

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 282
96TH GENERAL ASSEMBLY

1055S.04T

2011

AN ACT

To repeal sections 70.710, 70.720, 70.730, 86.900, 86.1030, 86.1100, 86.1110, 86.1120, 86.1140, 86.1150, 86.1230, 86.1240, 86.1250, 86.1310, 86.1420, 86.1480, 86.1490, 86.1500, 86.1510, 86.1540, 86.1560, 86.1600, 86.1610, 86.1620, 87.205, 87.207, 105.661, 105.915, and 105.927, RSMo, and to enact in lieu thereof thirty-two new sections relating to public employee retirement.

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

Section A. Sections 70.710, 70.720, 70.730, 86.900, 86.1030, 86.1100, 86.1110, 2 86.1120, 86.1140, 86.1150, 86.1230, 86.1240, 86.1250, 86.1310, 86.1420, 86.1480, 86.1490, 3 86.1500, 86.1510, 86.1540, 86.1560, 86.1600, 86.1610, 86.1620, 87.205, 87.207, 105.661, 4 105.915, and 105.927, RSMo, are repealed and thirty-two new sections enacted in lieu thereof, 5 to be known as sections 70.710, 70.720, 70.730, 86.900, 86.1030, 86.1100, 86.1110, 86.1120, 6 86.1140, 86.1150, 86.1230, 86.1240, 86.1250, 86.1310, 86.1420, 86.1480, 86.1490, 86.1500, 7 86.1510, 86.1540, 86.1560, 86.1600, 86.1610, 86.1620, 87.127, 87.205, 87.207, 100.273, 8 104.603, 105.661, 105.915, and 105.927, to read as follows:

70.710. 1. The "Employer Accumulation Fund" is hereby created. It is the fund in 2 which shall be accumulated the contributions made by employers for benefits, and from which 3 shall be made transfers, as provided in sections 70.600 to 70.755.

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.

4 2. When paid to the system, the employer contributions provided for in subsections 2 and
5 3 of section 70.730 shall be credited to the employer accumulation fund account of the employer
6 making the contributions.

7 3. When an allowance other than a disability allowance **or an allowance that results**
8 **from a member's death that was the natural and proximate result of a personal injury or**
9 **disease arising out of and in the course of his or her actual performance of duty as an**
10 **employee** first becomes due and payable, there shall be transferred to the benefit reserve fund
11 from his employer's account in the employer accumulation fund the difference between the
12 reserve for the allowance and the accumulated contributions standing to his credit in the
13 members deposit fund at the time the allowance first becomes due and payable, of the member
14 or former member to whom or on whose behalf the allowance is payable.

15 4. A separate account shall be maintained in the employer accumulation fund for each
16 employer. No employer shall be responsible for the employer accumulation fund liabilities of
17 another employer.

18 5. When a disability allowance **or an allowance that results from a member's death**
19 **that was the natural and proximate result of a personal injury or disease arising out of and**
20 **in the course of his or her actual performance of duty as an employee** first becomes due and
21 payable, the accrued service pension reserve covering the retiring member shall be calculated in
22 the manner provided for in subsection 3 of section 70.730, as of the effective date of the
23 disability allowance. Such reserve shall be transferred to the benefit reserve fund from the
24 employer's account in the employer accumulation fund.

70.720. 1. The "Casualty Reserve Fund" is hereby created. It is the fund in which shall
2 be accumulated the contributions made by employers for pensions **either** to be paid members
3 who retire on account of disability **or that result from a member's death that was the natural**
4 **and proximate result of a personal injury or disease arising out of and in the course of his**
5 **or her actual performance of duty as an employee**, and from which shall be made transfers
6 as provided in sections 70.600 to 70.755.

7 2. When paid to the system, the employer contributions provided for in subsection 4 of
8 section 70.730 shall be credited to the casualty reserve fund.

9 3. When a disability allowance **or an allowance that results from a member's death**
10 **that was the natural and proximate result of a personal injury or disease arising out of and**
11 **in the course of his or her actual performance of duty as an employee** first becomes due and
12 payable, there shall be transferred to the benefit reserve fund from the casualty reserve fund an
13 amount equal to the reserve for the allowance, minus:

14 (1) The accumulated contributions, standing to the member's credit in the members
15 deposit fund at the time the allowance first becomes due and payable; and

16 (2) The accrued service pension reserve determined pursuant to subsection 5 of section
17 70.710.

70.730. 1. Each employer's contributions to the system shall be the total of the
2 contribution amounts provided for in subsections 2 through 5 of this section; provided, that such
3 contributions shall be subject to the provisions of subsection 6 of this section.

4 2. An employer's normal cost contributions shall be determined as follows: Using the
5 financial assumptions adopted by the board from time to time, the actuary shall annually compute
6 the rate of contributions which, if paid annually by each employer during the total service of its
7 members, will be sufficient to provide the pension reserves required at the time of their
8 retirements to cover the pensions to which they might be entitled or which might be payable on
9 their behalf. The board shall annually certify to the governing body of each employer the amount
10 of membership service contribution so determined, and each employer shall pay such amount to
11 the system during the employer's next fiscal year which begins six months or more after the date
12 of such board certification. Such payments shall be made in such manner and form and in such
13 frequency and shall be accompanied by such supporting data as the board shall from time to time
14 determine. When received, such payments shall be credited to the employer's account in the
15 employer accumulation fund.

16 3. An employer's accrued service contributions shall be determined as follows: Using
17 the financial assumptions adopted by the board from time to time, the actuary shall annually
18 compute for each employer the portions of pension reserves for pensions which will not be
19 provided by future normal cost contributions. The accrued service pension reserves so
20 determined for each employer less the employer's applicable balance in the employer
21 accumulation fund shall be amortized over a period of years, as determined by the board. Such
22 period of years shall not extend beyond the latest of (1) forty years from the date the political
23 subdivision became an employer, or (2) thirty years from the date the employer last elected to
24 increase its optional benefit program, or (3) fifteen years from the date of the annual actuarial
25 computation. The board shall annually certify to the governing body of each employer the
26 amount of accrued service contribution so determined for the employer, and each employer shall
27 pay such amount to the system during the employer's next fiscal year which begins six months
28 or more after the date of such board certification. Such payments shall be made in such manner
29 and form and in such frequency and shall be accompanied by such supporting data as the board
30 shall from time to time determine. When received, such payments shall be credited to the
31 employer's account in the employer accumulation fund.

32 4. The employer's contributions for the portions of disability pensions **or pensions that**
33 **result from a member's death that was the natural and proximate result of a personal**
34 **injury or disease arising out of and in the course of his or her actual performance of duty**

35 **as an employee** not covered by accrued service pension reserves shall be determined on a
36 one-year term basis. The board may determine different rates of contributions for employers
37 having policeman members or having fireman members or having neither policeman members
38 nor fireman members. The board shall annually certify to the governing body of each employer
39 the amount of contribution so ascertained for the employer, and each employer shall pay such
40 amount to the system during the employer's next fiscal year which begins six months or more
41 after the date of such board certification. Such payments shall be made in such manner and form
42 and in such frequency and shall be accompanied by such supporting data as the board shall from
43 time to time ascertain. When received, such payments shall be credited to the casualty reserve
44 fund.

45 5. Each employer shall provide its share, as determined by the board, of the
46 administrative expenses of the system and shall pay **the** same to the system to be credited to the
47 income-expense fund.

48 6. The employer's total contribution to the system, expressed as a percent of active
49 member compensations, in any employer fiscal year, beginning with the second fiscal year that
50 the political subdivision is an employer, shall not exceed its total contributions for the
51 immediately preceding fiscal year, expressed as a percent of active member compensations, by
52 more than one percent.

86.900. The following words and phrases as used in sections 86.900 to 86.1280 shall
2 have the following meanings unless a different meaning is plainly required by the context:

3 (1) "Accumulated contributions", the sum of all amounts deducted from the
4 compensation of a member and paid to the retirement board, together with all amounts paid to
5 the retirement board by a member or by a member's beneficiary, for the purchase of prior service
6 credits or any other purpose permitted under sections 86.900 to 86.1280;

7 (2) "**Actuarial cost**", **the present value of a future payment or series of payments**
8 **as calculated by applying the actuarial assumptions established according to subsection 8**
9 **of section 86.1270;**

10 (3) "Beneficiary", any person entitled, either currently or conditionally, to receive
11 pension or other benefits provided in sections 86.900 to 86.1280;

12 [(3)] (4) "Board of police commissioners", the board composed of police commissioners
13 authorized by law to employ and manage an organized police force in the cities;

14 [(4)] (5) "City" or "cities", any city which now has or may hereafter have a population
15 of more than three hundred thousand and less than seven hundred thousand inhabitants, or any
16 city that has made an election under section 86.910 to continue a police retirement system
17 maintained under sections 86.900 to 86.1280;

18 [(5)] (6) "Compensation", the basic wage or salary paid a member for any period on the
19 basis of the member's rank and position, excluding bonuses, overtime pay, expense allowances,
20 and other extraordinary compensation; except that, notwithstanding such provision,
21 compensation for any year for any member shall not exceed the amount permitted to be taken
22 into account under Section 401(a)(17) of the Internal Revenue Code as applicable to such year;

23 [(6)] (7) "Consultant", unless otherwise specifically defined, a person retained by the
24 retirement system as a special consultant on the problems of retirement, aging and related matters
25 who, upon request of the retirement board, shall give opinions and be available to give opinions
26 in writing or orally in response to such requests, as may be needed by the board;

27 [(7)] (8) "Creditable service", service qualifying as a determinant of a member's pension
28 or other benefit under sections 86.900 to 86.1280 by meeting the requirements specified in said
29 sections or section 105.691;

30 [(8)] (9) "Final compensation", the average annual compensation of a member during
31 the member's service if less than two years, or the twenty-four months of service for which the
32 member received the highest salary whether consecutive or otherwise. In computing the average
33 annual compensation of a member, no compensation for service after the thirtieth full year of
34 membership service shall be included. For any period of time when a member is paid on a
35 frequency other than monthly, the member's salary for such period shall be deemed to be the
36 monthly equivalent of the member's annual rate of compensation for such period;

37 [(9)] (10) "Fiscal year", for the retirement system, the fiscal year of the cities;

38 [(10)] (11) "Internal Revenue Code", the United States Internal Revenue Code of 1986,
39 as amended;

40 [(11)] (12) "Medical board", not less than one nor more than three physicians appointed
41 by the retirement board to arrange for and conduct medical examinations as directed by the
42 retirement board;

43 [(12)] (13) "Member", a member of the police retirement system as described in section
44 86.1090;

45 [(13)] (14) "Pension", annual payments for life, payable monthly, [beginning with the
46 date of retirement or other applicable commencement date and ending with death] **at the times**
47 **described in section 86.1030;**

48 [(14)] (15) "Pension fund", the fund resulting from contributions made thereto by the
49 cities affected by sections 86.900 to 86.1280 and by the members of the police retirement system;

50 [(15)] (16) "Police officer", an officer or member of the police department of the cities
51 employed for compensation by the boards of police commissioners of the cities for police duty
52 who holds a rank or position for which an annual salary range is provided in section 84.480 or

53 84.510; in case of dispute as to whether any person is a police officer qualified for membership
54 in the retirement system, the decision of the board of police commissioners shall be final;

55 [(16)] (17) "Retirement board" or "board", the board provided in section 86.920 to
56 administer the retirement system;

57 [(17)] (18) "Retirement system", the police retirement system of the cities as defined in
58 section 86.910;

59 [(18)] (19) "Surviving spouse", when determining whether a person is entitled to benefits
60 under sections 86.900 to 86.1280 by reason of surviving a member, shall include only:

61 (a) A person who was married to a member at the time of the member's death in the line
62 of duty or from an occupational disease arising out of and in the course of the member's
63 employment and who had not, after the member's death and prior to August 28, 2000, remarried;

64 (b) With respect to a member who retired or died prior to August 28, 1997, a spouse who
65 survives such member, whose marriage to such member occurred at least two years before the
66 member's retirement or at least two years before the member's death while in service, and who
67 had not remarried anyone other than the member prior to August 28, 2000;

68 (c) With respect to a member who retired or died while in service after August 28, 1997,
69 and before August 28, 2000, a spouse who survives such member, was married to such member
70 at the time of such member's retirement or of such member's death while in service, and had not,
71 after the member's death and prior to August 28, 2000, remarried; and

72 (d) With respect to a member who retires or dies in service after August 28, 2000, a
73 spouse who survives a member and was married to such member at the time of such member's
74 retirement or death while in service.

