

FIRST REGULAR SESSION

HOUSE BILL NO. 776

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES LEARA (Sponsor) AND COLONA (Co-sponsor).

1930L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 86.200, 86.207, 86.250, 86.251, 86.253, 86.257, 86.260, 86.267, 86.280, 86.283, 86.288, 86.290, 86.320, 86.354, and 86.366, RSMo, and to enact in lieu thereof fifteen new sections relating to police retirement.

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

Section A. Sections 86.200, 86.207, 86.250, 86.251, 86.253, 86.257, 86.260, 86.267, 2 86.280, 86.283, 86.288, 86.290, 86.320, 86.354, and 86.366, RSMo, are repealed and fifteen new 3 sections enacted in lieu thereof, to be known as sections 86.200, 86.207, 86.250, 86.251, 86.253, 4 86.257, 86.260, 86.267, 86.280, 86.283, 86.288, 86.290, 86.320, 86.354, and 86.366, to read as 5 follows:

86.200. The following words and phrases as used in sections 86.200 to 86.366, unless 2 a different meaning is plainly required by the context, shall have the following meanings:

3 (1) "Accumulated contributions", the sum of all mandatory contributions deducted from 4 the compensation of a member and credited to the member's individual account, together with 5 members' interest thereon;

6 (2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of 7 mortality tables and interest assumptions adopted by the board of trustees;

8 (3) "Average final compensation":

9 (a) With respect to a member who earns no creditable service on or after October 1, 10 2001, **or a member whose first day of active participation in the system is on or after** 11 **October 1, 2011**, the average earnable compensation of the member during the member's last 12 three years of creditable service as a police officer, [or] **provided that** if the member has had less

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.

13 than three years of creditable service, the average earnable compensation of the member's entire
14 period of creditable service;

15 (b) With respect to a member who is not participating in the DROP pursuant to section
16 86.251 on October 1, 2001, **and before October 1, 2011**, who did not participate in the DROP
17 at any time before such date, and who earns any creditable service on or after October 1, 2001,
18 the average earnable compensation of the member during the member's last two years of
19 creditable service as a policeman, [or] **provided that** if the member has had less than two years
20 of creditable service, then the average earnable compensation of the member's entire period of
21 creditable service;

22 (c) With respect to a member who is participating in the DROP pursuant to section
23 86.251 on October 1, 2001, or whose participation in DROP ended before such date, who returns
24 to active participation in the system pursuant to section 86.251, and who terminates employment
25 as a police officer for reasons other than death or disability before earning at least two years of
26 creditable service after such return, the portion of the member's benefit attributable to creditable
27 service earned before DROP entry shall be determined using average final compensation as
28 defined in paragraph (a) of this subdivision; and the portion of the member's benefit attributable
29 to creditable service earned after return to active participation in the system shall be determined
30 using average final compensation as defined in paragraph (b) of this subdivision;

31 (d) With respect to a member who is participating in the DROP pursuant to section
32 86.251 on October 1, 2001, or whose participation in the DROP ended before such date, who
33 returns to active participation in the system pursuant to section 86.251, and who terminates
34 employment as a police officer after earning at least two years of creditable service after such
35 return, the member's benefit attributable to all of such member's creditable service shall be
36 determined using the member's average final compensation as defined in paragraph (b) of this
37 subdivision;

38 (e) With respect to a member who is participating in the DROP pursuant to section
39 86.251 on October 1, 2001, or whose participation in DROP ended before such date, who returns
40 to active participation in the system pursuant to section 86.251, and whose employment as a
41 police officer terminates due to death or disability after such return, the member's benefit
42 attributable to all of such member's creditable service shall be determined using the member's
43 average final compensation as defined in paragraph (b) of this subdivision; and

44 (f) With respect to the surviving spouse or surviving dependent child of a member who
45 earns any creditable service on or after October 1, 2001, **and before October 1, 2011**, the
46 average earnable compensation of the member during the member's last two years of creditable
47 service as a police officer or, if the member has had less than two years of creditable service, the
48 average earnable compensation of the member's entire period of creditable service;

49 (4) "Beneficiary", any person in receipt of a retirement allowance or other benefit;

50 (5) "Board of police commissioners", any board of police commissioners, police
51 commissioners and any other officials or boards now or hereafter authorized by law to employ
52 and manage a permanent police force in such cities;

53 (6) "Board of trustees", the board provided in sections 86.200 to 86.366 to administer
54 the retirement system;

55 (7) "Creditable service", prior service plus membership service as provided in sections
56 86.200 to 86.366;

57 (8) "DROP", the deferred retirement option plan provided for in section 86.251;

58 (9) "Earnable compensation", the annual salary which a member would earn during one
59 year on the basis of the member's rank or position as specified in the [applicable salary matrix
60 in] **annual salary established under** section 84.160, plus additional compensation for academic
61 work as provided in subsection 7 of section 84.160, plus shift differential as provided in
62 subdivision (4) of subsection 8 of section 84.160. Such amount shall include the member's
63 deferrals to a deferred compensation plan pursuant to Section 457 of the Internal Revenue Code
64 or to a cafeteria plan pursuant to Section 125 of the Internal Revenue Code or, effective October
65 1, 2001, to a transportation fringe benefit program pursuant to Section 132(f)(4) of the Internal
66 Revenue Code. Earnable compensation shall not include a member's additional compensation
67 for overtime, standby time, court time, nonuniform time or unused vacation time.
68 Notwithstanding the foregoing, the earnable compensation taken into account under the plan
69 established pursuant to sections 86.200 to 86.366 with respect to a member who is a noneligible
70 participant, as defined in this subdivision, for any plan year beginning on or after October 1,
71 1996, shall not exceed the amount of compensation that may be taken into account under Section
72 401(a)(17) of the Internal Revenue Code, as adjusted for increases in the cost of living, for such
73 plan year. For purposes of this subdivision, a "noneligible participant" is an individual who first
74 becomes a member on or after the first day of the first plan year beginning after the earlier of:

