

FIRST REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 426

91ST GENERAL ASSEMBLY

Reported from the Committee on Retirement, March 29, 2001, with recommendation that the House Committee Substitute for House Bill No. 426 Do Pass.

Taken up for Perfection April 24, 2001. House Committee Substitute for House Bill No. 426 ordered Perfected and printed, as amended.

TED WEDEL, Chief Clerk

1312L.02P

AN ACT

To repeal sections 87.050, 104.1024, RSMo 2000, relating to public retirement systems and benefits, and to enact in lieu thereof three new sections relating to the same subject.

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

Section A. Sections 87.050, 104.1024, RSMo 2000, are repealed and three new sections
2 enacted in lieu thereof, to be known as sections 87.050, 104.625 and 104.1024, to read as
3 follows:

87.050. 1. If any member shall be killed or die while in the performance of his duty or
2 as the result of any injury received in the line of duty, or of any disease contracted by reason of
3 his occupation, or shall die from any cause whatever while a member of said fire department, or
4 shall die while receiving a disability or service pension, and shall leave a widow or child or
5 children under the age of eighteen years surviving, said board of trustees shall order and direct
6 the payment from the pension fund, monthly, to such widow, a sum equal to not less than twenty
7 percent of the monthly compensation allowed a first class fireman of the fire department as salary
8 at the date of the death of the member or seventy-five dollars, whichever is greater; and to or for
9 the benefit of each child until it reaches the age of eighteen, a sum equal to not less than five
10 percent of the monthly compensation allowed a first class fireman of the fire department as salary
11 at the date of the death of the member; and to or for each unmarried child, regardless of age, who
12 is totally and permanently mentally or physically incapacitated from engaging in gainful

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

13 employment sufficiently remunerative to support himself, a sum equal to five percent of the
14 monthly compensation allowed a first class fireman of the fire department as salary at the date
15 of the death of the member; provided that no benefits shall be paid to or for any child over
16 eighteen years of age who is totally and permanently mentally or physically disabled or
17 incapacitated if such child is a patient or ward in a publicly supported institution. [In the case
18 of widows, payments shall be made only to those widows whose marriage to the member
19 occurred prior to his retirement on disability or service pension, and shall be made only while
20 said widow is unmarried and are to cease forever immediately upon remarriage.] In the case of
21 children no payments shall be made to or for any child born or adopted after the effective date
22 of the member's retirement on disability or service pension, or the date of his death, and
23 payments shall not be made for more than three eligible children and, if there are more than three
24 eligible children, payments shall be made for the three youngest eligible children. If the member
25 who dies is a member of a volunteer department, the amount to be paid monthly to his widow
26 and children aforesaid shall be fixed by the board of trustees.

27 2. Any widow who is receiving survivors' pension benefits under the provisions of this
28 section as it existed at any time prior to August 13, 1982, upon application to the board of
29 trustees, shall be employed by the board as a special consultant on the problems of retirement,
30 aging, and other pension system matters for the remainder of her life and upon request of the
31 board shall give opinions in writing or orally, as may be requested, and for such services shall
32 be compensated monthly in an amount equal to the difference between the amount of the
33 monthly pension benefit the widow is receiving for herself and seventy-five dollars. This
34 compensation shall be consolidated with the pension benefits the widow is receiving and shall
35 be paid out of the same fund as are such benefits. Employment as a special consultant shall in
36 no way affect any widow's eligibility for survivors' pension benefits or in any way have the effect
37 of reducing such benefits, other provisions of law to the contrary notwithstanding.

**104.625. Any member retiring pursuant to the provisions of sections 104.010 to
2 104.801, except an elected official or a member of the general assembly, who has not been
3 paid retirement benefits and continues employment for at least two years beyond normal
4 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 the later of the
7 date when a normal annuity would have first been payable had the member retired at that
8 time or five years before the annuity starting date, which shall be the first day of the month
9 with respect to which an amount is paid as annuity pursuant to this section;**

10 **(2) The prospective annuity payable as of the annuity starting date shall be
11 determined pursuant to the provisions otherwise applicable under the law, with the**

12 **exception that it shall be the amount which would have been payable had the member**
13 **actually retired on the retroactive starting date. Other than for the lump sum payment or**
14 **payments specified in subdivision (3) of this section, no other amount shall be due for the**
15 **period between the retroactive starting date and the annuity starting date; and**

16 **(3) The lump sum payable shall be ninety percent of the annuity amounts which**
17 **would have been paid to the member from the retroactive starting date to the annuity**
18 **starting date had the member actually retired on the retroactive starting date. The**
19 **member shall elect to receive the lump sum amount either in its entirety at the same time**
20 **as the initial annuity payment is made or in three equal annual installments with the first**
21 **payment made at the same time as the initial annuity payment.**

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 be not less than thirty days nor more than ninety days subsequent to the execution and filing of
5 the member's application for retirement.

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

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

11 4. If as of the annuity starting date of a member who has attained normal retirement
12 eligibility the sum of the member's years of age and years of credited service equals eighty or
13 more years and if the member's age is at least fifty years but less than sixty-two years, or, in the
14 case of a member of the highway patrol who shall be subject to the mandatory retirement
15 provision of section 104.080, the mandatory retirement age and completion of five years of
16 credited service, then in addition to the life annuity described in subsection 2 of this section, the
17 member shall receive a temporary annuity equal to eight-tenths of one percent of the member's
18 final average pay multiplied by the member's years of credited service. The temporary annuity
19 and any cost-of-living adjustments attributable to the temporary annuity pursuant to section
20 104.1045 shall terminate at the end of the calendar month in which the earlier of the following
21 events occurs: the member's death or the member's attainment of the earliest age of eligibility
22 for reduced Social Security retirement benefits.

23 5. The annuity described in subsection 2 of this section for any person who has credited
24 service not covered by the federal Social Security Act, as provided in sections 105.300 to
25 105.445, RSMo, shall be calculated as follows: the life annuity shall be an amount equal to two
26 and five-tenths percent of the final average pay of the member multiplied by the number of years

27 of service not covered by the federal Social Security Act in addition to one and seven-tenths
28 percent of the final average pay of the member multiplied by the member's years of credited
29 service covered by the federal Social Security Act.

30 **6. Any member, except an elected official or a member of the general assembly, who**
31 **has not been paid retirement benefits and continues employment for at least two years**
32 **beyond the date of normal retirement eligibility, may elect to receive an annuity and lump**
33 **sum payment or payments, determined as follows:**

34 (1) A retroactive starting date shall be established which shall be the later of the
35 first day of retirement eligibility or five years before the annuity starting date;

36 (2) The prospective annuity payable as of the annuity starting date shall be
37 determined pursuant to the provisions of this section, with the exception that it shall be the
38 amount which would have been payable at the annuity starting date had the member
39 actually retired on the retroactive starting date. Other than for the lump sum payment or
40 payments specified in subdivision (3) of this subsection, no other amount shall be due for
41 the period between the retroactive starting date and the annuity starting date; and

42 (3) The lump sum payable shall be ninety percent of the annuity amounts which
43 would have been paid to the member from the retroactive starting date to the annuity
44 starting date had the member actually retired on the retroactive starting date. The
45 member shall elect to receive the lump sum amount either in its entirety at the same time
46 as the initial annuity payment is made or in three equal annual installments with the first
47 payment made at the same time as the initial annuity payment.