86.1030. 1. All benefits and all necessary administrative expenses of the retirement
2 system shall be paid from the funds of the retirement system.

3 2. **The base pension of a member who, after August 28, 2011, retires from or**
4 **otherwise terminates active service with entitlement to a base pension under sections 86.900**
5 **to 86.1280 shall commence as of the first day of the month next following such retirement**
6 **or termination with no proration of such pension for the month in which such retirement**
7 **or termination occurs. The supplemental retirement benefits of a member who, after**
8 **August 28, 2011, retires from or otherwise terminates active service with entitlement to a**
9 **supplemental retirement benefit provided in subsection 1 of section 86.1230 shall**
10 **commence as of the first day of the month next following such retirement or termination**
11 **with no proration of such supplemental retirement benefit for the month in which such**
12 **retirement or termination occurs.**

13 3. **Upon the death of a member who is receiving a base pension under sections**
14 **86.900 to 86.1280 leaving a surviving spouse, as defined in section 86.900, entitled to**

15 benefits, payment of the member's base pension including all cost-of-living adjustments
16 thereto, prorated for that portion of the month of such death in which such member was
17 living, shall be made to such surviving spouse, and the benefit for which such spouse is
18 entitled under section 86.1240 shall be prorated and paid to such spouse for the remainder
19 of such month.

20 4. Upon the death of a member who is receiving a base pension under sections
21 86.900 to 86.1280 leaving no surviving spouse, as defined in section 86.900, entitled to
22 benefits, payment of the member's base pension including all cost-of-living adjustments
23 thereto, prorated for that portion of the month of such death in which such member was
24 living, shall be made in equal shares to or for the benefit of the children, if any, of such
25 member as are entitled to share in spousal benefits as described in subsection 2 of section
26 86.1250. If no such children shall survive such member, such prorated benefit for the
27 month of such member's death shall be paid to the beneficiary named by such member in
28 a writing filed with the retirement system prior to the member's death for the purpose of
29 receiving such benefit. If no beneficiary is named, then no payment shall be made of such
30 prorated benefit for the month of such member's death.

31 5. Upon the death of a surviving spouse who is receiving a base pension under
32 section 86.1240, payment of such spouse's base pension including all cost-of-living
33 adjustments thereto, prorated for that portion of the month of such death in which such
34 spouse was living, shall be made in equal shares to or for the benefit of the children, if any,
35 of the member of whom such spouse is the surviving spouse as are entitled to share in
36 spousal benefits described in subsection 2 of section 86.1250. If no such children shall
37 survive such spouse, such prorated benefit for the month of such spouse's death shall be
38 paid to the beneficiary named by such surviving spouse in a writing filed with the
39 retirement system prior to such spouse's death for the purpose of receiving such benefit.
40 If no beneficiary is named, then no payment shall be made of such prorated benefit for the
41 month of such spouse's death.

42 6. Upon the death of a member who is receiving a supplemental benefit under
43 section 86.1230 and who leaves a surviving spouse, as defined in section 86.900, entitled to
44 benefits, the entire supplemental benefit for the month of such death shall be paid to such
45 surviving spouse without proration, and the surviving spouse shall receive no additional
46 supplemental benefit for such month.

47 7. Upon the death of a member who is receiving a supplemental benefit under
48 section 86.1230 and who leaves no surviving spouse, as defined in section 86.900, entitled
49 to benefits, or upon the death of a surviving spouse who is receiving a supplemental benefit
50 under section 86.1230, such supplemental benefit shall terminate upon such death. No

51 benefit shall be payable for any period after the most recent monthly payment of such
52 benefit prior to such death.

53 **8. Upon the death of a member in service who leaves a surviving spouse, as defined**
54 **in section 86.900, entitled to benefits, the base pension of such surviving spouse shall**
55 **commence as of the first day of the month next following such death with no proration of**
56 **such pension for the month in which such death occurs.**

57 **9. Upon the death of a member in service who leaves no surviving spouse, as**
58 **defined in section 86.900, entitled to benefits, any benefit payable to surviving children of**
59 **such member under subsection 2 of section 86.1250 shall commence as of the first day of**
60 **the month next following such death with no proration of such benefit for the month in**
61 **which such death occurs. If there are no such surviving children entitled to such benefit,**
62 **then such member's accumulated contributions shall be paid to the beneficiary named by**
63 **such member in a writing filed with the retirement system prior to the member's death for**
64 **the purpose of receiving such benefit, or if no beneficiary is named, then to such member's**
65 **estate.**

66 **10. Upon the death of a member in service or after retirement, any benefit payable**
67 **to the surviving children of such member under subsection 1 of section 86.1250 shall**
68 **commence as of the first day of the month next following such death with no proration of**
69 **such benefit for the month in which such death occurs.**

70 **11. All payments of any benefit shall be paid on the last business day of each month**
71 **for that month. For any benefit under sections 86.900 to 86.1280, the retirement system**
72 **shall withhold payment of such benefit until all requisite documentation has been filed with**
73 **the retirement system evidencing the entitlement of payee to such payment.**

74 **12. If no benefits are otherwise payable to a surviving spouse or child of a deceased**
75 **member or otherwise as provided in this section, the member's accumulated contributions,**
76 **to any extent not fully paid to such member prior to the member's death or to the surviving**
77 **spouse or child of such member or otherwise as provided in this section, shall be paid in**
78 **one lump sum to the member's beneficiary named by such member in a writing filed with**
79 **the retirement system prior to the member's death for the purpose of receiving such**
80 **benefit, or if no beneficiary is named, then to such member's estate. Such payment shall**
81 **constitute full and final payment of any and all claims for benefits under the retirement**
82 **system.**

86.1100. 1. The retirement board shall fix and determine by proper rules and regulations
2 how much service in any year is equivalent to one year of service. In no case shall more than one
3 year of service be creditable for all service rendered in one calendar year. The retirement board
4 shall not allow credit as service for any period [of more than thirty consecutive days] during

5 which the member was absent without compensation, except as provided in [subsection 3 of
6 section] **sections 86.1110 and 86.1140.**

7 2. **Except as provided in subsection 3 of section 86.1110,** creditable service at
8 retirement on which the retirement allowance of a member is based consists of the membership
9 service rendered by such member since such member last became a member.

10 3. Creditable service also includes any prior service credit to which a member may be
11 entitled by virtue of an authorized purchase of such credit or as otherwise provided in sections
12 86.900 to 86.1280.

13 4. Creditable service shall not include any time a member was suspended from service
14 without compensation. No contribution is required from either the member under section
15 86.1010 or from the city under section 86.1000 for such time.

16 5. Any member who has completed thirty years of creditable service may continue in
17 service by permission of the board of police commissioners. Contributions shall not be required
18 of, and no service shall be credited to, any member for more than thirty years of service.

86.1110. 1. Whenever a member is given a leave of absence for military service and
2 returns to employment after discharge from the service, such member shall be entitled to
3 creditable service for the years of employment prior to the leave of absence.

4 2. Except as provided in subsection 3 of this section, a member who served on active
5 duty in the armed forces of the United States and who became a member, or returned to
6 membership, after discharge under honorable conditions, may elect prior to retirement to
7 purchase creditable service equivalent to such service in the armed forces, not to exceed two
8 years, provided the member is not receiving and is not eligible to receive retirement credits or
9 benefits from any other public or private retirement plan for the service to be purchased, other
10 than a United States military service retirement system or United States Social Security benefits
11 attributable to such military service, and an affidavit so stating is filed by the member with the
12 retirement system. A member electing to make such purchase shall pay to the retirement system
13 an amount equal to the actuarial [value] **cost** of the additional benefits attributable to the
14 additional service credit to be purchased, as of the date the member elects to make such purchase.
15 [The retirement system shall determine such value using accepted actuarial methods and the
16 same assumptions with respect to interest rates, mortality, future salary increases, and all related
17 factors used in performing the most recent regular actuarial valuation of the retirement system.]
18 Payment in full of the amount due from a member electing to purchase creditable service under
19 this subsection shall be made over a period not to exceed five years, measured from the date of
20 election, or prior to the commencement date for payment of benefits to the member from the
21 retirement system, whichever is earlier, including interest on unpaid balances compounded
22 annually at the interest rate assumed from time to time for actuarial valuations of the retirement

23 system. If payment in full including interest is not made within the prescribed period, any partial
24 payments made by the member shall be refunded, and no creditable service attributable to such
25 election, or as a result of any such partial payments, shall be allowed; provided that if a benefit
26 commencement date occurs because of the death or disability of a member who has made an
27 election under this subsection and if the member is current in payments under an approved
28 installment plan at the time of the death or disability, such election shall be valid if the member,
29 the surviving spouse, or other person entitled to benefit payments pays the entire balance of the
30 remaining amount due, including interest to the date of such payment, within sixty days after the
31 member's death or disability. The time of a disability shall be deemed to be the time when such
32 member is retired by the board of police commissioners for reason of disability as provided in
33 sections 86.900 to 86.1280.

34 3. Notwithstanding any other provision of sections 86.900 to 86.1280, a member who
35 is on leave of absence for military service during any portion of which leave the United States
36 is in a state of declared war, or a compulsory draft is in effect for any of the military branches
37 of the United States, or any units of the military reserves of the United States, including the
38 National Guard, are mobilized for combat military operations, and who becomes entitled to
39 reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code,
40 relating to employment and reemployment rights of members of the uniformed services by
41 meeting the requirements for such rights and benefits under Section 4312 of said chapter, or the
42 corresponding provisions of any subsequent applicable [U.S.] **federal** statute, shall be entitled
43 to service credit for the time spent in such military service for all purposes of sections 86.900 to
44 86.1280 and such member shall not be required to pay any member contributions for such time.
45 If it becomes necessary for the years of such service to be included in the calculation of such
46 member's compensation for any purpose, such member shall be deemed to have received the
47 same compensation throughout such period of service as the member's base annual salary
48 immediately prior to the commencement of such leave of absence.

86.1120. Members who terminate membership with five years or more of creditable
2 service and later return to membership may be given credit toward retirement for prior creditable
3 service, subject to the condition that such member deposit in the pension fund a sum equal to the
4 [accumulated contributions which had been paid to such member upon the prior termination.
5 Such repayment of withdrawn contributions shall be accompanied by an additional payment of
6 interest equal to the amount of the actual net yield earned or incurred by the pension fund,
7 including both net income after expenses and net appreciation or depreciation in values of the
8 fund, whether realized or unrealized, during the period of time from the date upon which such
9 contributions had been withdrawn to the date of repayment thereof, determined in accordance
10 with such rules for valuation and accounting as may be adopted by the retirement board for such

11 purposes] **member's portion of the actuarial cost to restore such service. The member's**
12 **portion of the actuarial cost is determined on the ratio of the member's contribution rate**
13 **to the total of the member and employer contribution rates at the time the member elects**
14 **to purchase the creditable service.**

86.1140. 1. Should any member be granted leave of absence by the board of police
2 commissioners, such member shall not, because of such absence, cease to be a member.