75 (a) The last day of the plan year that includes August 28, 1995; or

76 (b) December 31, 1995;

77 (10) "Internal Revenue Code", the federal Internal Revenue Code of 1986, as amended;

78 (11) "Mandatory contributions", the contributions required to be deducted from the
79 salary of each member who is not participating in DROP in accordance with section 86.320;

80 (12) "Member", a member of the retirement system as defined by sections 86.200 to
81 86.366;

82 (13) "Members' interest", interest on accumulated contributions at such rate as may be
83 set from time to time by the board of trustees;

84 (14) "Membership service", service as a policeman rendered since last becoming a
85 member, except in the case of a member who has served in the armed forces of the United States
86 and has subsequently been reinstated as a policeman, in which case "membership service" means
87 service as a policeman rendered since last becoming a member prior to entering such armed
88 service;

89 (15) "Plan year" or "limitation year", the twelve consecutive-month period beginning
90 each October first and ending each September thirtieth;

91 (16) "Policeman" or "police officer", any member of the police force of such cities who
92 holds a rank in such police force for which the annual salary is listed in section 84.160;

93 (17) "Prior service", all service as a policeman rendered prior to the date the system
94 becomes operative or prior to membership service which is creditable in accordance with the
95 provisions of sections 86.200 to 86.366;

96 (18) "Reserve officer", any member of the police reserve force of such cities, armed or
97 unarmed, who works less than full time, without compensation, and who, by his or her assigned
98 function or as implied by his or her uniform, performs duties associated with those of a police
99 officer and who currently receives a service retirement as provided by sections 86.200 to 86.366;

100 (19) **"Retirement age", the date a member who has terminated employment is**
101 **eligible to begin receiving a service retirement allowance under section 86.250 as follows:**

102 (a) **With respect to a member whose first day of active participation in the system**
103 **is before October 1, 2011, the earlier of the member's attainment of age fifty-five and the**
104 **member's completion of twenty years of creditable service. For purposes of the Internal**
105 **Revenue Code of 1986, as amended, the member's normal retirement age is age fifty-five;**

106 (b) **With respect to a member whose first day of active participation in the system**
107 **is on or after October 1, 2011, the earlier of the member's attainment of age fifty-five and**
108 **the date the member has both attained fifty and completed twenty-five years of creditable**
109 **service. For purposes of the Internal Revenue Code of 1986, as amended, the member's**
110 **normal retirement age is age fifty-five;**

111 (20) "Retirement allowance", annual payments for life as provided by sections 86.200
112 to 86.366 which shall be payable in equal monthly installments or any benefits in lieu thereof
113 granted to a member upon termination of employment as a police officer and actual retirement;

114 [(20)] (21) "Retirement system", the police retirement system of the cities as defined in
115 sections 86.200 to 86.366;

116 [(21)] (22) "Surviving spouse", the surviving spouse of a member who was the member's
117 spouse at the time of the member's death.

86.207. 1. All persons who become policemen and all policemen who enter or reenter
2 the service of the city after the first day of October, 1957, become members as a condition of

3 their employment and shall receive no pensions or retirement allowance from any other pension
4 or retirement system supported wholly or in part by the city or the state of Missouri, nor shall
5 they be required to make contributions under any other pension or retirement system of the city
6 or the state of Missouri, anything to the contrary notwithstanding.

7 2. If any member ceases to be in service for more than one year unless the member has
8 attained [the age of fifty-five or has twenty years or more of creditable service] **his or her**
9 **retirement age or, if earlier, has completed at least twenty-five years of creditable service,**
10 or if the member withdraws the member's accumulated contributions or if the member receives
11 benefits under the retirement system or dies, the member thereupon ceases to be a member;
12 except in the case of a member who has served in the armed forces of the United States and has
13 subsequently been reinstated as a policeman. A member who has terminated employment as a
14 police officer, has actually retired and is receiving retirement benefits under the system shall be
15 considered a retired member.

16 3. A reserve officer shall not be considered a member of the system for the purpose of
17 determining creditable service, nor shall any contributions be due. A reserve officer shall not
18 be entitled to any benefits from the system other than those awarded when the reserve officer
19 originally retired under section 86.250, nor shall service as a reserve officer prohibit distribution
20 of those benefits.

 86.250. Retirement of a member on a service retirement allowance shall be made by the
2 board of trustees as follows:

3 (1) Any member may terminate employment as a police officer and actually retire after
4 [completing twenty or more years of creditable service or attaining the age of fifty-five]
5 **attaining his or her retirement age** upon the member's written application to the board of
6 trustees setting forth at what time, but not more than ninety days subsequent to the execution and
7 filing of the application, the member desires to be retired;

8 (2) **Notwithstanding the provisions of subdivision (1) of this section, any member**
9 **whose first day of active participation in the system is on or after October 1, 2011, and who**
10 **terminates employment as a police officer after completing twenty-five or more years of**
11 **creditable service but before attaining age fifty may, not more than ninety days before his**
12 **or her attainment of age fifty, make written application to the board of trustees setting**
13 **forth at what time, but not more than ninety days subsequent to the execution and filing**
14 **of the application and not before his or her attainment of age fifty, the member desires to**
15 **be actually retired. Such member shall be vested under section 86.354 after attaining his**
16 **or her retirement age or completing twenty-five years of creditable service, but he or she**
17 **shall not begin to receive benefits until attaining age fifty;**

18 (3) Any member in service who has attained the age of sixty-five shall be terminated as
19 a police officer and actually retired forthwith provided that upon request of the board of police
20 commissioners the board of trustees may permit such member to remain in service for periods
21 of not to exceed one year from the date of the last request from the board of police
22 commissioners.

