be paid by the system after ninety**
76 **days from the date of termination of employment or the request, whichever is later,]** and shall
77 include all contributions made to any retirement plan administered by the system and interest
78 credited thereon. A vested former member may not request a refund after such member becomes
79 eligible for normal retirement. A vested former member or a former member who is not vested
80 who receives a refund shall forfeit all the member's credited service and future rights to receive
81 benefits from the system and shall not be eligible to receive any ~~long-term~~ disability benefits;
82 provided that any member or vested former member receiving ~~long-term~~ disability benefits
83 shall not be eligible for a refund. If such member subsequently becomes an employee and works
84 continuously for at least one year, the credited service previously forfeited shall be restored if the
85 member returns to the system the amount previously refunded plus interest at a rate established
86 by the board;

87 (7) The beneficiary of any member who made contributions shall receive a refund upon
88 the member's death equal to the amount, if any, of such contributions and interest credited
89 thereon less any retirement benefits received by the member unless an annuity is payable to a
90 survivor or beneficiary as a result of the member's death. In that event, the beneficiary of the
91 survivor or beneficiary who received the annuity shall receive a refund upon the survivor's or
92 beneficiary's death equal to the amount, if any, of the member's contributions less any annuity
93 amounts received by the member and the survivor or beneficiary.

94 9. The employee contribution rate, the benefits provided under the year 2000 plan to
95 members covered under this section, and any other provision of the year 2000 plan with regard
96 to members covered under this section may be altered, amended, increased, decreased, or
97 repealed, but only with respect to services rendered by the member after the effective date of
98 such alteration, amendment, increase, decrease, or repeal, or, with respect to interest credits, for
99 periods of time after the effective date of such alteration, amendment, increase, decrease, or
100 repeal.

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

103

104 Option 1.

105 A retiree's life annuity shall be reduced to a certain percent of the annuity otherwise payable.
106 Such percent shall be eighty-eight and one half percent adjusted as follows: if the retiree's age
107 on the annuity starting date is younger than sixty-seven years, an increase of three-tenths of one
108 percent for each year the retiree's age is younger than age sixty-seven years; and if the
109 beneficiary's age is younger than the retiree's age on the annuity starting date, a decrease of
110 three-tenths of one percent for each year of age difference; and if the retiree's age is younger than
111 the beneficiary's age on the annuity starting date, an increase of three-tenths of one percent for
112 each year of age difference; provided, after all adjustments the option 1 percent cannot exceed
113 ninety-four and one quarter percent. Upon the retiree's death, fifty percent of the retiree's reduced
114 annuity shall be paid to such beneficiary who was the retiree's spouse on the annuity starting date
115 or as otherwise provided by subsection 5 of this section.

116

117 Option 2.

118 A retiree's life annuity shall be reduced to a certain percent of the annuity otherwise payable.
119 Such percent shall be eighty-one percent adjusted as follows: if the retiree's age on the annuity
120 starting date is younger than sixty-seven years, an increase of four-tenths of one percent for each
121 year the retiree's age is younger than sixty-seven years; and if the beneficiary's age is younger
122 than the retiree's age on the annuity starting date, a decrease of five-tenths of one percent for each
123 year of age difference; and if the retiree's age is younger than the beneficiary's age on the annuity
124 starting date, an increase of five-tenths of one percent for each year of age difference; provided,
125 after all adjustments the option 2 percent cannot exceed eighty-seven and three quarter percent.
126 Upon the retiree's death one hundred percent of the retiree's reduced annuity shall be paid to such
127 beneficiary who was the retiree's spouse on the annuity starting date or as otherwise provided by
128 subsection 5 of this section.

129

130 Option 3.

131 A retiree's life annuity shall be reduced to ninety-three percent of the annuity otherwise
132 payable. If the retiree dies before having received one hundred twenty monthly payments, the
133 reduced annuity shall be continued for the remainder of the one hundred twenty-month period
134 to the retiree's designated beneficiary provided that if there is no beneficiary surviving the retiree,
135 the present value of the remaining annuity payments shall be paid as provided under subsection
136 3 of section 104.620. If the beneficiary survives the retiree but dies before receiving the

137 remainder of such one hundred twenty monthly payments, the present value of the remaining
138 annuity payments shall be paid as provided under subsection 3 of section 104.620.

139

140 Option 4.

141 A retiree's life annuity shall be reduced to eighty-six percent of the annuity otherwise
142 payable. If the retiree dies before having received one hundred eighty monthly payments, the
143 reduced annuity shall be continued for the remainder of the one hundred eighty-month period to
144 the retiree's designated beneficiary provided that if there is no beneficiary surviving the retiree,
145 the present value of the remaining annuity payments shall be paid as provided under subsection
146 3 of section 104.620. If the beneficiary survives the retiree but dies before receiving the
147 remainder of such one hundred eighty monthly payments, the present value of the remaining
148 annuity payments shall be paid as provided under subsection 3 of section 104.620.