3 2. If a member is on leave of absence by authority of the board of police commissioners
4 for thirty consecutive days or less, **and returns from such leave prior to August 28, 2011**, such
5 member shall receive creditable service for such time.

6 3. Except as provided in subsection 3 of section 86.1110, if a member is on leave of
7 absence [for more than thirty consecutive days] without compensation, such member shall not
8 receive service credits for such time unless such member shall[, within one year after returning
9 from such absence, pay into the retirement system an amount equal to the member's contribution
10 percentage at the time such absence began times an assumed salary figure for the period of such
11 absence, computed by assuming that such member received a salary during such absence at the
12 rate of the base annual salary the member was receiving immediately prior to such absence]
13 **return to active service and purchase such creditable service at the actuarial cost. The**
14 **actuarial cost shall be determined at the time the member makes such purchase.**

86.1150. 1. Any member may retire when such member has completed twenty-five or
2 more years of creditable service and, except as otherwise provided in section 86.1100, shall retire
3 when such member has completed thirty years of creditable service. Upon such retirement such
4 member shall receive a base pension equal to:

5 (1) For a member retiring prior to August 28, 2000, two percent of such member's final
6 compensation, as defined in section 86.900, multiplied by the number of years of such member's
7 total creditable service; or

8 (2) For a member retiring on or after August 28, 2000, two and one-half percent of such
9 member's final compensation, as defined in section 86.900, multiplied by the number of years
10 of such member's total creditable service. Such pension shall not exceed seventy-five percent
11 of the member's final compensation.

12 2. Every member not having thirty years of service must retire at sixty years of age
13 except that on recommendation of the chief of police, the board of police commissioners may
14 permit such member who is sixty years of age or over to remain in service until such member
15 reaches the age of sixty-five years. Such member shall continue to make contributions and
16 receive credit for service until reaching sixty-five years of age, until retirement, or until
17 completion of thirty years of creditable service, whichever occurs first. If such member shall

18 reach sixty-five years of age or shall retire prior to completion of twenty-five years of service,
19 the base pension of such member shall be calculated under subsection 3 of this section.

20 3. Except as provided in section 86.1100 or in subsection 2 of this section, any member
21 in service who shall have attained sixty years of age and at that time shall have completed at least
22 ten but less than thirty years of creditable service shall retire and shall receive a base pension
23 equal to:

24 (1) For a member retiring prior to August 28, 2000, two percent of such member's final
25 compensation, as defined in section 86.900, multiplied by the number of years of such member's
26 total creditable service; or

27 (2) For a member retiring on or after August 28, 2000, two and one-half percent of such
28 member's final compensation as defined in section 86.900 multiplied by the number of years of
29 such member's total creditable service.

30 4. Subject to the provisions of subsection 5 of this section, whenever the service of a
31 member is terminated for any reason prior to death or retirement and the member has fifteen or
32 more years of creditable service, the member may elect not to withdraw such member's
33 accumulated contributions and shall become entitled to a base pension [beginning at]
34 **commencing on the first day of the month following the attainment of** the age of fifty-five,
35 if then living, equal to:

36 (1) For a member whose service so terminates prior to August 28, 2001, two percent of
37 such member's final compensation multiplied by the number of years of such member's
38 creditable service; or

39 (2) For a member whose service so terminates on or after August 28, 2001, two and
40 one-half percent of such member's final compensation multiplied by the number of years of such
41 member's creditable service.

42 5. Notwithstanding any other provisions of sections 86.900 to 86.1280, any member who
43 is convicted of a felony prior to separation from active service shall not be entitled to any benefit
44 from this retirement system except the return of such member's accumulated contributions.

86.1230. 1. Any member who retires subsequent to August 28, 1991, with entitlement
2 to a pension under sections 86.900 to 86.1280, shall receive [each month], in addition to such
3 member's base pension and cost-of-living adjustments thereto under section 86.1220, and in
4 addition to any other compensation or benefit to which such member may be entitled under
5 sections 86.900 to 86.1280, a supplemental retirement benefit of fifty dollars per month. The
6 amount of such supplemental retirement benefit may be adjusted by cost-of-living adjustments
7 determined by the retirement board not more frequently than annually.

8 2. Any member who was retired on or before August 28, 1991, and is receiving
9 retirement benefits from the retirement system shall, upon application to the retirement board,

10 be retained as a consultant, and for such services such member shall receive [each month], in
11 addition to such member's base pension and cost-of-living adjustments thereto under section
12 86.1220, and in addition to any other compensation or benefit to which such member may be
13 entitled under sections 86.900 to 86.1280, a supplemental compensation in the amount of fifty
14 dollars per month. This appointment as a consultant shall in no way affect any member's
15 eligibility for retirement benefits under the provisions of sections 86.900 to 86.1280, or in any
16 way have the effect of reducing retirement benefits otherwise payable to such member. The
17 amount of such supplemental compensation under this subsection may be adjusted by
18 cost-of-living adjustments determined by the retirement board not more frequently than annually.

19 3. For purposes of subsections 1 and 2 of this section, the term "member" shall include
20 a surviving spouse entitled to a benefit under sections 86.900 to 86.1280 who shall be deemed
21 to have retired for purposes of this section on the date of retirement of the member of whom such
22 person is the surviving spouse or on the date of death of such member if such member died prior
23 to retirement; provided, that if the surviving spouse of any member who retired prior to August
24 28, 2000, shall not have remarried prior to August 28, 2000, but remarries thereafter, such
25 surviving spouse shall thereafter receive benefits under subsection 2 of this section, and provided
26 further, that no benefits shall be payable under this section to the surviving spouse of any
27 member who retired prior to August 28, 2000, if such surviving spouse was at any time remarried
28 after the member's death and prior to August 28, 2000. All benefits payable to a surviving
29 spouse under this section shall be in addition to all other benefits to which such surviving spouse
30 may be entitled under other provisions of sections 86.900 to 86.1280. Any such surviving spouse
31 of a member who dies while entitled to payments under this section shall succeed to the full
32 amount of payment under this section to which such member was entitled at the time of such
33 member's death, including any cost-of-living adjustments received by such member in the
34 payment under this section prior to such member's death. In all events, the term "member" shall
35 not include any children of the member who would be entitled to receive part or all of the
36 pension which would be received by a surviving spouse if living.

37 4. Any member who is receiving benefits from the retirement system and who either was
38 retired under the provisions of subdivision (1) of subsection 1 of section 86.1150, or who retired
39 before August 28, 2001, under the provisions of section 86.1180 or section 86.1200, shall, upon
40 application to the retirement board, be retained as a consultant. For such services such member
41 shall receive each month in addition to such member's base pension and cost-of-living
42 adjustments thereto under section 86.1220, and in addition to any other compensation or benefit
43 to which such member may be entitled under sections 86.900 to 86.1280, an equalizing
44 supplemental compensation of ten dollars per month. This appointment as a consultant shall in
45 no way affect any member's eligibility for retirement benefits under the provisions of sections

46 86.900 to 86.1280, or in any way have the effect of reducing retirement benefits otherwise
47 payable to such member. The amount of equalizing supplemental compensation under this
48 subsection may be adjusted by cost-of-living adjustments, determined by the retirement board
49 not more frequently than annually, but in no event shall the aggregate of such equalizing
50 supplemental compensation together with all such cost-of-living adjustments thereto exceed
51 twenty-five percent of the member's base pension. Each cost-of-living adjustment to
52 compensation under this subsection shall be determined independently of any cost-of-living
53 adjustment to any other benefit under sections 86.900 to 86.1280. For the purposes of this
54 subsection, the term "member" shall include a surviving spouse entitled to benefits under the
55 provisions of sections 86.900 to 86.1280, and who is the surviving spouse of a member who
56 qualified, or would have qualified if living, for compensation under this subsection. Such
57 surviving spouse shall, upon application to the retirement board, be retained as a consultant, and
58 for such services shall be compensated in an amount equal to the compensation which would
59 have been received by the member under this subsection, if living. Any such surviving spouse
60 of a member who dies while entitled to payments under this subsection shall succeed to the full
61 amount of payment under this subsection to which such member was entitled at the time of such
62 member's death, including any cost-of-living adjustments received by such member in the
63 payment under this subsection prior to such member's death. In all events, the term "member"
64 shall not include any children of the member who would be entitled to receive part or all of the
65 pension that would be received by a surviving spouse, if living.

66 5. A surviving spouse who is entitled to benefits under the provisions of subsection 1 of
67 section 86.1240 as a result of the death prior to August 28, 2007, of a member in service, and
68 who is receiving benefits from the retirement system, shall, upon application to the retirement
69 board, be retained as a consultant, and for such services such surviving spouse shall receive each
70 month an equalizing supplemental compensation of ten dollars per month. A surviving spouse
71 entitled to benefits under the provisions of subsection 1 of section 86.1240 as a result of the
72 death of a member in service on or after August 28, 2007, shall receive each month an equalizing
73 supplemental benefit of ten dollars per month. All benefits payable to a surviving spouse under
74 this subsection shall be in addition to all other benefits to which such surviving spouse may be
75 entitled under other provisions of sections 86.900 to 86.1280 and shall in no way have the effect
76 of reducing benefits otherwise payable to such surviving spouse. The amount of equalizing
77 supplemental benefit or equalizing supplemental compensation under this subsection may be
78 adjusted by cost-of-living adjustments, determined by the retirement board not more frequently
79 than annually, but in no event shall the aggregate of such equalizing supplemental benefit or
80 compensation together with all such cost-of-living adjustments thereto exceed twenty-five
81 percent of the base pension of the surviving spouse. Each cost-of-living adjustment to an

82 equalizing supplemental benefit or compensation under this subsection shall be determined
83 independently of any cost-of-living adjustment to any other benefit under sections 86.900 to
84 86.1280. In all events the term "surviving spouse" as used in this subsection shall not include any
85 children of the member who would be entitled to receive part or all of the pension that would be
86 received by a surviving spouse, if living.

87 6. In determining and granting the cost-of-living adjustments under this section, the
88 retirement board shall adopt such rules and regulations as may be necessary to effectuate the
89 purposes of this section, including provisions for the manner of computation of such adjustments
90 and the effective dates thereof. The retirement board shall provide for such adjustments to be
91 determined once each year and granted on a date or dates to be chosen by the board. The
92 retirement board shall not be required to prorate the initial adjustment to any benefit or
93 compensation under this section for any member.

94 7. The determination of whether the retirement system will remain actuarially sound
95 shall be made at the time any cost-of-living adjustment under this section is granted. If at any
96 time the retirement system ceases to be actuarially sound, any benefit or compensation payments
97 provided under this section shall continue as adjusted by increases or decreases theretofore
98 granted. A member of the retirement board shall have no personal liability for granting increases
99 under this section if that retirement board member in good faith relied and acted upon advice of
100 a qualified actuary that the retirement system would remain actuarially sound.

86.1240. 1. Upon receipt of the proper proofs of death of a member in service for any
2 reason whatsoever, there shall be paid to such member's surviving spouse, if any, in addition to
3 all other benefits but subject to subsection [7] **6** of this section, a base pension equal to forty
4 percent of the final compensation of such member, subject to adjustments, if any, as provided
5 in section 86.1220.

6 2. (1) Upon receipt of the proper proofs of death of a member who was retired or
7 terminated service after August 28, 1999, and died after [commencement of benefits to such
8 member] **having become entitled to benefits** from this retirement system, there shall be paid
9 to such member's surviving spouse, if any, in addition to all other benefits but subject to
10 subsection [7] **6** of this section, a base pension equal to eighty percent of the pension being
11 received by such member, including cost-of-living adjustments to such pension but excluding
12 supplemental retirement benefits, at the time of such member's death, subject to subsequent
13 adjustments, if any, as provided in section 86.1220. The pension provided by this subdivision
14 shall terminate upon remarriage by the surviving spouse prior to August 28, 2000.