 86.251. 1. The board of trustees may develop and establish a deferred retirement option
2 plan (DROP) in which [members] **a member** who [are eligible for retirement] **has attained his**
3 **or her retirement age** but who have not terminated employment as police officers and who have
4 not actually retired may participate. The DROP shall be designed to allow [members with at
5 least twenty years of creditable service or who have attained the age of fifty-five who have
6 achieved eligibility for retirement and are entitled to a service retirement allowance and other
7 benefits] **a member who has attained his or her retirement age** to postpone actual retirement,
8 continue active employment and accumulate a deferred receipt of the service retirement
9 allowance. No one shall participate in the DROP for a period exceeding five years.

10 2. Any member who has [at least twenty years of creditable service or has attained the
11 age of fifty-five] **attained his or her retirement age** may elect in writing before retirement to
12 participate in the DROP. A member electing to participate in the DROP shall postpone actual
13 retirement, shall continue in active employment and shall not receive any direct retirement
14 allowance payments or benefits during the period of participation.

15 3. Upon the start of the participation in the DROP, the member shall cease to make any
16 mandatory contributions to the system. No contribution shall be required by the city into the
17 DROP account. During the period of participation in the DROP, the amount that the member
18 would have received as a service retirement allowance if the member had actually retired instead
19 of entering DROP shall be deposited monthly in the member's DROP account which shall be
20 established in the member's name by the board of trustees. The member's service retirement
21 allowance shall not be adjusted for any cost-of-living increases for any period prior to the
22 member's termination of employment as a police officer and actual retirement. Cost-of-living
23 increases, if any, for any period following the member's termination of employment as a police
24 officer and actual retirement shall be applied only to monthly service retirement payments made
25 following termination of employment as a police officer and actual retirement. Service earned
26 during the period of participation in the DROP shall not be creditable service and shall not be
27 counted in determination of any service retirement allowance or surviving spouse's or
28 dependents' benefits. Compensation paid during the period of participation in the DROP shall
29 not be earnable compensation and shall not be counted in the determination of any service
30 retirement allowance or surviving spouse's or dependent's benefits. The member's service
31 retirement allowance shall be frozen as of the date the member enters DROP. Except as

32 specifically provided in sections 86.200 to 86.366, the member's frozen service retirement
33 allowance shall not increase while the member is participating in DROP or after the member's
34 participation in DROP ends, and the member shall not share in any benefit improvement that is
35 enacted or that becomes effective while such member is participating in the DROP.

36 4. A member shall cease participation in the DROP upon the termination of the member's
37 employment as a police officer and actual retirement, or at the end of the five-year period
38 commencing on the first day of the member's participation in the DROP, or as of the effective
39 date, but in no event prior to October 1, 2001, of the member's election to return to active
40 participation in the system, whichever occurs first. A member's election to return to active
41 participation in the system before the end of the five-year period commencing on the first day
42 of participation in the DROP shall be made and shall become effective in accordance with
43 procedures established by the board of trustees, but in no event prior to October 1, 2001. Upon
44 the member's termination of employment as a police officer and actual retirement, the member
45 shall elect to receive the value of the member's DROP account, in one of the following forms of
46 payment:

47 (a) A lump sum payment; or

48 (b) Equal monthly installments over a ten-year period. Either form of payment should
49 begin within thirty days after the member's notice to the board of trustees that the member has
50 selected a particular option.

51 5. If a member who is participating in the DROP elects to return to active participation
52 in the system or if a member who is participating in the DROP does not terminate employment
53 and actually retires as a police officer in the city for which the retirement system was established
54 pursuant to sections 86.200 to 86.366 at the end of the five-year period commencing on the first
55 day of the member's participation in the DROP, the member shall return to active participation
56 in the system and shall resume making mandatory contributions to the system effective as of the
57 day after participation in the DROP ends or, if later, October 1, 2001. The board of trustees shall
58 notify the police commissioners to begin deducting mandatory contributions from the member's
59 salary and the member's employment period shall count as creditable service beginning as of the
60 day the member returns to active participation.

61 6. In no event shall a member whose participation in DROP has ended for any reason be
62 eligible to participate in DROP again.

63 7. Upon the member's termination of employment as a police officer and actual
64 retirement, the member's mandatory contributions to the retirement system shall be paid to the
65 member pursuant to subsection 4 of section 86.253.

66 8. If a member dies prior to termination of employment as a police officer and actual
67 retirement while participating in the DROP or before the member has received full withdrawal

68 of the amount in the member's DROP account under the installment optional payment form, the
69 remaining balance of the member's DROP account shall be payable to the member's surviving
70 spouse; or, if the member is then unmarried, to the member's dependent children in equal shares;
71 or, if none, to the member's dependent mother or father; or, if none, to the member's designated
72 beneficiary or, if no such beneficiary is then living, to the member's estate. Payment shall be
73 made in a lump sum within sixty days after receipt by the board of trustees of evidence and proof
74 of the death of a member. In addition, the member's mandatory contributions, if any, that were
75 not already paid to the member pursuant to subsection 4 of section 86.253 shall be paid to the
76 member's surviving spouse pursuant to section 86.288.

77 9. If a member applies for and receives benefits for an accidental disability retirement
78 allowance pursuant to the provisions of section 86.263, the member shall forfeit all rights, claims
79 or interest in the member's DROP account and the member's benefits shall be calculated as if the
80 member has continued in employment and had not elected to participate in the DROP. Any
81 portion of a DROP account that has been forfeited as provided in this subsection shall be a
82 general asset of the system.

