

FIRST REGULAR SESSION

# HOUSE BILL NO. 672

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE HAGAN-HARRELL.

Read 1<sup>st</sup> time February 7, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

1010L.011

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### AN ACT

To repeal sections 104.090 and 104.371, RSMo 2000, relating to public retirement systems, and to enact in lieu thereof two new sections relating to the same subject.

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

Section A. Sections 104.090 and 104.371, RSMo 2000, are repealed and two new  
2 sections enacted in lieu thereof, to be known as sections 104.090 and 104.371, to read as follows:

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

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

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 fifty or more may elect in the member's application for retirement to  
20 receive either:

21           Option 1. An actuarial reduction approved by the board of the member's annuity in  
22 reduced monthly payments for life during retirement with the provision that upon the member's  
23 death the reduced annuity at date of death shall be continued throughout the life of, and be paid  
24 to, the member's spouse; or

25           Option 2. The member's normal annuity in regular monthly payments for life during  
26 retirement with the provision that upon the member's death a survivor's benefit equal to one-half  
27 the member's normal annuity at date of death shall be paid to the member's spouse in regular  
28 monthly payments for life; or

29           Option 3. An actuarial reduction approved by the board of normal annuity in reduced  
30 monthly payments for the member's life with the provision that if the member dies prior to the  
31 member's having received one hundred twenty monthly payments of the member's reduced  
32 annuity, the member's reduced allowance to which the member would have been entitled had the  
33 member lived shall be paid for the remainder of the one hundred twenty-month period to such  
34 person as the member shall have nominated by written designation duly executed and filed with  
35 the board. If there is no beneficiary surviving the retirant, the reserve for such allowance for the  
36 remainder of such one hundred twenty-month period shall be paid to the retirant's estate; or

37           Option 4. An actuarial reduction approved by the board of the member's normal annuity  
38 in reduced monthly payments for the member's life with the provision that if the member dies  
39 prior to the member having received sixty monthly payments of the member's reduced annuity,  
40 the member's reduced allowance to which the member would have been entitled had the member  
41 lived shall be paid for the remainder of the sixty-month period to such person as the member  
42 shall have nominated by written designation duly executed and filed with the board. If there is  
43 no beneficiary surviving the retirant, the reserve for such allowance for the remainder of such  
44 sixty-month period shall be paid to the retirant's estate.

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

52           5. Effective July 1, 2000, a member may make an election under option 1 or 2 after the

53 date retirement benefits are initiated if the member makes the election within one year from the  
54 date of marriage or July 1, 2000, whichever is later, under any of the following circumstances:

55 (1) The member elected to receive a normal annuity and was not eligible to elect option  
56 1 or 2 on the date retirement benefits were initiated; or

57 (2) The member's annuity reverted to a normal annuity pursuant to subsection 8 of  
58 section 104.103 and the member remarried; or

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

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

104.371. 1. The normal annuity of a state official holding an elective state office, other  
2 than a member of the general assembly, shall be an amount equal to one and [six-tenths] **seven-**  
3 **tenths** percent of the average compensation of such elective or appointed officer multiplied by  
4 the number of years of creditable service of such elective or appointed officer; except that, if a  
5 member has held one or more statewide state elective offices for a total of at least twelve years,  
6 the member's normal annuity after September 28, 1983, shall be equal to fifty percent of the  
7 compensation provided by law at the time of retirement for the state officer of the highest office  
8 held, other provisions of law notwithstanding. The benefits shall be funded as provided in  
9 section 104.436.

10 2. Any member who has served in at least three full biennial assemblies as a member of  
11 the general assembly may elect to be credited with additional service as a state officer or  
12 employee for each year in which he or she served as a member of the general assembly with each  
13 full biennial assembly served counting as two years of service and each partial biennial assembly  
14 served counting as the pro rata portion of two years which is equal to the portion of the general  
15 assembly served.

16 3. Any member who terminated employment prior to August 28, 1994, who has served  
17 in at least three full biennial assemblies as a member of the general assembly, may upon  
18 application to the board of trustees of the Missouri state employees' retirement system, be made,  
19 constituted and appointed and employed by the board as a special consultant on the problems of  
20 retirement, aging and other state matters for the remainder of the member's life. Upon request  
21 of the board, the consultant shall give opinions or be available to give opinions in writing or  
22 orally in response to such requests. As compensation for such services, the consultant may elect  
23 to be credited with additional service as a statewide elected official or employee for each year  
24 in which he or she served as a member of the general assembly, with each full biennial assembly

25 served counting as two years and each partial biennial assembly served counting as the pro rata  
26 portion of two years which is equal to the portion of the general assembly served.

27           4. Any elected statewide officer may retire after attaining fifty-five years of age and  
28 having had at least ten years of vesting service. In such case, such elected officer shall receive  
29 an annuity in an amount which is the actuarial reduction approved by the board of the normal  
30 annuity the member would have received commencing at the earliest date on which the member  
31 is entitled to an unreduced benefit based on the member's creditable service at the date such  
32 member left office.

33           5. Any member who may retire as an elected statewide officer who has attained sixty  
34 years of age and has at least fifteen years of creditable service may retire with a normal annuity  
35 benefit.

36           6. Any member who may retire as an elected statewide elected officer shall be entitled  
37 to retire with a normal annuity if the sum of the member's age and creditable service equals  
38 eighty years or more and if the member is at least fifty years of age.