15 (2) (a) Upon receipt of the proper proof of death of a member who retired or terminated
16 service on or before August 28, 1999, and who died after August 28, 1999, and after
17 [commencement of benefits to such member] **having become entitled to benefits** from this

18 retirement system, such member's surviving spouse, if any, shall be entitled to a base pension
19 equal to forty percent of the final compensation of such member.

20 (b) Such a surviving spouse shall, upon application to the retirement board, be appointed
21 by the retirement board as a consultant and be compensated in an amount equal to the benefits
22 such spouse would receive under subdivision (1) of this subsection if the member had retired or
23 terminated service after August 28, 1999.

24 (c) The benefits provided by this subdivision shall terminate upon remarriage by the
25 surviving spouse prior to August 28, 2000.

26 3. In the case of any member who, prior to August 28, 2000, died in service or retired,
27 the surviving spouse who would qualify for benefits under subsection 1 or 2 of this section but
28 for remarriage, and who has not remarried prior to August 28, 2000, but remarries thereafter,
29 shall upon application be appointed by the retirement board as a consultant. For services as such
30 consultant, such surviving spouse shall be compensated in an amount equal to the benefits such
31 spouse would have received under sections 86.900 to 86.1280 in the absence of such remarriage.

32 4. [For purposes of this section, commencement of benefits shall begin, for any benefit,
33 at such time as all requirements of sections 86.900 to 86.1280 have been met entitling the
34 member to a payment of such benefit at the next following payment date with the amount thereof
35 established, regardless of whether the member has received the initial payment of such benefit.

36 5.] Upon the death of any member who is in service after August 28, 2000, and who
37 either had at least twenty-five years of creditable service or was retired or died as a result of an
38 injury or illness occurring in the line of duty or course of employment under section 86.1180, the
39 surviving spouse's benefit provided under this section, without including any supplemental
40 retirement benefits paid such surviving spouse by this retirement system, shall be six hundred
41 dollars per month. For any member who died, retired or terminated service on or before August
42 28, 2000, and who either had at least twenty-five years of creditable service or was retired or died
43 as a result of an injury or illness occurring in the line of duty or course of employment under
44 section 86.1180, the surviving spouse shall upon application to the retirement board be appointed
45 by the retirement board as a consultant. For services as such consultant, the surviving spouse
46 shall, beginning the later of August 28, 2000, or the time the appointment is made under this
47 subsection, be compensated in an amount which without including supplemental retirement
48 benefits provided by this system shall be six hundred dollars monthly. A pension benefit under
49 this subsection shall be paid in lieu of any base pension as increased by cost-of-living
50 adjustments granted under section 86.1220. The benefit under this subsection shall not be
51 subject to cost-of-living adjustments, but shall be terminated and replaced by the base pension
52 and cost-of-living adjustments to which such spouse would otherwise be entitled at such time
53 as the total base pension and such adjustments exceed six hundred dollars monthly.

54 [6.] 5. A surviving spouse who is entitled to benefits under the provisions of subsection
55 1 of this section as a result of the death on or before August 28, 2009, of a member in service
56 who is receiving benefits under sections 86.900 to 86.1280 and who does not qualify under the
57 provisions of subsection [5] 4 of this section shall, upon application to the retirement board, be
58 appointed as a consultant, and for such services such surviving spouse shall be compensated in
59 an amount which, without including any supplemental retirement benefits provided by sections
60 86.900 to 86.1280, shall be six hundred dollars monthly. A pension benefit under this subsection
61 shall be paid in lieu of any base pension as increased by cost-of-living adjustments granted under
62 section 86.1220. The benefit under this subsection shall not be subject to cost-of-living
63 adjustments, but shall be terminated and replaced by the base pension and cost-of-living
64 adjustments to which such surviving spouse would otherwise be entitled at such time as the total
65 base pension and such adjustments exceed six hundred dollars monthly. As used in this
66 subsection, "surviving spouse" shall not include any children of the member who would be
67 entitled to receive part or all of the pension that would be received by a surviving spouse, if
68 living.

69 [7.] 6. Any beneficiary of benefits under sections 86.900 to 86.1280 who becomes the
70 surviving spouse of more than one member shall be paid all benefits due a surviving spouse of
71 that member whose entitlements produce the largest surviving spouse benefits for such
72 beneficiary but shall not be paid surviving spouse benefits as the surviving spouse of more than
73 one member.

86.1250. 1. (1) Upon the death of a member in service or after retirement [and
2 commencement of benefits], such member's child or children under the age of eighteen years at
3 the time of the member's death shall be paid fifty dollars per month each until he or she shall
4 attain the age of eighteen years; however, each such child who is or becomes a full-time student
5 at an accredited educational institution shall continue to receive payments under this section for
6 so long as such child shall remain such a full-time student or shall be in a summer or other
7 vacation period scheduled by the institution with intent by such child, demonstrated to the
8 satisfaction of the retirement board, to return to such full-time student status upon the resumption
9 of the institution's classes following such vacation period, but in no event shall such payments
10 be continued after such child shall attain the age of twenty-one years except as hereinafter
11 provided.

12 (2) Any child eighteen years of age or older, who is physically or mentally incapacitated
13 from wage earning, so long as such incapacity exists as certified by a member of the medical
14 board, shall be entitled to the same benefits as a child under the age of eighteen. For purposes
15 of this section, a determination of whether a child of a member is physically or mentally
16 incapacitated from wage earning so that the child is entitled to benefits under this section shall

17 be made at the time of the member's death. If a child becomes incapacitated after the member's
18 death, or if a child's incapacity existing at the member's death is removed and such child later
19 becomes incapacitated again, such child shall not be entitled to benefits as an incapacitated child
20 under the provisions of this section. A child shall be deemed incapacitated only for so long as
21 the incapacity existing at the time of the member's death continues.

22 (3) Notwithstanding any other law to the contrary, amounts payable under subdivision
23 (1) or (2) of this subsection shall not be subject to offset or reduction by amounts paid or payable
24 under any workers' compensation or similar law.

25 2. Upon or after the death of a member in service or after retirement [and
26 commencement of] **with entitlement to** benefits, if there is no surviving spouse or if a surviving
27 spouse dies, the total amount, including any amounts receivable as consulting compensation, but
28 not including any supplemental benefits under section 86.1230, which would be received by a
29 qualified surviving spouse or which is being received by the surviving spouse at the date of death
30 of such surviving spouse shall be added to the amounts received by and shall be divided among
31 the children of such member under the age of eighteen years and the incapacitated children in
32 equal shares. As each such child attains the age of eighteen years or has such incapacity
33 removed, such total amount shall then be divided among the remaining such children, until there
34 is no remaining child of such member under the age of eighteen years or incapacitated, at which
35 time all benefits for children of such member under this subsection shall cease.

36 3. Upon the death of a member in service or after retirement [and commencement of
37 benefits], a funeral benefit of one thousand dollars shall be paid to the person or entity who
38 provided or paid for the funeral services for such member.

39 [4. If no benefits are otherwise payable to a surviving spouse or child of a deceased
40 member, the member's accumulated contributions, to any extent not fully paid to such member
41 prior to the member's death or to the surviving spouse or child of such member, shall be paid in
42 one lump sum to the member's named beneficiary or, if none, to the member's estate, and such
43 payment shall constitute full and final payment of any and all claims for benefits under the
44 retirement system.

45 5. For purposes of this section, commencement of benefits shall begin, for any benefit,
46 at such time as all requirements of sections 86.900 to 86.1280 have been met entitling the
47 member to a payment of such benefit at the next following payment date with the amount
48 established, regardless of whether the member has received the initial payment of such benefit.]

86.1310. The following words and phrases as used in sections 86.1310 to 86.1640 shall
2 have the following meanings unless a different meaning is plainly required by the context:

3 (1) "Accumulated contributions", the sum of all amounts deducted from the
4 compensation of a member and paid to the retirement board, together with all amounts paid to

5 the retirement board by a member or by a member's beneficiary for the purchase of prior service
6 credits or any other purpose permitted under sections 86.1310 to 86.1640, in all cases with
7 interest, **if any**, thereon at a rate determined from time to time for such purpose by the retirement
8 board;

9 (2) **"Actuarial cost", the present value of a future payment or series of payments**
10 **as calculated by applying the actuarial assumptions established according to subsection 8**
11 **of section 86.1630;**

12 (3) "Beneficiary", any person entitled, either currently or conditionally, to receive
13 pension or other benefits provided in sections 86.1310 to 86.1640;

14 [(3)] (4) "Board of police commissioners", the board composed of police commissioners
15 authorized by law to employ and manage an organized police force in the cities;

16 [(4)] (5) "City" or "cities", any city which now has or may hereafter have a population
17 of more than three hundred thousand and less than seven hundred thousand inhabitants, or any
18 city that has made an election under section 86.1320 to continue a civilian employees' retirement
19 system theretofore maintained under sections 86.1310 to 86.1640;

20 [(5)] (6) "Compensation", the basic wage or salary paid a member for any period,
21 excluding bonuses, overtime pay, expense allowances, and other extraordinary compensation;
22 except that, notwithstanding such provision, compensation for any year for any member shall not
23 exceed the amount permitted to be taken into account under Section 401(a)(17) of the Internal
24 Revenue Code as applicable to such year;

25 [(6)] (7) "Consultant", unless otherwise specifically defined, means a person retained by
26 the retirement system as a special consultant on the problems of retirement, aging and related
27 matters who, upon request of the retirement board, shall give opinions and be available to give
28 opinions in writing or orally in response to such requests, as may be needed by the board;

29 [(7)] (8) "Creditable service", service qualifying as a determinant of a member's pension
30 or other benefit under sections 86.1310 to 86.1640 by meeting the requirements specified in such
31 sections, or section 105.691;

32 [(8)] (9) "Employee", any regularly appointed civilian employee of the police department
33 of the city as specified in sections 86.1310 to 86.1640 who is:

34 (a) **Appointed prior to August 28, 2011, and is not eligible to receive a pension from**
35 **the police retirement system of said city;**

36 (b) **Appointed on or after August 28, 2011, and is not eligible to receive a pension**
37 **from the police retirement system of such city or from any other retirement or pension**
38 **system of such city;**

39 [(9)] (10) "Final compensation", the average annual compensation of a member during
40 the member's service if less than two years, or the twenty-four months of service for which the

41 member received the highest salary whether consecutive or otherwise. For any period of time
42 when a member is paid on a frequency other than monthly, the member's salary for such period
43 shall be deemed to be the monthly equivalent of the member's annual rate of compensation for
44 such period;

45 [(10)] (11) "Internal Revenue Code", the United States Internal Revenue Code of 1986,
46 as amended;

47 [(11)] (12) "Medical board", not less than one nor more than three physicians appointed
48 by the retirement board to arrange for and conduct medical examinations as directed by the
49 retirement board;

50 [(12)] (13) "Member", a member of the civilian employees' retirement system as
51 described in section 86.1480;

52 [(13)] (14) "Pension", annual payments for life, payable monthly, [beginning with the
53 date of retirement or other applicable commencement date and ending with death] **at the times**
54 **described in section 86.1420;**

55 [(14)] (15) "Pension fund", the fund resulting from contributions made thereto by the
56 cities affected by sections 86.1310 to 86.1640 and by the members of the civilian employees'
57 retirement system;

58 [(15)] (16) "Retirement", termination of a member's status as an employee of the police
59 department of the city at a time when the member or the member's beneficiary is immediately
60 entitled to one or more benefits under sections 86.1310 to 86.1640;

61 [(16)] (17) "Retirement board" or "board", the board provided in section 86.1330 to
62 administer the retirement system;

63 [(17)] (18) "Retirement system", the civilian employees' retirement system of the police
64 department of the cities as defined in section 86.1320;

65 [(18)] (19) "Surviving spouse", when determining whether a person is entitled to benefits
66 under sections 86.1310 to 86.1640 by reason of surviving a member, shall include only:

67 (a) The person who was married to the member at the time of the member's death in
68 service prior to August 28, 2001, and who had not remarried prior to August 28, 2001;

69 (b) The person who was married to the member at the time of the member's death in
70 service on or after August 28, 2001;

71 (c) In the case of any member who both retired and died prior to August 28, 2001, the
72 person who was married to the member at the time of the member's death and who had not
73 remarried prior to August 28, 2001;

74 (d) In the case of any member who retired prior to August 28, 2001, and died on or after
75 that date, the person who was married to the member at the time of the member's death; or

76 (e) In the case of any member who retired on or after August 28, 2001, the person who
77 was married to the member at both the time of the member's retirement and the time of the
78 member's death.