83 10. **[A] In the case of a member who enters DROP before October 1, 2011, the**
84 member's DROP account shall earn interest equal to the rate of return earned by the system's
85 investment portfolio on a market value basis, including realized and unrealized gains and losses,
86 net of investment expense, as certified by the system's actuary. As of the last day of each plan
87 year beginning after DROP participation begins, the member's DROP account balance,
88 determined as of the last day of the prior plan year, shall be credited with interest at the
89 investment rate earned by the assets of the retirement system for such prior plan year. If
90 distribution of the member's DROP account balance is made in a lump sum under subsection 4
91 or 8 of this section, interest for the plan year of distribution shall be credited on the ending
92 balance for the prior plan year at the investment rate earned on the assets of the retirement system
93 for the prior plan year, in proportion to the part of the plan year preceding the date of the
94 member's termination of employment or death, whichever is earlier. If the member's DROP
95 account is paid in equal monthly installments pursuant to subsection 4 of this section, interest
96 during the installment period shall be credited as of the last day of each plan year ending after
97 installment payment begins on the account balance as of the first or last day of the plan year,
98 whichever is lower, at the investment rate earned by the assets of the system for the prior plan
99 year. Interest for the year in which the final installment is paid shall be credited on the balance
100 remaining after the final installment is paid, at the investment rate earned on the assets of the
101 system for the prior plan year, in proportion to the part of the plan year preceding payment of the
102 final installment. Any interest credited to the DROP account during the installment period shall
103 be paid as soon as reasonably possible after the final monthly installment. No interest shall be

104 credited on amounts, if any, added to the member's DROP account during the year in which the
105 distribution of the account is completed. **Notwithstanding the provisions in this subsection,**
106 **a member who entered DROP before October 1, 2011, may elect, in accordance with**
107 **procedures established by the trustees, to have the interest to be credited on the member's**
108 **DROP account for periods beginning on and after October 1, 2011, determined under**
109 **subsection 11 of this section.**

110 **11. In the case of a member who enters DROP on or after October 1, 2011, the**
111 **member's DROP account shall earn simple interest at the rate of six percent per annum.**
112 **As of the last day of each plan year beginning after DROP participation begins, the**
113 **member's DROP account balance, determined as of the last day of the prior plan year,**
114 **shall be credited with simple interest at the rate of six percent per annum. If distribution**
115 **of the member's DROP account balance is made in a lump sum under subsection 4 or 8 of**
116 **this section, interest for the plan year of distribution shall be credited on the ending**
117 **balance for the prior plan year in proportion to the part of the plan year preceding the**
118 **date of the member's termination of employment or death, whichever is earlier. If the**
119 **member's DROP account is paid in equal monthly installments under subsection 4 of this**
120 **section, interest during the installment period shall be credited as of the last day of each**
121 **plan year ending after the installment payments begin on the account balance as of the first**
122 **day of the plan year. Interest for the year in which the final installment is paid shall be**
123 **credited on the balance remaining after the final installment is paid in proportion to the**
124 **part of the plan year preceding payment of the final installment. Any interest credited to**
125 **the DROP account during the installment period shall be paid as soon as reasonably**
126 **possible after the final monthly installment. No interest shall be credited on amounts, if**
127 **any, added to the member's DROP account during the year in which the distribution of the**
128 **account is completed.**

129 **12.** The board of trustees shall not incur any liability individually or on behalf of other
130 individuals for any act or omission made in good faith in relation to the DROP or assets credited
131 to DROP accounts established by this section. The provisions of the Internal Revenue Code and
132 regulations promulgated thereunder shall supersede any provision of this section if there is any
133 inconsistency with the Internal Revenue Code or regulation.

134 **[12.] 13.** Upon the receipt by the board of trustees of evidence and proof that the death
135 of a member resulted from an event occurring while the member was in the actual performance
136 of duty, and if the member is participating in the DROP, the member's surviving spouse or, if the
137 member is then unmarried, the member's unmarried dependent children, may elect within thirty
138 days after the member's death to have the amount in the member's DROP account paid in the
139 form of a monthly survivor annuity. Payment of the survivor annuity shall begin within sixty

140 days after the election is received. Payment to the member's surviving spouse shall continue
141 until the surviving spouse's death; payment to the member's unmarried dependent children shall
142 be made while any child qualifies as an unmarried dependent child pursuant to section 86.280.
143 The survivor annuity shall be the actuarial equivalent of the member's DROP account as of the
144 date of the member's death. In no event shall the total amount paid pursuant to this subsection
145 be less than the member's DROP account balance as of the date of the member's death.

86.253. 1. Upon termination of employment as a police officer and actual retirement for
2 service, a member shall receive a service retirement allowance which shall be an amount equal
3 to two percent of the member's average final compensation multiplied by the number of years
4 of the member's creditable service, up to twenty-five years, plus an amount equal to four percent
5 of the member's average final compensation for each year of creditable service in excess of
6 twenty-five years but not in excess of thirty years; plus an additional five percent of the member's
7 average final compensation for any creditable service in excess of thirty years. Notwithstanding
8 the foregoing, the service retirement allowance of a member who does not earn any creditable
9 service after August 11, 1999, shall not exceed an amount equal to seventy percent of the
10 member's average final compensation, and the service retirement allowance of a member who
11 earns creditable service on or after August 12, 1999, shall not exceed an amount equal to
12 seventy-five percent of the member's average final compensation; provided, however, that the
13 service retirement allowance of a member who is participating in the DROP pursuant to section
14 86.251 on August 12, 1999, who returns to active participation in the system pursuant to section
15 86.251, and who terminates employment as a police officer and actually retires for reasons other
16 than death or disability before earning at least two years of creditable service after such return
17 shall be the sum of (1) the member's service retirement allowance as of the date the member
18 entered DROP and (2) an additional service retirement allowance based solely on the creditable
19 service earned by the member following the member's return to active participation. The
20 member's total years of creditable service shall be taken into account for the purpose of
21 determining whether the additional allowance attributable to such additional creditable service
22 is two percent, four percent or five percent of the member's average final compensation.