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

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

154 (1) A member's normal retirement eligibility shall be based on the attainment of at least
155 age sixty-seven and the completion of at least five years of credited service; or the member's
156 attainment of at least age fifty-five with the sum of the member's age and credited service
157 equaling at least ninety; or in the case of a member who is serving as a uniformed member of the
158 highway patrol and subject to the mandatory retirement provisions of section 104.081, such
159 member's attainment of at least age sixty or the attainment of at least age fifty-five with five
160 years of credited service;

161 (2) A vested former member's normal retirement eligibility shall be based on the
162 attainment of at least age sixty-seven and the completion of at least five years of credited service;
163 **except that, a vested former member who terminates employment after the attainment of**
164 **normal retirement eligibility as defined in subdivision (1) of this subsection shall be**
165 **covered under such subdivision;**

166 (3) A temporary annuity paid under subsection 4 of section 104.1024 shall be payable
167 if the member has attained at least age fifty-five with the sum of the member's age and credited
168 service equaling at least ninety; or in the case of a member who is serving as a uniformed
169 member of the highway patrol and subject to the mandatory retirement provisions of section
170 104.081, the temporary annuity shall be payable if the member has attained at least age sixty, or
171 at least age fifty-five with five years of credited service;

172 (4) A member, other than a member who is serving as a uniformed member of the
173 highway patrol and subject to the mandatory retirement provisions of section 104.081, shall be
174 eligible for an early retirement annuity upon the attainment of at least age sixty-two and the
175 completion of at least five years of credited service. A vested former member **who terminated**
176 **employment prior to the attainment of early retirement eligibility** shall not be eligible for
177 early retirement;

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

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

184 (7) The annual cost-of-living adjustment payable under section 104.1045 shall not
185 commence until the second anniversary of [~~a vested former member's~~] **the** annuity starting date
186 for **vested former members who terminated employment prior to the attainment of early**
187 **retirement eligibility and who are [members]** covered by this subsection;

188 (8) The unused sick leave credit granted under subsection 2 of section 104.1021 shall
189 not apply to members covered by this subsection unless the member terminates employment after
190 reaching normal retirement eligibility or becoming eligible for an early retirement annuity under
191 this subsection; and

192 (9) The minimum credited service requirements of five years contained in sections
193 104.1018, 104.1030, 104.1036, and 104.1051 shall be five years for members covered by this
194 subsection.

476.521. 1. Notwithstanding any provision of chapter 476 to the contrary, each person
2 who first becomes a judge on or after January 1, 2011, and continues to be a judge may receive
3 benefits as provided in sections 476.445 to 476.688 subject to the provisions of this section.

4 2. Any person who is at least sixty-seven years of age, has served in this state an
5 aggregate of at least twelve years, continuously or otherwise, as a judge, and ceases to hold office
6 by reason of the expiration of the judge's term, voluntary resignation, or retirement pursuant to
7 the provisions of Subsection 2 of Section 24 of Article V of the Constitution of Missouri may
8 receive benefits as provided in sections 476.515 to 476.565. The twelve-year requirement of this
9 subsection may be fulfilled by service as judge in any of the courts covered, or by service in any
10 combination as judge of such courts, totaling an aggregate of twelve years. Any judge who is
11 at least sixty-seven years of age and who has served less than twelve years and is otherwise
12 qualified under sections 476.515 to 476.565 may retire after reaching age sixty-seven, or
13 thereafter, at a reduced retirement compensation in a sum equal to the proportion of the

14 retirement compensation provided in section 476.530 that his or her period of judicial service
15 bears to twelve years.

16 3. Any person who is at least sixty-two years of age or older, has served in this state an
17 aggregate of at least twenty years, continuously or otherwise, as a judge, and ceases to hold office
18 by reason of the expiration of the judge's term, voluntary resignation, or retirement pursuant to
19 the provisions of Subsection 2 of Section 24 of Article V of the Constitution of Missouri may
20 receive benefits as provided in sections 476.515 to 476.565. The twenty-year requirement of this
21 subsection may be fulfilled by service as a judge in any of the courts covered, or by service in
22 any combination as judge of such courts, totaling an aggregate of twenty years. Any judge who
23 is at least sixty-two years of age and who has served less than twenty years and is otherwise
24 qualified under sections 476.515 to 476.565 may retire after reaching age sixty-two, at a reduced
25 retirement compensation in a sum equal to the proportion of the retirement compensation
26 provided in section 476.530 that his or her period of judicial service bears to twenty years.

27 4. All judges under this section required by the provisions of Section 26 of Article V of
28 the Constitution of Missouri to retire at the age of seventy years shall retire upon reaching that
29 age.

30 5. The provisions of sections 104.344, 476.524, and 476.690 shall not apply to judges
31 covered by this section.