86.1420. **1.** All benefits and all necessary administrative expenses of the retirement
2 system shall be paid from the funds of the retirement system.

3 **2.** The base pension of a member who, after August 28, 2011, retires from or
4 otherwise terminates active service with entitlement to a base pension under sections
5 86.1310 to 86.1640 shall commence as of the first day of the month next following such
6 retirement or termination with no proration of such pension for the month in which such
7 retirement or termination occurs. The supplemental retirement benefit of a member who,
8 after August 28, 2011, retires from or otherwise terminates active service with entitlement
9 to a supplemental retirement benefit provided in subsection 1 of section 86.1600 shall
10 commence as of the first day of the month next following such retirement or termination
11 with no proration of such supplemental retirement benefit for the month in which such
12 retirement or termination occurs.

13 **3.** Upon the death of a member in service who leaves a surviving spouse, as defined
14 in section 86.1310, entitled to benefits, any base pension which such surviving spouse shall
15 elect under subdivision (2) of subsection 1 of section 86.1610 or under paragraph (b) of
16 subdivision (3) of subsection 1 of section 86.1610 shall commence the later of the first day
17 of the month next following such death or the first day of the month following the date
18 which would have been the member's earliest possible retirement date permitted under
19 subsection 2 of section 86.1540 with no proration of such pension for the month prior to
20 such commencement date. Any base pension which such surviving spouse shall elect under
21 paragraph (c) of subdivision (3) of subsection 1 of section 86.1610 shall commence the first
22 day of the month next following such death with no proration of such pension for the
23 month prior to such commencement date.

24 **4.** Upon the death of a member who is receiving a base pension under sections
25 86.1310 to 86.1640 leaving a surviving spouse, as defined in section 86.1310, entitled to
26 benefits, the pension of such surviving spouse shall commence on the first day of the month
27 next following such death with no proration for the month in which such death occurs.

28 **5.** All payments of any benefit shall be paid on the first business day of each month
29 for that month. For any benefit under sections 86.1310 to 86.1640, the retirement system
30 shall withhold payment of such benefit until all requisite documentation has been filed with
31 the retirement system evidencing the entitlement of the payee to such payment. The final
32 payment due to a retired member shall be the payment due on the first day of the month
33 in which such member's death occurs. The final payment due to any surviving spouse shall

34 be the payment due on the first day of the month in which such surviving spouse dies or
35 otherwise ceases to be entitled to benefits under sections 86.1310 to 86.1640.

36 **6. If no benefits are otherwise payable to a surviving spouse of a deceased member**
37 **or otherwise as provided in this section, the member's accumulated contributions, to any**
38 **extent not fully paid to such member prior to the member's death or to the surviving**
39 **spouse of such member or otherwise as provided in this section, shall be paid in one lump**
40 **sum to the member's beneficiary named by such member in a writing filed with the**
41 **retirement system prior to the member's death for the purpose of receiving such benefit,**
42 **and if no beneficiary is named, then to such member's estate. Such payment shall**
43 **constitute full and final payment of any and all claims for benefits under the retirement**
44 **system, except as provided in section 86.1620.**

86.1480. 1. Every person who becomes an employee, as defined in subdivision [(8)] (9)
2 of section 86.1310, after August 28, 2001, shall become a member of the retirement system
3 defined in sections 86.1310 to 86.1640 as a condition of such employment.

4 2. Every person who was a member of the retirement system on or before August 28,
5 2001, shall remain a member.

6 3. Every person who was an employee, as defined in subdivision [(8)] (9) of section
7 86.1310, on August 28, 2001, but was not a member, shall become a member as a condition of
8 employment upon the completion of six months' continuous employment.

86.1490. 1. **The retirement board shall fix and determine by proper rules and**
2 **regulations how much service in any year is equivalent to one year of service. In no case**
3 **shall more than one year of service be creditable for all service rendered in one calendar**
4 **year. The retirement board shall not allow credit as service for any period during which**
5 **the member was absent without compensation, except as provided in subsection 3 of this**
6 **section and subsection 3 of section 86.1500.**

7 2. Except as provided in subsection 3 of section 86.1500, creditable service at retirement
8 on which the retirement allowance of a member is based consists of the membership service
9 rendered by such member [for which such member received compensation] since such member
10 last became a member.

11 3. **Except as provided in subsection 3 of section 86.1500, if a member is on leave of**
12 **absence without compensation, such member shall not receive service credits for such time**
13 **unless such member shall return to active service and purchase such creditable service at**
14 **the actuarial cost. The actuarial cost shall be determined at the time the member makes**
15 **such purchase.**

16 [2.] 4. Creditable service also includes any prior service credit to which a member may
17 be entitled by virtue of an authorized purchase of such credit or as otherwise provided in sections
18 86.1310 to 86.1640.

19 [3.] 5. Creditable service shall not include any time a member was suspended from
20 service without compensation. No contribution is required from either the member under section
21 86.1400 or from the city under section 86.1390 for such time.

86.1500. 1. Whenever a member is given a leave of absence for military service and
2 returns to employment after discharge from the service, such member shall be entitled to
3 creditable service for the years of employment prior to the leave of absence.

4 2. Except as provided in subsection 3 of this section, a member who served on active
5 duty in the armed forces of the United States and who became a member, or returned to
6 membership, after discharge under honorable conditions, may elect prior to retirement to
7 purchase creditable service equivalent to such service in the armed forces, not to exceed two
8 years, provided the member is not receiving and is not eligible to receive retirement credits or
9 benefits from any other public or private retirement plan for the service to be purchased, other
10 than a United States military service retirement system or United States Social Security benefits
11 attributable to such military service, and an affidavit so stating is filed by the member with the
12 retirement system. A member electing to make such purchase shall pay to the retirement system
13 an amount equal to the actuarial [value] **cost** of the additional benefits attributable to the
14 additional service credit to be purchased, as of the date the member elects to make such purchase.
15 [The retirement system shall determine such value using accepted actuarial methods and the
16 same assumptions with respect to interest rates, mortality, future salary increases, and all related
17 factors used in performing the most recent regular actuarial valuation of the retirement system.]
18 Payment in full of the amount due from a member electing to purchase creditable service under
19 this subsection shall be made over a period not to exceed five years, measured from the date of
20 election, or prior to the commencement date for payment of benefits to the member from the
21 retirement system, whichever is earlier, including interest on unpaid balances compounded
22 annually at the interest rate assumed from time to time for actuarial valuations of the retirement
23 system. If payment in full including interest is not made within the prescribed period, any partial
24 payments made by the member shall be refunded, and no creditable service attributable to such
25 election, or as a result of any such partial payments, shall be allowed; provided that if a benefit
26 commencement date occurs because of the death or disability of a member who has made an
27 election under this subsection and if the member is current in payments under an approved
28 installment plan at the time of the death or disability, such election shall be valid if the member,
29 the surviving spouse or other person entitled to benefit payments pays the entire balance of the
30 remaining amount due, including interest to the date of such payment, within sixty days after the

31 member's death or disability. The time of a disability shall be deemed to be the time when such
32 member is determined by the retirement board to be totally and permanently disabled as provided
33 in section 86.1560.

34 3. Notwithstanding any other provision of sections 86.1310 to 86.1640, a member who
35 is on leave of absence for military service during any portion of which leave the United States
36 is in a state of declared war, or a compulsory draft is in effect for any of the military branches
37 of the United States, or any units of the military reserves of the United States, including the
38 National Guard, are mobilized for combat military operations, and who becomes entitled to
39 reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code,
40 relating to employment and reemployment rights of members of the uniformed services by
41 meeting the requirements for such rights and benefits under Section 4312 of said chapter, or the
42 corresponding provisions of any subsequent applicable [U.S.] **federal** statute, shall be entitled
43 to service credit for the time spent in such military service for all purposes of sections 86.1310
44 to 86.1640 and such member shall not be required to pay any member contributions for such
45 time. If it becomes necessary for the years of such service to be included in the calculation of
46 such member's compensation for any purpose, such member shall be deemed to have received
47 the same compensation throughout such period of service as the member's base annual salary
48 immediately prior to the commencement of such leave of absence.

86.1510. Members who terminate membership with three years or more of creditable
2 service and later return to membership may be given credit toward retirement for prior creditable
3 service, subject to the condition that such member deposit in the pension fund a sum equal to the
4 [accumulated contributions which had been paid to such member upon the prior termination.
5 Such repayment of withdrawn contributions shall be accompanied by an additional payment of
6 interest equal to the amount of the actual net yield earned or incurred by the pension fund,
7 including both net income after expenses and net appreciation or depreciation in values of the
8 fund, whether realized or unrealized, during the period of time from the date upon which such
9 contributions had been withdrawn to the date of repayment thereof, determined in accordance
10 with such rules for valuation and accounting as may be adopted by the retirement board for such
11 purposes] **member's portion of the actuarial cost to restore such service. The member's**
12 **portion of the actuarial cost is determined on the ratio of the member's contribution rate**
13 **to the total of the member and employer contribution rates at the time the member elects**
14 **to purchase the creditable service.**

86.1540. 1. (1) Upon retirement on or after a member's normal retirement date, such
2 member shall receive a base pension in the amount of two percent of such member's final
3 compensation times the number of years, including fractions thereof, of such member's creditable
4 service.

5 (2) Such member may elect to receive a different base pension under an election
6 permitted under this section or section 86.1580.

7 2. Members may elect early retirement as follows:

8 (1) Beginning at age fifty-five, if the member has completed at least ten years of
9 creditable service or at any later age after the member has completed at least ten years of
10 creditable service. Unless subdivision (3) of this subsection shall be applicable, the benefit as
11 computed under subsection 1 of this section shall be reduced by one-half of one percent for each
12 **full** month the [effective date] **initial payment** is prior to the first day of the month following
13 that in which such member will attain age sixty;

14 (2) Beginning at age sixty, if the member has completed at least five but not more than
15 ten years of creditable service or at any later age after the member has completed at least five
16 years of creditable service. Unless subdivision (3) of this subsection shall be applicable, the
17 benefit as computed under subsection 1 of this section shall be reduced by one-half of one
18 percent for each **full** month the [effective date] **initial payment** is prior to the first day of the
19 month following that in which such member will attain age sixty-five; or

20 (3) At any time after the member's total of age and years of creditable service equals or
21 exceeds eighty, in which event the benefit shall be as computed under subsection 1 of this section
22 without any reduction. If an election for early retirement results in a reduced benefit under
23 subdivision (1) or (2) of this subsection, such reduced benefit shall become the member's base
24 pension, subject to all other adjustments described in this section.