23 2. If, at any time since first becoming a member of the retirement system, the member
24 has served in the armed forces of the United States, and has subsequently been reinstated as a
25 policeman within ninety days after the member's discharge, the member shall be granted credit
26 for such service as if the member's service in the police department of such city had not been
27 interrupted by the member's induction into the armed forces of the United States. If earnable
28 compensation is needed for such period in computation of benefits it shall be calculated on the
29 basis of the compensation payable to the officers of the member's rank during the period of the
30 member's absence. Notwithstanding any provision of sections 86.200 to 86.366 to the contrary,

31 the retirement system governed by sections 86.200 to 86.366 shall be operated and administered
32 in accordance with the applicable provisions of the Uniformed Services Employment and
33 Reemployment Rights Act of 1994, as amended.

34 3. The service retirement allowance of each present and future retired member who
35 terminated employment as a police officer and actually retired [from service after attaining age
36 fifty-five or after completing twenty years of creditable service] shall be increased annually at
37 a rate not to exceed three percent as approved by the board of trustees beginning with the first
38 increase in the second October following the member's retirement and subsequent increases in
39 each October thereafter, provided that each increase is subject to a determination by the board
40 of trustees that the consumer price index (United States City Average Index) as published by the
41 United States Department of Labor shows an increase of not less than the approved rate during
42 the latest twelve-month period for which the index is available at the date of determination; and
43 provided further, that if the increase is in excess of the approved rate for any year, such excess
44 shall be accumulated as to any retired member and increases may be granted in subsequent years
45 subject to a maximum of three percent for each full year from October following the member's
46 retirement but not to exceed a total percentage increase of thirty percent. In no event shall the
47 increase described under this subsection be applied to the amount, if any, paid to a member or
48 surviving spouse of a deceased member for services as a special consultant under subsection 5
49 of this section [or, if applicable, subsection 6 of this section]. If the board of trustees determines
50 that the index has decreased for any year, the benefits of any retired member that have been
51 increased shall be decreased but not below the member's initial benefit. No annual increase shall
52 be made of less than one percent and no decrease of less than three percent except that any
53 decrease may be limited in amount by the initial benefit.

54 4. In addition to any other retirement allowance payable under this section and section
55 86.250, a member **whose first day of active participation in the system is before October 1,**
56 **2011**, upon termination of employment as police officer and actual service retirement, may
57 request payment of the total amount of the member's mandatory contributions to the retirement
58 system without interest. Upon receipt of such request, the board shall pay the retired member
59 such total amount of the member's mandatory contributions to the retirement system to be paid
60 pursuant to this subsection within sixty days after such retired member's date of termination of
61 employment as a police officer and actual retirement.

62 5. Any person who is receiving retirement benefits from the retirement system, upon
63 application to the board of trustees, shall be made, constituted, appointed and employed by the
64 board of trustees as a special consultant on the problems of retirement, aging and other matters,
65 for the remainder of the person's life or, in the case of a deceased member's surviving spouse,
66 until the earlier of the person's death or remarriage, and upon request of the board of trustees

67 shall give opinions and be available to give opinions in writing or orally, in response to such
68 requests, as may be required. For such services the special consultant shall be compensated
69 monthly, in an amount which, when added to any monthly retirement benefits being received
70 from the retirement system, including any cost-of-living increases under subsection 3 of this
71 section, shall total six hundred fifty dollars a month. This employment shall in no way affect any
72 person's eligibility for retirement benefits under this chapter, or in any way have the effect of
73 reducing retirement benefits, notwithstanding any provisions of law to the contrary.

86.257. 1. Upon the application of a member in service or of the board of police
2 commissioners, any member who has completed ten or more years of creditable service, **or in**
3 **the case of a member who makes application on or after October 1, 2011, five or more**
4 **years of creditable service**, and who has become permanently unable to perform the duties of
5 a police officer as the result of an injury or illness not exclusively caused or induced by the actual
6 performance of his or her official duties or by his or her own negligence shall be retired by the
7 board of trustees of the police retirement system upon certification by the medical director of the
8 police retirement system and approval by the board of trustees of the police retirement system
9 that the member is mentally or physically unable to perform the duties of a police officer, that
10 the inability is permanent or likely to become permanent, and that the member should be retired.

11 2. Once each year during the first five years following such member's retirement, and at
12 least once in every three- year period thereafter, the board of trustees may, and upon the
13 member's application shall, require any nonduty disability beneficiary who has not yet attained
14 sixty years of age to undergo a medical examination at a place designated by the medical director
15 or such physicians as the medical director appoints. If any nonduty disability beneficiary who
16 has not attained sixty years of age refuses to submit to a medical examination, his or her nonduty
17 disability pension may be discontinued until his or her withdrawal of such refusal, and if his or
18 her refusal continues for one year, all rights in and to such pension may be revoked by the board
19 of trustees.

20 3. If the medical director certifies to the board of trustees that a nonduty disability
21 beneficiary is able to perform the duties of a police officer, and if the board of trustees concurs
22 on the report, then such beneficiary's nonduty disability pension shall cease.

23 4. If upon cessation of a disability pension under subsection 3 of this section, the former
24 disability beneficiary is restored to active service, he or she shall again become a member, and
25 he or she shall contribute thereafter at the same rate as other members. Upon his or her
26 subsequent retirement, he or she shall be credited with all of his or her active retirement, but not
27 including any time during which the former disability beneficiary received a disability pension
28 under this section.