32 6. A judge shall be required to contribute four percent of the judge's compensation to the
33 retirement system, which shall stand to the judge's credit in his or her individual account with
34 the system, together with investment credits thereon, for purposes of funding retirement benefits
35 payable as provided in sections 476.515 to 476.565, subject to the following provisions:

36 (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C. Section
37 414(h)(2), shall pick up and pay the contributions that would otherwise be payable by the judge
38 under this section. The contributions so picked up shall be treated as employer contributions for
39 purposes of determining the judge's compensation that is includable in the judge's gross income
40 for federal income tax purposes;

41 (2) Judge contributions picked up by the employer shall be paid from the same source
42 of funds used for the payment of compensation to a judge. A deduction shall be made from each
43 judge's compensation equal to the amount of the judge's contributions picked up by the employer.
44 This deduction, however, shall not reduce the judge's compensation for purposes of computing
45 benefits under the retirement system pursuant to this chapter;

46 (3) Judge contributions so picked up shall be credited to a separate account within the
47 judge's individual account so that the amounts contributed pursuant to this section may be
48 distinguished from the amounts contributed on an after-tax basis;

49 (4) The contributions, although designated as employee contributions, are being paid by
50 the employer in lieu of the contributions by the judge. The judge shall not have the option of
51 choosing to receive the contributed amounts directly instead of having them paid by the employer
52 to the retirement system;

53 (5) Interest shall be credited annually on June thirtieth based on the value in the account
54 as of July first of the immediately preceding year at a rate of four percent. **Effective June 30,**
55 **2021, and each June thirtieth thereafter, the interest crediting rate shall be equal to the**
56 **investment rate that is published by the United States Department of the Treasury, or its**
57 **successor agency, for fifty-two-week treasury bills for the relevant auction that is nearest**
58 **to the preceding July first, or a successor treasury bill investment rate as approved by the**
59 **board if the fifty-two-week treasury bill is no longer issued.** Interest credits shall cease upon
60 retirement **or death** of the judge;

61 (6) A judge whose employment is terminated may request a refund of his or her
62 contributions and interest credited thereon. If such judge is married at the time of such request,
63 such request shall not be processed without consent from the spouse. A judge is not eligible to
64 request a refund if the judge's retirement benefit is subject to a division of benefit order pursuant
65 to section 104.312. Such refund shall be paid by the system after ninety days from the date of
66 termination of employment or the request, whichever is later and shall include all contributions
67 made to any retirement plan administered by the system and interest credited thereon. A judge
68 may not request a refund after such judge becomes eligible for retirement benefits under sections
69 476.515 to 476.565. A judge who receives a refund shall forfeit all the judge's service and future
70 rights to receive benefits from the system and shall not be eligible to receive any long-term
71 disability benefits; provided that any judge or former judge receiving long-term disability
72 benefits shall not be eligible for a refund. If such judge subsequently becomes a judge and works
73 continuously for at least one year, the service previously forfeited shall be restored if the judge
74 returns to the system the amount previously refunded plus interest at a rate established by the
75 board;

76 (7) The beneficiary of any judge who made contributions shall receive a refund upon the
77 judge's death equal to the amount, if any, of such contributions **and any interest credited**
78 **thereon**, less any retirement benefits received by the judge unless an annuity is payable to a
79 survivor or beneficiary as a result of the judge's death. In that event, the beneficiary of the
80 survivor or beneficiary who received the annuity shall receive a refund upon the survivor's or
81 beneficiary's death equal to the amount, if any, of the judge's contributions less any annuity
82 amounts received by the judge and the survivor or beneficiary.

83 7. The employee contribution rate, the benefits provided under sections 476.515 to
84 476.565 to judges covered under this section, and any other provision of sections 476.515 to

85 476.565 with regard to judges covered under this section may be altered, amended, increased,
86 decreased, or repealed, but only with respect to services rendered by the judge after the effective
87 date of such alteration, amendment, increase, decrease, or repeal, or, with respect to interest
88 credits, for periods of time after the effective date of such alteration, amendment, increase,
89 decrease, or repeal.

90 8. Any judge who is receiving retirement compensation under section 476.529 or
91 476.530 who becomes employed as an employee eligible to participate in the closed plan or in
92 the year 2000 plan under chapter 104, shall not receive such retirement compensation for any
93 calendar month in which the retired judge is so employed. Any judge who is receiving
94 retirement compensation under section 476.529 or section 476.530 who subsequently serves as
95 a judge as defined pursuant to subdivision (4) of subsection 1 of section 476.515 shall not
96 receive such retirement compensation for any calendar month in which the retired judge is
97 serving as a judge; except that upon retirement such judge's annuity shall be recalculated to
98 include any additional service or salary accrued based on the judge's subsequent service. A judge
99 who is receiving compensation under section 476.529 or 476.530 may continue to receive such
100 retirement compensation while serving as a senior judge or senior commissioner and shall
101 receive additional credit and salary for such service pursuant to section 476.682.

102

2 ~~[104.130. Upon the death of a retired member, the board shall pay to such~~
3 ~~member's designated beneficiaries or to his estate a death benefit equal to the~~
4 ~~excess, if any, of the accumulated contributions of the member at retirement over~~
5 ~~the total amount of retirement benefits received by such member prior to his~~
~~death.]~~

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