25 3. (1) A member who is married at the time of retirement may by a written election, with
26 the written consent of such member's spouse, elect an optional benefit calculated as follows:
27 such optional benefit shall be a monthly pension in the initial amount which shall be actuarially
28 equivalent to the actuarial value of the pension described in subdivision (1) of subsection 1 of
29 this section for such member at the date of retirement (including the value of survivorship rights
30 of a surviving spouse, where applicable, under section 86.1610), upon the basis that the initial
31 annuity for the member's spouse, if such spouse survives the member, shall be the same as the
32 amount being paid the member on such annuity at the member's death, and, subject to
33 cost-of-living adjustments thereafter declared on the spouse's base pension under section
34 86.1590, shall be paid to such surviving spouse for the lifetime of such spouse without regard
35 to remarriage. If a member who makes an election of an optional benefit under this subsection
36 has also elected an early retirement under either subdivision (1) or (2) of subsection 2 of this
37 section, any reduction in benefit required for such early retirement election shall be calculated
38 before calculating the initial amount of the optional benefit under this subsection.

39 (2) If a member who makes the election permitted by this subsection also makes an
40 election permitted under section 86.1580, such optional benefit shall be reduced as provided in
41 subdivision (3) of subsection 2 of section 86.1580.

42 (3) If a member makes the election permitted by this subsection, the amount calculated
43 for such optional benefit under either subdivision (1) or (2) of this subsection shall be the base
44 pension for such member and for such member's spouse for all purposes of sections 86.1310 to
45 86.1640.

46 (4) An election for an optional benefit under this subsection shall be void if the member
47 dies within thirty days after filing such election with the retirement system or if the member dies
48 before the due date of the first payment of such member's pension.

49 4. Subject to the provisions of subsection [7] 6 of this section, whenever the service of
50 a member is terminated after August 28, 1999, for any reason prior to death or retirement and
51 the member has five or more years of creditable service, the member may elect not to withdraw
52 such member's accumulated contributions and shall become entitled to receive a pension upon
53 such member's normal retirement date under subdivision (1) of subsection 1 of this section or
54 may elect to receive a pension commencing upon or after any date, prior to his or her normal
55 retirement date, upon which early retirement would have been permitted under subsection 2 of
56 this section if such member had remained a civilian employee of such police department, except
57 that in calculating any qualification under subsection 2 of this section, such member shall not be
58 entitled to count any year of creditable service in excess of such member's total years of
59 creditable service at the time of such member's termination of employment. The amount of any
60 pension commenced upon the basis of a date permitted under subsection 2 of this section shall
61 be computed on the basis of the member's final compensation and number of years of creditable
62 service, subject to such adjustments as may be applicable under the subdivision of subsection
63 2 of this section upon which such member relies in electing [the commencement of] such
64 member's pension and subject to any other adjustments that such member may elect under this
65 section. The amount of the initial pension calculated after all applicable adjustments shall be the
66 base pension for such member, and for such member's spouse if such member shall elect the
67 optional benefit permitted under subsection 3 of this section, for all purposes of sections 86.1310
68 to 86.1640. **Payment of any benefits elected under this subsection shall commence as of the**
69 **first day of the month next following the applicable date with no proration of such benefit**
70 **for any initial partial month.**

71 5. A member whose service was terminated on or before August 28, 1999, after five or
72 more years of creditable service, and who permitted such member's accumulated contributions
73 to remain in the pension fund, shall upon application to the retirement board be appointed as a
74 consultant. For services as such consultant, such member shall, beginning the later of August

75 28, 1999, or the time of such appointment under this subsection, be entitled to elect to receive
76 compensation in such amount and [commencing] at such time as such member would have been
77 entitled to elect under any of the provisions of subsection 4 of this section if such member had
78 terminated service after August 28, 1999. Such member shall be entitled to the same
79 cost-of-living adjustments following the commencement of such compensation as if such
80 member's compensation had been a base pension.

81 6. [All payments of any pension shall be paid on the first day of each month for that
82 month. The first payment shall be paid on the first day of the first month in which the member's
83 benefit can be determined and processed for payment, and shall include benefits from the date
84 of retirement to the date of such first payment. The final payment due a retired member shall be
85 the payment due on the first day of the month in which such member's death occurs.

86 7.] Notwithstanding any other provisions of sections 86.1310 to 86.1640, any member
87 who is convicted of a felony prior to separation from active service shall not be entitled to any
88 benefit from this retirement system except the return of such member's accumulated
89 contributions.

86.1560. 1. A member in active service who becomes totally and permanently disabled,
2 as defined in this section, shall be entitled to retire and to receive a base pension determined in
3 accordance with the terms of this section. Members who are eligible and totally and permanently
4 disabled shall receive a disability pension computed as follows:

5 (1) Duty disability, fifty percent of final compensation as of the date of disability;

6 (2) Nonduty disability, thirty percent of final compensation as of the date of disability,
7 provided that a nonduty disability pension shall not be available to any member with less than
8 ten years creditable service;

9 (3) In no event shall the disability pension be less than the amount to which the member
10 would be entitled as a pension if the member retired on the same date with equivalent age and
11 creditable service.

12 2. [The final payment due a member receiving a disability pension shall be the payment
13 due on the first day of the month in which such member's death occurs. Such member's
14 surviving spouse, if any, shall be entitled to such benefits as may be provided under section
15 86.1610.

16 3.] For purposes of sections 86.1310 to 86.1640, the following terms shall mean:

17 (1) "Duty disability", total and permanent disability directly due to and caused by actual
18 performance of employment with the police department;

19 (2) "Nonduty disability", total and permanent disability arising from any other cause than
20 duty disability;

21 (3) "Total and permanent disability", a state or condition which presumably prevents for
22 the rest of a member's life the member's engaging in any occupation or performing any work for
23 remuneration or profit. Such disability, whether duty or nonduty, must not have been caused by
24 the member's own negligence or willful self-infliction.

25 [4.] 3. The retirement board in its sole judgment shall determine whether the status of
26 total and permanent disability exists. Its determination shall be binding and conclusive. The
27 retirement board shall rely upon the findings of a medical board of three physicians, and shall
28 procure the written recommendation of at least one member thereof in each case considered by
29 the retirement board. The medical board shall be appointed by the retirement board and expense
30 for such examinations as are required shall be paid from funds of the retirement system.

31 [5.] 4. From time to time, the retirement board shall have the right to require proof of
32 continuing disability which may include further examination by the medical board. Should the
33 retirement board determine that disability no longer exists, it shall terminate the disability
34 pension. A member who immediately returns to work with the police department shall again
35 earn creditable service beginning on the first day of such return. Creditable service prior to
36 disability retirement shall be reinstated. A member who does not return to work with the police
37 department shall be deemed to have terminated employment at the time disability retirement
38 commenced; but in calculating any benefits due upon such presumption, the retirement system
39 shall receive credit for all amounts paid such member during the period of disability, except that
40 such member shall not be obligated in any event to repay to the retirement system any amounts
41 properly paid during such period of disability.

86.1600. 1. Any member who retires subsequent to August 28, 1997, and on or before
2 August 28, 2007, with entitlement to a pension under sections 86.1310 to 86.1640, and any
3 member who retires subsequent to August 28, 2007, with entitlement to a pension under sections
4 86.1310 to 86.1640 and who either has at least fifteen years of creditable service or is retired
5 under subsection 1 of section 86.1560, shall receive [each month], in addition to such member's
6 base pension and cost-of-living adjustments thereto under section 86.1590, and in addition to any
7 other compensation or benefit to which such member may be entitled under sections 86.1310 to
8 86.1640, a supplemental retirement benefit of fifty dollars per month. The amount of such
9 supplemental retirement benefit may be adjusted by cost-of-living adjustments determined by
10 the retirement board not more frequently than annually.

11 2. Any member who was retired on or before August 28, 1997, and is receiving
12 retirement benefits from the retirement system shall, upon application to the retirement board,
13 be retained as a consultant, and for such services such member shall receive [each month], in
14 addition to such member's base pension and cost-of-living adjustments thereto under section
15 86.1590, and in addition to any other compensation or benefit to which such member may be

16 entitled under sections 86.1310 to 86.1640, a supplemental compensation in the amount of fifty
17 dollars per month. This appointment as a consultant shall in no way affect any member's
18 eligibility for retirement benefits under the provisions of sections 86.1310 to 86.1640, or in any
19 way have the effect of reducing retirement benefits otherwise payable to such member. The
20 amount of such supplemental compensation under this subsection may be adjusted by
21 cost-of-living adjustments determined by the retirement board not more frequently than annually.

22 3. In determining and granting the cost-of-living adjustments under this section, the
23 retirement board shall adopt such rules and regulations as may be necessary to effectuate the
24 purposes of this section, including provisions for the manner of computation of such adjustments
25 and the effective dates thereof. The retirement board shall provide for such adjustments to be
26 determined once each year and granted on a date or dates to be chosen by the board. The
27 retirement board shall not be required to prorate the initial adjustment to any supplemental
28 retirement benefit or any supplemental compensation under this section for any member.

29 4. For purposes of subsections 1 and 2 of this section, the term "member" shall include
30 a surviving spouse who is entitled to a benefit under sections 86.1310 to 86.1640, who shall be
31 deemed to have retired for purposes of this section on the date of retirement of the member of
32 whom such person is the surviving spouse or on the date of death of such member if such
33 member died prior to retirement; provided, that no benefits shall be payable under this section
34 to the surviving spouse of any member who died while in active service after August 28, 2007,
35 unless such death occurred in the line of duty or course of employment or as the result of an
36 injury or illness incurred in the line of duty or course of employment or unless such member had
37 at least fifteen years of creditable service. The surviving spouse of a member who died in service
38 after August 28, 2007, whose death occurred in the line of duty or course of employment or as
39 the result of an injury or illness incurred in the line of duty or course of employment shall be
40 entitled to benefits under subsection 1 of this section without regard to such member's years of
41 creditable service. All benefits payable to a surviving spouse under this section shall be in
42 addition to all other benefits to which such surviving spouse may be entitled under other
43 provisions of sections 86.1310 to 86.1640. Any qualifying surviving spouse of a member who
44 dies while entitled to payments under this section shall succeed to the full amount of payment
45 under this section to which such member was entitled at the time of such member's death,
46 including any cost-of-living adjustments received by such member in the payment under this
47 section prior to such member's death.

48 5. The determination of whether the retirement system will remain actuarially sound
49 shall be made at the time any cost-of-living adjustment under this section is granted. If at any
50 time the retirement system ceases to be actuarially sound, supplemental retirement benefit
51 payments under subsection 1 of this section and supplemental compensation payments as a

52 consultant under subsection 2 of this section shall continue as adjusted by increases or decreases
53 theretofore granted. A member of the retirement board shall have no personal liability for
54 granting increases under this section if that retirement board member in good faith relied and
55 acted upon advice of a qualified actuary that the retirement system would remain actuarially
56 sound.

86.1610. 1. Upon receipt of the proper proofs of death of a member in service for any
2 reason whatsoever, the following amounts shall be payable subject to subsection 4 of this
3 section, and if a pension shall be elected, the initial amount thereof shall be the base pension for
4 such surviving spouse:

5 (1) If the member has less than five years of creditable service, the member's surviving
6 spouse shall be paid, in one lump sum, the amount of the member's accumulated contributions.
7 If there is no surviving spouse, the member's accumulated contributions shall be paid [to the
8 member's designated beneficiary, or if none, to the executor or administrator of the member's
9 estate, and such payment shall be full and final settlement for all amounts due from the
10 retirement system with respect to such member except as provided in subsection 1 of section
11 86.1620] **as provided in subsection 6 of section 86.1420;**

12 (2) If the member has at least five but fewer than twenty years of creditable service, the
13 member's surviving spouse may elect the lump sum settlement in subdivision (1) of this
14 subsection or a pension. Such pension shall be fifty percent of the member's accrued pension at
15 date of death as computed in subdivision (1) of subsection 1 of section 86.1540, commencing
16 [on the later of the day after the member's death, or the date which would have been the
17 member's earliest possible retirement date permitted under subsection 2 of section 86.1540] **as**
18 **provided in subsection 3 of section 86.1420;**

19 (3) If the member has at least twenty years of creditable service, the member's surviving
20 spouse may elect any one of:

21 (a) The lump sum settlement in subdivision (1) of this subsection;

22 (b) The pension as computed in subdivision (2) of this subsection; or

23 (c) A pension in the monthly amount determined on a joint and survivor's basis from the
24 actuarial value of the member's accrued annuity at date of death;

25 (4) Any death of a retired member occurring before the first payment of the retirement
26 pension shall be deemed to be a death prior to retirement;

27 (5) For the surviving spouse of a member who died in service after August 28, 2001,
28 benefits payable under subsection 1 of this section shall continue for the lifetime of such
29 surviving spouse without regard to remarriage.