- 86.260. 1. Upon termination of employment as a police officer and actual retirement for
2 nonduty disability a member shall receive a service retirement allowance as calculated under
3 subsection 1 of section 86.253 if the member has attained [the age of fifty-five or completed
4 twenty years of creditable service] **his or her retirement age**; otherwise the member shall
5 receive a nonduty disability retirement allowance which shall be equal to ninety percent of the
6 member's accrued service retirement in section 86.253, but not less than one-fourth of the
7 member's average final compensation; provided, however, that no such allowance shall exceed
8 ninety percent of the member's accrued service retirement benefit based on continuation of the
9 member's creditable service to the age set out in section 86.250.
- 10 2. Effective October 1, 1999, the nonduty disability retirement allowance will be
11 increased by fifteen percent of the member's average final compensation for each unmarried
12 dependent child of the disabled member who is under the age of eighteen, or who, regardless of
13 age, is totally and permanently mentally or physically disabled and incapacitated from engaging
14 in gainful occupation sufficient to support himself or herself.
- 15 3. Any member receiving benefits pursuant to the provisions of this section immediately
16 prior to October 1, 1999, shall upon application to the board of trustees be made, constituted,
17 appointed and employed by the board of trustees as a special consultant on the problems of
18 retirement, aging and other matters while the member is receiving such benefits, and upon
19 request of the board of trustees shall give opinions in writing or orally in response to such
20 requests as may be required. Beginning October 1, 1999, for such services as may be required,
21 there shall be payable an additional monthly compensation of one hundred dollars or five percent
22 of the member's average final compensation, whichever is greater, for each unmarried dependent
23 child of the member.
- 24 4. Any benefit payable to or for the benefit of a child or children under the age of
25 eighteen years pursuant to the provisions of subsections 2 and 3 of this section shall continue to
26 be paid beyond the age of eighteen years through the age of twenty-two years in those cases
27 where the child is a full-time student at a regularly accredited college, business school, nursing
28 school, school for technical or vocational training, or university, but such extended benefit shall
29 cease whenever the child ceases to be a student. A college or university shall be deemed to be
30 regularly accredited which maintains membership in good standing in a national or regional
31 accrediting agency recognized by any state college or university.
- 32 5. No benefits pursuant to this section shall be paid to a child over eighteen years of age
33 who is totally and permanently disabled if such child is a patient or resident of a public-supported
34 institution, nor shall such benefits be paid unless such disability occurred prior to such child
35 reaching the age of eighteen.

86.267. 1. Upon termination of employment as a police officer and actual retirement for
2 accidental disability, other than permanent total disability as defined in subsection 2, a member
3 shall receive a retirement allowance of seventy-five percent of the member's average final
4 compensation.

5 2. Any member who, as the natural and proximate result of an accident occurring at some
6 definite time and place in the actual performance of the member's duty through no negligence
7 on the member's part, is permanently and totally incapacitated from performing any work,
8 occupation or vocation of any kind whatsoever shall receive a retirement allowance as under
9 subsection 1 or, in the discretion of the board of trustees, may receive a larger retirement
10 allowance in an amount not exceeding the member's rate of compensation as a policeman in
11 effect as of the date the allowance begins.

12 3. The board of trustees, in its discretion, may, in addition to the allowance granted in
13 accordance with the provisions of subsections 1 and 2, grant an allowance in an amount to be
14 determined by the board of trustees, to provide such member with surgical, medical and hospital
15 care reasonably required after retirement, which are the result and in consequence of the accident
16 causing such disability.

17 4. Any person who is receiving benefits pursuant to subsection 2 of this section on or
18 after August 28, 1997, and any person who is receiving benefits pursuant to subsection 1 of this
19 section on or after October 1, 2001, and who made mandatory contributions to the retirement
20 system, upon application to the board of trustees, shall be made, constituted, appointed and
21 employed by the board of trustees as a special consultant on the problems of retirement, aging
22 and other matters, and upon request of the board of trustees shall give opinions and be available
23 to give opinions in writing or orally, in response to such requests, as may be required. For such
24 services the retired member shall be paid a lump sum payment in an amount equal to the total
25 amount of the member's mandatory contributions to the retirement system, without interest,
26 within sixty days after approval of the retired member's application by the board of trustees. **The**
27 **provisions of this subsection shall not apply to any member whose first day of active**
28 **participation in the system is on or after October 1, 2011.**

86.280. Upon the receipt of proper proofs of the death of a member in service and
2 provided no other benefits are payable under the retirement system, there shall be paid the
3 following benefits:

4 (1) Effective October 1, 1999, a pension to the surviving spouse until the surviving
5 spouse dies or remarries, whichever is earlier, of forty percent of the deceased member's average
6 final compensation plus fifteen percent of such compensation to, or for the benefit of, each
7 unmarried dependent child of the deceased member, who is either under the age of eighteen, or

8 who, regardless of age, is totally and permanently mentally or physically disabled and
9 incapacitated from engaging in gainful occupation sufficient to support himself or herself;

10 (2) Any surviving spouse or unmarried dependent child receiving benefits pursuant to
11 the provisions of this section immediately prior to October 1, 1999, shall, upon application to
12 the board of trustees, be made, constituted, appointed and employed by the board of trustees as
13 a special consultant on the problems of retirement, aging and other matters while the surviving
14 spouse or unmarried dependent child is receiving such benefits, and upon request of the board
15 of trustees shall give opinions in writing or orally in response to such requests as may be
16 required. Beginning October 1, 1999, for such services as may be required, the surviving spouse
17 shall receive additional monthly compensation in an amount equal to fifteen percent of the
18 deceased member's average final compensation, and there shall be payable an additional monthly
19 compensation of one hundred dollars or five percent of the member's average final compensation,
20 whichever is greater, for each unmarried dependent child of the member. The additional monthly
21 compensation payable to a surviving spouse pursuant to this subdivision shall be adjusted for any
22 cost-of-living increases that apply, pursuant to subdivision (8) of this section, to the benefit the
23 surviving spouse was receiving prior to October 1, 1999;

24 (3) If no surviving spouse benefits are payable pursuant to subdivisions (1) and (2) of
25 this section, such total pension as would have been paid pursuant to subdivisions (1) and (2) of
26 this section had there been a surviving spouse shall be divided among the unmarried dependent
27 children under age eighteen and such unmarried dependent children, regardless of age, who are
28 totally and permanently mentally or physically disabled and incapacitated from engaging in a
29 gainful occupation sufficient to support themselves. The benefit shall be divided equally among
30 the eligible dependent children, and the share of a child who is no longer eligible shall be divided
31 equally among the remaining eligible dependent children; provided that not more than one-half
32 of the surviving spouse's benefit shall be paid for one child;

33 (4) If there is no surviving spouse or dependent children, the return of accumulated
34 contributions to the designated beneficiary as set forth in section 86.293;

35 (5) No benefits pursuant to this section shall be paid to a child over eighteen years of age
36 who is totally and permanently disabled if such child is a patient or resident of a public-supported
37 institution, nor shall such benefits be paid unless such disability occurred prior to such child
38 reaching the age of eighteen;

39 (6) Wherever any dependent child designated by the board of trustees to receive benefits
40 pursuant to this section is in the care of the surviving spouse of the deceased member, such
41 benefits may be paid to such surviving spouse for the child;

42 (7) Any benefit payable to, or for the benefit of, a child or children under the age of
43 eighteen years pursuant to subdivisions (1) to (3) of this section shall continue to be paid beyond

44 the age of eighteen years through the age of twenty-two years if the child is a full-time student
45 at a regularly accredited college, business school, nursing school, school for technical or
46 vocational training, or university, but such extended benefit shall cease whenever the child
47 ceases to be a student. A college or university shall be deemed to be regularly accredited which
48 maintains membership in good standing in a national or regional accrediting agency recognized
49 by any state college or university;

50 (8) The benefits payable pursuant to this section to the surviving spouse of a member
51 who died in service after attaining [the age of fifty-five or completing twenty years of creditable
52 service] **his or her retirement age** shall be increased in the same percentages and pursuant to
53 the same method as is provided in section 86.253 for adjustments in the service retirement
54 allowance of a retired member;

55 (9) **The death benefits payable under this section, but not the cost-of-living increase**
56 **for the surviving spouse described in subdivision (8) of this section, shall be payable upon**
57 **the death of a member whose first day of active participation in the system is on or after**
58 **October 1, 2011, who terminates employment after completion of twenty-five years of**
59 **creditable service but before attainment of age fifty and who dies before payment of his or**
60 **her service retirement allowance began.**

86.283. Upon receipt of proper proofs of the death of a retired member who retired while
2 in service, including retirement for service, ordinary disability or accidental disability, **or who**
3 **retired after termination of employment under subdivision (2) of section 86.250**, and
4 provided no other benefits are payable from the retirement system, there shall be paid the
5 following benefits:

6 (1) Effective October 1, 1999, a pension to the surviving spouse until the surviving
7 spouse dies or remarries, whichever is earlier, of forty percent of the deceased member's average
8 final compensation plus fifteen percent of such compensation to, or for the benefit of, each
9 unmarried dependent child of the deceased member, who is either under the age of eighteen, or
10 who, regardless of age, is totally and permanently mentally or physically disabled and
11 incapacitated from engaging in a gainful occupation sufficient to support himself or herself;

12 (2) Any surviving spouse or unmarried dependent child receiving benefits pursuant to
13 this section immediately prior to October 1, 1999, shall upon application to the board of trustees
14 be made, constituted, appointed and employed by the board of trustees as a special consultant
15 on the problems of retirement, aging and other matters while the surviving spouse or unmarried
16 dependent child is receiving such benefits, and upon request of the board of trustees shall give
17 opinions in writing or orally in response to such requests as may be required. Beginning October
18 1, 1999, for such services as may be required, a surviving spouse shall receive additional
19 monthly compensation equal to the amount which when added to the benefits the surviving

20 spouse was receiving pursuant to this section prior to October 1, 1999, determined without
21 regard to any increase applied to such benefits prior to October 1, 1999, pursuant to subdivision
22 (8) of this section, will increase the surviving spouse's total monthly payment pursuant to this
23 section to forty percent of the deceased member's average final compensation, and there shall be
24 payable an additional monthly compensation of one hundred dollars or five percent of the
25 member's average final compensation, whichever is greater, for each unmarried dependent child
26 of the member. The additional monthly compensation payable to a surviving spouse pursuant
27 to this subdivision shall be adjusted for any cost-of-living increases that apply to the benefit the
28 surviving spouse was receiving prior to October 1, 1999;

29 (3) If no surviving spouse benefits are payable pursuant to subdivisions (1) and (2) of
30 this section, such total pension as would have been paid pursuant to subdivisions (1) and (2) of
31 this section had there been a surviving spouse, determined without regard to any increase which
32 would have applied to the surviving spouse's benefits pursuant to subdivision (8) of this section,
33 shall be divided among the unmarried dependent children under age eighteen and unmarried
34 dependent children, regardless of age, who are totally and permanently mentally or physically
35 disabled and incapacitated from engaging in a gainful occupation sufficient to support
36 themselves. The benefit shall be divided equally among the eligible dependent children, and the
37 share of a child who is no longer eligible shall be divided equally among the remaining eligible
38 dependent children; provided that not more than one-half of the surviving spouse's benefits shall
39 be paid for one child;

40 (4) No benefits pursuant to this section shall be paid to a child over eighteen years of age
41 who is totally and permanently disabled if such child is a patient or resident of a public-supported
42 institution, nor shall such benefits be paid unless such disability occurred prior to such child
43 reaching the age of eighteen;

44 (5) Whenever any dependent child designated by the board of trustees to receive benefits
45 pursuant to this section is in the care of the surviving spouse of the deceased member, such
46 benefits may be paid to such surviving spouse for the child;

47 (6) In the event of the death of a retired member receiving accidental disability benefits
48 before such benefits have been paid for five years, the member's surviving spouse until the
49 surviving spouse dies or remarries, whichever is earlier, shall receive an additional pension of
50 ten percent of the deceased member's final average compensation;

51 (7) Any benefit payable to, or for the benefit of, a child or children under the age of
52 eighteen years pursuant to subdivisions (1) to (3) of this section shall continue to be paid beyond
53 the age of eighteen years through the age of twenty-two years if the child is a full-time student
54 at a regularly accredited college, business school, nursing school, school for technical or
55 vocational training, or university, but such extended benefit shall cease whenever the child

56 ceases to be a student. A college or university shall be deemed to be regularly accredited which
57 maintains membership in good standing in a national or regional accrediting agency recognized
58 by any state college or university;

59 (8) The benefits payable pursuant to this section to the surviving spouse of a retired
60 member who received or was entitled to receive a service retirement allowance shall be increased
61 in the same percentages and pursuant to the same method as is provided in section 86.253 for
62 adjustments in the service retirement allowance of a retired member.