30 2. Upon death of a member after retirement who has not elected the optional annuity
31 permitted under subsection 3 of section 86.1540, the surviving spouse shall receive a base

32 pension payable for life, equaling fifty percent of the member's base pension, as of the member's
33 retirement date, subject to the following:

34 (1) No surviving spouse of a member who retires after August 28, 2001, shall be entitled
35 to receive any benefits under sections 86.1310 to 86.1640 unless such spouse was married to the
36 member at the time of the member's retirement; and

37 (2) Any surviving spouse who was married to such a member at the time of the member's
38 retirement shall be entitled to all benefits for surviving spouses under sections 86.1310 to
39 86.1640 for the life of such surviving spouse without regard to remarriage.

40 3. In the case of any member who, prior to August 28, 2001, died in service or retired,
41 the surviving spouse who would qualify for benefits under subsection 1 or 2 of this section but
42 for remarriage, and has not remarried prior to August 28, 2001, but remarries thereafter, shall
43 upon application be appointed by the retirement board as a consultant. For services as such
44 consultant, such surviving spouse shall be compensated in an amount equal to the benefits such
45 spouse would have received under sections 86.1310 to 86.1640 in the absence of such
46 remarriage.

47 4. Any beneficiary of benefits under sections 86.1310 to 86.1640 who becomes the
48 surviving spouse of more than one member shall be paid all benefits due a surviving spouse of
49 that member whose entitlements produce the largest surviving spouse benefits for such
50 beneficiary but shall not be paid surviving spouse benefits as the surviving spouse of more than
51 one member, except that any surviving spouse for whom an election has been made for an
52 optional benefit under subsection 3 of section 86.1540 shall be entitled to every optional benefit
53 for which such surviving spouse has so contracted.

54 [5. The final payment due any surviving beneficiary shall be the payment due on the first
55 day of the month in which such beneficiary dies or otherwise ceases to be entitled to benefits
56 under this section.

57 6. If there is no surviving spouse, payment of the member's accumulated contributions
58 less the amount of any prior payments from the retirement system to the member or to any
59 beneficiary of the member shall be made to the member's designated beneficiary or, if none, to
60 the personal representative of the member's estate.]

86.1620. 1. [(1)] Upon the death after August 28, 2003, of a member in service, or upon
2 the death of a member who was in service on or after August 28, 2003, and who dies after having
3 been retired and pensioned, there shall be paid, in addition to all other benefits, a funeral benefit
4 of one thousand dollars to the person or entity who provided or paid for the funeral services for
5 such member.

6 [(2)] 2. Any member who was retired on or before August 28, 2003, and is receiving
7 retirement benefits from the retirement system, upon application to the retirement board, shall

8 be appointed by the retirement board as a consultant for the remainder of such member's life.
9 Upon the death of such member, there shall be paid, in addition to all other benefits, a funeral
10 benefit of one thousand dollars to the person or entity who provided or paid for the funeral
11 services for such member.

12 [2. If no benefits are otherwise payable to a surviving spouse of a deceased member, the
13 member's accumulated contributions, to any extent not fully paid to such member prior to the
14 member's death or to the surviving spouse of such member, shall be paid in one lump sum to the
15 member's named beneficiary or, if none, to the member's estate, and such payment shall
16 constitute full and final payment of any and all claims for benefits under the retirement system.]

2 **87.127. A retirement plan under sections 87.120 to 87.370 is intended to be a**
3 **qualified governmental plan under the provisions of applicable federal law. The benefits**
4 **and conditions of the plan shall be interpreted and the system shall be operated to ensure**
5 **that the system meets the federal qualification requirements.**

6 87.205. 1. Upon retirement for accidental disability **before August 28, 2011**, a member
7 shall receive seventy-five percent of the pay then provided by law for the highest step in the
8 range of salary for the title or rank held by such member at the time of such retirement unless the
9 member is permanently and totally incapacitated from performing any work, occupation or
10 vocation of any kind whatsoever and is continuously confined to the member's home except for
11 visits to obtain medical treatment, in which event the member may receive, in the discretion of
12 the board of trustees, a retirement allowance in an amount not exceeding the member's rate of
13 compensation as a firefighter in effect as of the date the allowance begins.

14 2. Anyone who has retired pursuant to the provisions of section 87.170 and has been
15 reinstated pursuant to subsection 2 of section 87.130 who subsequently becomes disabled, as
16 provided in section 87.200, shall receive a total benefit which is the higher of either the disability
17 pension or the service pension.

18 **3. Upon retirement for accidental disability on or after August 28, 2011, based on**
19 **conditions of the heart, lungs, or cancer or based on permanent and total disability which**
20 **will prevent the member from obtaining employment elsewhere, as determined by the**
21 **board of trustees based on medical evidence presented by the retirement system's**
22 **physicians, a member shall receive, regardless of his or her number of years of creditable**
23 **service, seventy-five percent of the earnable compensation then provided for the step in the**
24 **range of salary for the title or rank held by such member at the time of such retirement.**

25 **4. Except as provided in subsection 3 of this section, upon retirement for accidental**
26 **disability on or after August 28, 2011, a member shall receive a base pension equal to**
27 **twenty-five percent of the member's earnable compensation then provided for the step in**
28 **the range of salary for the title or rank held by such member at the time of such retirement.**

24 **5. Except as provided in subsection 3 of this section, upon retirement for accidental**
25 **disability on or after August 28, 2011, the member may elect to receive an education**
26 **allowance in an amount not to exceed the tuition for a state resident at the University of**
27 **Missouri-St. Louis. The accidentally disabled member shall enroll in a college, university,**
28 **community college, or vocational or technical school at the first opportunity after the**
29 **accidentally disabled member was retired and shall receive such educational allowance in**
30 **the form of reimbursement upon proof of payment to such institution. The education**
31 **allowance described in this subsection shall cease when the accidentally disabled member**
32 **ceases to be a full-time student, fails to provide proof of achievement of a grade point**
33 **average of two on a four-point scale or the equivalent on another scale for each academic**
34 **term, or if the accidentally disabled member is restored to active service as a firefighter,**
35 **but in no event shall such education allowance be available for more than five years after**
36 **the member is retired under section 87.200.**

37 **6. Except as provided in subsection 3 of this section, upon retirement for accidental**
38 **disability on or after August 28, 2011, in addition to the base pension provided for in**
39 **subsection 4 of this section and the education allowance provided for in subsection 5 of this**
40 **section, members with twenty-five years or less of creditable service shall receive an**
41 **additional accidental retirement pension equal to two and three-fourths percent of the**
42 **member's earnable compensation then provided for the step in the range of salary for the**
43 **title or rank held by such member at the time of retirement for each year of creditable**
44 **service equal to or greater than ten years but not more than twenty-five years.**

45 **7. Except as provided in subsection 3 of this section, upon retirement for accidental**
46 **disability on or after August 28, 2011, in addition to the base pension provided for in**
47 **subsection 4 of this section and the additional accidental retirement pension provided for**
48 **in subsection 6 of this section, for members with twenty-five years or less of creditable**
49 **service, then during such time that the disabled member is a full-time student in a college,**
50 **university, community college, or vocational or technical school and is receiving the**
51 **educational allowance provided for in subsection 5 of this section, such member shall also**
52 **receive a supplemental disability retirement pension in the amount necessary so that his**
53 **or her total accidental disability retirement pension, excluding the education allowance,**
54 **shall be equal to one hundred percent of the earnable compensation then provided for the**
55 **step in the range of salary for the title or rank held by such member at the time of such**
56 **retirement. In no event shall such supplemental accidental disability pension be paid for**
57 **a period more than five years after the member is retired under section 87.200.**

58 **8. Except as provided in subsection 3 of this section, upon retirement for accidental**
59 **disability on or after August 28, 2011, in addition to the base pension provided for in**

60 subsection 4 of this section and the education allowance provided for in subsection 5 of this
61 section, for members with more than twenty-five years of creditable service, such member
62 shall also receive an additional pension equal to fifty percent of the member's earnable
63 compensation then provided for the step in the range of salary for the title or rank held by
64 such member at the time of such retirement.

65 **9. Notwithstanding any other provisions in this section, upon retirement for**
66 **accidental disability, other than as provided in subsection 3 of this section, on or after**
67 **August 28, 2011, a member with more than twenty years of creditable service but not more**
68 **than twenty-five years of creditable service may waive the right to receive the education**
69 **allowance provided for in subsection 5 of this section, the right to additional pension**
70 **retirement allowance provided for in subsection 6 of this section, and the right to receive**
71 **the supplemental disability retirement pension provided for in subsection 7 of this section**
72 **and may elect to receive instead in addition to the accidental disability retirement base**
73 **pension as provided for in subsection 4 of this section an additional pension from the date**
74 **of such member's retirement equal to forty percent of the member's earnable compensation**
75 **then provided for the step in the range of salary for the title or rank held by such member**
76 **at the time of such retirement. Any such election shall be made prior to such member's**
77 **receipt of his or her first accidental disability pension payment.**

87.207. The following allowances due under the provisions of sections 87.120 to 87.371
2 of any member who retired from service shall be increased annually, as approved by the board
3 of trustees beginning with the first increase in the October following his or her retirement and
4 subsequent increases in each October thereafter, at the rates designated:

- 5 (1) With a retirement service allowance or ordinary disability allowance:
6 (a) One and one-half percent per year, compounded each year, up to age sixty for those
7 retiring with twenty to twenty-four years of service,
8 (b) Two and one-fourth percent per year, compounded each year, up to age sixty for
9 those retiring with twenty-five to twenty-nine years of service,
10 (c) Three percent per year, compounded each year, up to age sixty for those retiring with
11 thirty or more years of service,
12 (d) After age sixty, five percent per year for five years;
13 (2) With an accidental disability allowance, three percent per year, compounded each
14 year, up to age sixty, then five percent per year for five years. **Provided, however, for**
15 **accidental disability on or after August 28, 2011, for reasons other than provided in**
16 **subsection 3 of section 87.205, unless a member has more than twenty-five years of**
17 **creditable service, the accidental disability allowance shall only increase at a rate of one**
18 **percent per year, compounded each year, up to age sixty, then five percent per year for five**

19 years. For accidental disability on or after August 28, 2011, for reasons other than
20 provided in subsection 3 of section 87.205, if a member has more than twenty-five years of
21 creditable service, the accidental disability allowance shall only increase at a rate of two
22 and one-fourth percent per year, compounded each year, up to age sixty, then five percent
23 per year for five years.

100.273. 1. Any person employed by the Missouri development finance board on
2 or after September 1, 2011, in a full-time position shall be both a state employee and a
3 member of the Missouri state employees' retirement system, except that such state
4 employee shall not have coverage under the Missouri consolidated health care plan, unless
5 such coverage is requested by the Missouri development finance board and approved by
6 the board of trustees of the Missouri consolidated health care plan.

7 2. Employees described in subsection 1 of this section may not purchase and receive
8 creditable or credited service in the Missouri state employees' retirement system for prior
9 full-time service with the Missouri development finance board except as follows: such
10 employees shall be permitted to purchase all or a portion of their creditable or credited
11 service in the Missouri state employees' retirement system up to the actual years of prior
12 full-time service with the Missouri development finance board. The cost of the full amount
13 of such creditable or credited service allowed shall be an amount determined to equal the
14 actuarial accrued liability at the time of the purchase to the extent the system's actuarial
15 accrued liability was funded as of the most recent actuarial valuation. If an employee pays
16 less than the full amount so determined, the creditable or credited service granted shall be
17 prorated accordingly. Employees may purchase and receive such creditable or credited
18 service at any time on or after September 1, 2011, but before applying for retirement, and
19 may do so notwithstanding any vesting requirement to the contrary. Any employee who
20 purchases such creditable or credited service and subsequently terminates employment
21 prior to becoming vested in the system may, upon proper application, receive a refund
22 equal to the purchase amount.

104.603. 1. Effective with transfers of service between the Missouri department of
2 transportation and highway patrol employees' retirement system and the Missouri state
3 employees' retirement system that occur on or after September 1, 2011, upon a reciprocal
4 transfer of creditable or credited service pursuant to section 104.602 or subsection 8 of
5 section 104.1021, the sending system from which the service is transferred shall pay the
6 receiving system to which the service is transferred the present value of the accrued benefit
7 as determined pursuant to subsection 2 of this section.

8 2. For purposes of this section, the present value of the accrued benefit shall be
9 determined using the actuarial assumptions of the sending system used in that system's last

10 regular valuation assuming active member status and using the unit credit actuarial cost
11 method. However, in no event shall the payment amount be less than the sum of the
12 member's accumulated contributions and interest plus any purchased service payments
13 from the member held on deposit by the sending system. If the member had received a
14 refund of accumulated contributions from the sending system and forfeited service credit
15 with that system, the member would need to reestablish that service with the sending
16 system by again becoming an active member of a system covered by this chapter and
17 satisfying requirements otherwise stipulated for reestablishing service credit.

18 **3. The service transfer shall not be deemed completed until the sending system**
19 **makes payment to the receiving system as prescribed in this section. Payments shall be**
20 **made within ninety days of the date that a completed transfer request is submitted by a**
21 **member.**

22 **4. When the transfer payment includes an amount identified as corresponding to**
23 **a member's accumulated contributions, the accumulated contributions portion shall be**
24 **identified, and further, the accumulated contributions balance as of the preceding July**
25 **first shall be identified and the receiving system shall be responsible for crediting interest**
26 **according to the terms of the receiving plan.**

27 **5. The systems shall coordinate their plan administration for reciprocal transfers**
28 **to give full effect to the transfer including the transfer and acceptance of corresponding**
29 **division of benefit orders.**

30 **6. The member or survivor obtaining a reciprocal transfer of service covered by**
31 **this section shall satisfy all requirements under section 104.602 or subsection 8 of section**
32 **104.1021 to obtain a transfer of credited or creditable service and shall satisfy the**
33 **requirements under section 104.1091 with the receiving system to reestablish forfeited**
34 **service previously accrued at either system.**

105.661. 1. Each plan shall annually prepare and have available as public information
2 a comprehensive annual financial report showing the financial condition of the plan as of the end
3 of the plan's fiscal year. The report shall contain, but not be limited to, detailed financial
4 statements prepared in accordance with generally accepted accounting principles for public
5 employee retirement systems including an independent auditors report thereon, prepared by a
6 certified public accountant or a firm of certified public accountants, a detailed summary of the
7 plan's most recent actuarial valuation including a certification letter from the actuary and a
8 summary of actuarial assumptions and methods used in such valuation, a detailed listing of the
9 investments, showing both cost and market value, held by the plan as of the date of the report
10 together with a detailed statement of the annual rates of investment return from all assets and
11 from each type of investment, a detailed list of investments acquired and disposed of during the

12 fiscal year, a listing of the plan's board of trustees or responsible administrative body and
13 administrative staff, a detailed list of administrative expenses of the plan including all fees paid
14 for professional services, a detailed list of brokerage commissions paid, a summary plan
15 description, and such other data as the plan shall deem necessary or desirable for a proper
16 understanding of the condition of the plan. In the event a plan is unable to comply with any of
17 the disclosure requirements outlined above, a detailed statement must be included in the report
18 as to the reason for such noncompliance.

19 2. Any rule or portion of rule promulgated by any plan pursuant to the authority of
20 chapter 536, or of any other provision of law, shall be submitted to the joint committee on public
21 employee retirement prior to or concurrent with the filing of a notice of proposed rulemaking
22 with the secretary of state's office pursuant to section 536.021. The requirement of this
23 subsection is intended solely for the purpose of notifying the joint committee on public employee
24 retirement with respect to a plan's proposed rulemaking so that the joint committee on public
25 employee retirement has ample opportunity to submit comments with respect to such proposed
26 rulemaking in accordance with the normal process. Any plan not required to file a notice of
27 proposed rulemaking with the secretary of state's office shall submit any proposed rule or portion
28 of a rule to the joint committee on public employee retirement within ten days of its
29 promulgation.

30 3. A copy of the comprehensive annual financial report as outlined in subsection 1 of this
31 section shall be forwarded within six months of the end of the plan's fiscal year to the state
32 auditor and the joint committee on public employee retirement.

33 **4. Each defined benefit plan shall submit a quarterly report regarding the plan's**
34 **investment performance to the joint committee on public employee retirement in the form**
35 **and manner requested by the committee. If the plan fails to submit this report, the**
36 **committee may subpoena witnesses, take testimony under oath, and compel the production**
37 **of records regarding this information, pursuant to its authority under section 21.561.**

105.915. 1. The board of trustees of the Missouri state employees' retirement system
2 shall administer the deferred compensation fund for the employees of the state of Missouri that
3 was previously administered by the deferred compensation commission, as established in section
4 105.910, prior to August 28, 2007. The board shall be vested with the same powers that it has
5 under chapter 104 to enable it and its officers, employees, and agents to administer the fund
6 under sections 105.900 to 105.927. Two of the commissioners serving on the deferred
7 compensation commission immediately prior to the transfer made to the board under section
8 105.910 shall serve as ex officio members of the board solely to participate in the duties of
9 administering the deferred compensation fund. One such commissioner serving as an ex officio
10 board member shall be a member of the house of representatives selected by the speaker of the

11 house of representatives, and such commissioner's service on the board shall cease on December
12 31, 2009. The other commissioner serving as an ex officio board member shall be the chairman
13 of the deferred compensation commission immediately prior to the transfer made to the board
14 under section 105.910, and such commissioner's service on the board shall cease December 31,
15 2008.

16 2. **Except as provided in this subsection,** participation in such plan shall be by a
17 specific written agreement between state employees and the state, which shall provide for the
18 deferral of such amounts of compensation as requested by the employee subject to any
19 limitations imposed under federal law. Participating employees must authorize that such
20 deferrals be made from their wages for the purpose of participation in such program. **An**
21 **election to defer compensation shall be made before the beginning of the month in which**
22 **the compensation is paid. Contributions shall be made for payroll periods occurring on**
23 **or after the first day of the month after the election is made. Each employee eligible to**
24 **participate in the plan hired on or after July 1, 2012, shall be enrolled in the plan**
25 **automatically and his or her employer shall, in accordance with the plan document,**
26 **withhold and contribute to the plan an amount equal to one percent of eligible**
27 **compensation received on and after the date of hire, unless the employee elects not to**
28 **participate in the plan within the first thirty days of employment, and in that event, any**
29 **amounts contributed and earnings thereon will be refunded by the plan to the employee**
30 **pursuant to the procedure contained in the plan documents. Employees who are employed**
31 **by a state college or university shall not be automatically enrolled but may elect to**
32 **participate in the plan and make contributions in accordance with the terms of the plan.**
33 **Employees who are enrolled automatically may elect to change the contribution rate in**
34 **accordance with the terms of the plan. Employees who elect not to participate in the plan**
35 **may at a later date elect to participate in the plan and make contributions in accordance**
36 **with the terms of the plan.** All assets and income of such fund shall be held in trust by the
37 board for the exclusive benefit of participants and their beneficiaries. Assets of such trust, **and**
38 **the trust established pursuant to section 105.927,** may be pooled solely for investment
39 management purposes with assets of the trust established under section 104.320.

40 3. Notwithstanding any other provision of sections 105.900 to 105.927, funds held for
41 the state by the board in accordance with written deferred compensation agreements between the
42 state and participating employees may be invested in such investments as are deemed appropriate
43 by the board. All administrative costs of the program described in this section, including staffing
44 and overhead expenses, may be paid out of assets of the fund, which may reduce the amount due
45 participants in the fund. Such investments shall not be construed to be a prohibited use of the
46 general assets of the state.

47 4. Investments offered under the deferred compensation fund for the employees of the
48 state of Missouri shall be made available at the discretion of the board.

49 5. The board and employees of the Missouri state employees' retirement system shall be
50 immune from suit and shall not be subject to any claim or liability associated with any
51 administrative actions or decisions made by the commission with regard to the deferred
52 compensation program prior to the transfer made to the board under section 105.910.

53 6. The board and employees of the system shall not be liable for the investment decisions
54 made or not made by participating employees as long as the board acts with the same skill,
55 prudence, and diligence in the selection and monitoring of providers of investment products,
56 education, advice, or any default investment option, under the circumstances then prevailing that
57 a prudent person acting in a similar capacity and familiar with those matters would use in the
58 conduct of a similar enterprise with similar aims.

59 7. The system shall be immune from suit and shall not be subject to any claim or liability
60 associated with the administration of the deferred compensation fund by the board and
61 employees of the system.

62 **8. Beginning on or after September 1, 2011, if a participant under the deferred**
63 **compensation plan or the plan established under section 105.927 is married on the date of**
64 **his or her death, the participant's surviving spouse shall be automatically designated as the**
65 **primary beneficiary under both plans, unless the surviving spouse consented in writing,**
66 **witnessed by a notary public, to allow the participant to designate a nonspouse beneficiary.**
67 **As used in this subsection, "surviving spouse" means the spouse as defined pursuant to**
68 **section 104.012 to whom the participant is lawfully married on the date of death of the**
69 **participant, provided that a former spouse shall be treated as the surviving spouse of the**
70 **participant to the extent provided under a judgment, decree, or order that relates to child**
71 **support, alimony payments, or marital property rights made under Missouri domestic**
72 **relations law that creates or recognizes the existence of such former spouse's right to**
73 **receive all or a portion expressed as a stated dollar amount or specific percentage stated**
74 **in integers of the benefits payable from such plan upon the death of the participant. This**
75 **subsection shall not apply to beneficiary designations made prior to September 1, 2011.**

76 **9. The board may adopt and amend plan documents to change the terms and**
77 **conditions of the deferred compensation plan and the plan established under section**
78 **105.927 that are consistent with federal law.**

105.927. [1.] The treasurer of the state of Missouri shall credit an amount not to exceed
2 seventy-five dollars per month, to a plan established pursuant to the provisions of the Internal
3 Revenue Code Section 401(a) for each [qualified] participant in the state's deferred compensation
4 program; provided that funds to be credited to each [qualified] participant's account shall not

5 exceed the amount appropriated by the general assembly for each [qualified] participant. **Such**
6 **funds may be credited to each participant directly by a state agency if that agency's payroll**
7 **is not issued through the treasurer of the state of Missouri.** Funds so credited shall be held,
8 administered and invested as provided in sections 105.900 to 105.925 and the plan document
9 adopted for the administration of such contributions.

10 [2. For purposes of this section, "qualified participant" means an employee of the state
11 of Missouri who is making continuous deferrals of at least twenty-five dollars per month to the
12 deferred compensation program and has been an employee of the state of Missouri for at least
13 twelve consecutive months immediately preceding the commencement of any amount credited
14 pursuant to this section. The amount credited on behalf of a qualified participant pursuant to this
15 section shall not exceed the amount that the qualified participant contributes to his or her
16 deferred compensation plan.]

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