86.288. In addition to any other benefits payable, notwithstanding any provisions of
2 sections 86.280 and 86.287 to the contrary, if a member dies while commissioned as a peace
3 officer, or after retiring and before receiving a refund of the member's mandatory contributions
4 in accordance with section 86.253 or 86.290, or while receiving a disability retirement allowance
5 in accordance with section [86.253 or 86.257] **86.267**, the total amount of the member's
6 mandatory contributions to the retirement system shall be paid without interest to the surviving
7 spouse of such member. Payment pursuant to this section shall be made within sixty days after
8 the later of the date proper proofs of death are provided or August 28, 1994, regardless of when
9 the member died or actually retired, provided that the surviving spouse shall be alive on the date
10 that payment is made. **The provisions of this section shall not apply to any member whose**
11 **first day of active participation in the system is on or after October 1, 2011.**

86.290. Should a member cease to be a policeman except by death [or actual retirement]
2 **in service and without entitlement to any other benefits under sections 86.200 to 86.366**, the
3 member may request payment of the amount of the accumulated contributions standing to the
4 credit of the member's individual account, including members' interest, in which event such
5 amount shall be paid to the member not later than one year after the member ceases to be a
6 policeman. If the former member is reemployed as a policeman before any portion of such
7 former member's accumulated contributions is distributed, no distribution shall be made. If the
8 former member is reemployed as a policeman after a portion of the former member's
9 accumulated contributions is distributed, the amount remaining shall also be distributed.

86.320. 1. The board of trustees shall certify to the board of police commissioners and
2 the board of police commissioners shall cause to be deducted from the salary of each member
3 on each and every payroll for each and every pay period, seven percent of the compensation of
4 each member [who is not participating in the DROP] **for each pay period ending before**
5 **October 1, 2011, and nine percent of the compensation of each member for each pay period**
6 **ending on or after October 1, 2011**, including each member whose participation in the DROP
7 has ended and who has returned to active participation in the system pursuant to section 86.251,
8 and zero percent of the compensation of each member who is participating in the DROP or

9 whose participation in the DROP has ended but who has not returned to active participation in
10 the system pursuant to section 86.251.

11 2. The deductions provided for in this section shall be made notwithstanding that the
12 minimum compensation provided by law for any member shall be reduced thereby. Every
13 member shall be deemed to consent to the deductions made and provided for in this section, and
14 shall receipt for the member's full salary or compensation and payment of salary or compensation
15 less such deduction shall be a full and complete discharge and acquittance of all claims and
16 demands whatsoever for services rendered during the period covered by the payment except as
17 to benefits provided by sections 86.200 to 86.366. The board of police commissioners shall
18 certify to the board of trustees on each and every payroll or in such other manner as the board
19 of trustees shall prescribe the amount deducted, and such amounts shall be paid into the system
20 and shall be credited together with members' interest thereon to the individual account of the
21 member from whose compensation such deduction was made.

22 3. The board of trustees is authorized to grant additional benefits for such parts of
23 contributions as were made prior to the adoption of the seven-percent rate for all members which
24 were in excess of the compulsory contributions required of each member.

86.354. A member's benefit shall be one hundred percent vested and nonforfeitable upon
2 the **first of the following to occur:**

3 (1) **The member's attainment of [normal] his or her retirement age [of the earlier of age**
4 **fifty-five or completion of twenty years of creditable service or, if earlier, and] ; or**

5 (2) **The member's completion of twenty-five years of creditable service; or**

6 (3) **To the extent the plan is funded, upon the termination of the plan established**
7 **pursuant to sections 86.200 to 86.366.**

8

9 Forfeitures of any nature under such plan shall not be used to increase the benefits of any
10 member, but shall be used to reduce the city's contributions pursuant to section 86.243.

86.366. 1. The board of trustees shall by rule adopt a program whereby, in addition to
2 any retirement allowance, or compensation paid or payable under sections 86.200 to 86.366, any
3 retired member under such sections who is receiving ordinary service retirement benefits and
4 who has not received a lump sum payment equal to the retired member's contributions, shall
5 upon application to the retirement system of the city and approval of the application by the board
6 of trustees be made a special advisor to the retirement system and shall be paid as compensation
7 for services as special advisor a lump sum payment in an amount equal to the total amount of the
8 retired member's contributions to the retirement system, without interest, in the manner provided
9 in subsection 2 of this section.

10 2. Within ninety days of August 28, 1990, the board of trustees shall establish a system
11 of processing and approving qualified applicants for appointment and payment under this
12 section. Application for appointment for special advisor to the retirement system must be made
13 within one hundred eighty days of August 28, 1990. All qualified applicants shall be deemed
14 appointed as of the date of their application, and shall be paid within one year of August 28,
15 1990.

16 3. Any diminishment of the assets of the system resulting from the compensation paid
17 the special advisors to the retirement system provided for in sections 86.200 to 86.366 shall
18 result in an increase in the funding requirement as computed under section 86.330 and made an
19 obligation of the city under sections 86.344 and 86.350.

20 **4. The provisions of this section shall not apply to any member whose first day of**
21 **active participation in the system is on or after October 1, 2011.**