

SECOND REGULAR SESSION

# HOUSE BILL NO. 1922

## 96TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES MOLENDORP (Sponsor), FRANZ, TILLEY, KEENEY, HODGES, POLLOCK, HINSON, PHILLIPS, DAY, HOUGH, LARGENT, BLACK, DIEHL, BRANDOM, FRAKER, LAMPE, BARNES, SCHARNHORST, JONES (117), SCHOELLER, LEACH, KELLEY (126), GUERNSEY, SOLON, LICHTENEGGER, ZERR, ALLEN, FLANIGAN, TALBOY, GOSEN, McGHEE, ASBURY, DIECKHAUS, HAEFNER, PARKINSON AND BAHR (Co-sponsors).

5828L.01H

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To repeal sections 103.005, 103.079, 104.010, 104.020, 104.070, 104.110, 104.150, 104.170, 104.210, 104.220, 104.250, 104.270, 104.352, 104.354, 104.372, 104.515, 104.625, 104.801, 104.805, 104.806, and 104.810, RSMo, and to enact in lieu thereof twenty-three new sections relating to the health benefits plan for members of the Missouri department of transportation and highway patrol employees' retirement system.

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

Section A. Sections 103.005, 103.079, 104.010, 104.020, 104.070, 104.110, 104.150, 2 104.170, 104.210, 104.220, 104.250, 104.270, 104.352, 104.354, 104.372, 104.515, 104.625, 3 104.801, 104.805, 104.806, and 104.810, RSMo, are repealed and twenty-three new sections 4 enacted in lieu thereof, to be known as sections 103.005, 103.079, 103.120, 103.121, 103.122, 5 103.123, 103.124, 104.010, 104.020, 104.070, 104.110, 104.150, 104.170, 104.210, 104.220, 6 104.250, 104.354, 104.372, 104.515, 104.625, 104.805, 104.806, and 104.810, to read as 7 follows:

103.005. For the purpose of covering medical expenses of the officers, employees and 2 retirees, the eligible dependents of officers, employees and retirees and to the surviving spouses 3 and children of deceased officers, employees and retirees of the state and participating member 4 agencies of the state, there is hereby created and established a health care plan which shall be a 5 body corporate, which shall be under the management of the board of trustees herein described, 6 and shall be known as the "Missouri Consolidated Health Care Plan". Notwithstanding any

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.

7 provision of law to the contrary, such plan may sue and be sued, transact business, contract,  
8 invest funds and hold cash, securities and other property and shall be vested with such other  
9 powers as may be necessary or proper to enable it, its officers, employees, and agents to carry  
10 out fully and effectively all the purposes of sections 103.003 to 103.175, **except that sections**  
11 **103.120 to 103.124 shall be excluded.**

103.079. The health care programs sponsored by the departments of transportation, **state**  
2 **highway patrol**, and conservation shall become a part of this plan only upon request to and  
3 acceptance by the board of trustees by the highways and transportation commission, **the**  
4 **superintendent of the state highway patrol**, or the conservation commission and any such  
5 transfer into this plan shall be deemed reviewable by such department every three years. Such  
6 department may withdraw from the plan upon approval by such department's commission **or**  
7 **superintendent** and by providing the board a minimum of six months' notice prior to the end  
8 of the then current plan year and termination of coverage will become effective at the end of the  
9 then current plan year. For any of the foregoing state agencies choosing to participate, the plan  
10 shall not assume responsibility for any liabilities incurred by the agency or its eligible employees,  
11 retirees, or dependents prior to its effective date.

**103.120. The state Highways and Transportation Commission and the**  
2 **superintendent of the state highway patrol shall provide for benefits to cover medical**  
3 **expenses and death for members of the closed and year 2000 plans of the highways and**  
4 **transportation employees' and highway patrol retirement system. Any plan may provide**  
5 **medical benefits for persons entitled to deferred annuities in the closed and year 2000 plans**  
6 **and their dependents. Death benefits shall be comparable to those provided for in section**  
7 **104.517. Contributions by the state Highways and Transportation Commission and the**  
8 **superintendent of the state highway patrol to provide the benefits shall be on the same**  
9 **basis as provided for other state employees under the provisions of section 104.515. The**  
10 **cost of benefits for dependents of retirees and their dependents shall be paid by the retirees**  
11 **under subsection 2 of section 103.122. The commission may contract with other persons**  
12 **or entities including but not limited to third-party administrators, health network**  
13 **providers, and health maintenance organizations for all, or any part of, the benefits**  
14 **provided for in this section. The commission may require reimbursement of any medical**  
15 **claims paid by the commission's medical plan for which there was third-party liability.**

**103.121. 1. For the purposes of sections 103.120 to 103.124, the term "members"**  
2 **shall mean individuals covered under the Missouri department of transportation and**  
3 **highway patrol health care plan that include the following:**

4 **(1) An individual in active employment status with the Missouri department of**  
5 **transportation, Missouri state highway patrol, or Missouri department of transportation**

6 and highway patrol employees' retirement system, or a member of the Missouri  
7 department of transportation and highway patrol employees' retirement system as  
8 otherwise defined by law;

9 (2) (a) An individual who has retired from the Missouri department of  
10 transportation, Missouri state highway patrol, or Missouri department of transportation  
11 and highway patrol employees' retirement system under the provisions of chapter 104,  
12 provided such retired individual was, on the day preceding the effective date of retirement,  
13 covered under the plan that provided medical care benefits exclusively for employees who  
14 are members of the Missouri department of transportation and highway patrol employees'  
15 retirement system.

16 (b) A former employee of the Missouri department of transportation, Missouri state  
17 highway patrol, or Missouri department of transportation and highway patrol employees'  
18 retirement system retiring after the effective date of the plan under the provisions of  
19 chapter 104 provided such former employee was in the plan from the date of last  
20 employment until the date of retirement, otherwise known as a vested participant; and

21 (3) A spouse or dependent child of an individual described in paragraphs (a) and  
22 (b) of subdivision (2) of this subsection; or

23 (4) An individual who was a lawful spouse or a dependent of a member described  
24 in paragraphs (a) and (b) of subdivision (2) of this subsection and enrolled in the Missouri  
25 department of transportation and highway patrol health care plan at the time of death of  
26 the deceased member and meets the eligibility requirements of the health care plan.

27 2. For the purpose of covering medical expenses and death of the members, there  
28 is hereby created and established a health care plan which shall be a body corporate, which  
29 shall be under the management of the board of trustees herein described, and shall be  
30 known as the "Missouri Department of Transportation and Highway Patrol Health Care  
31 Plan". Notwithstanding any provision of law to the contrary, such plan may sue and be  
32 sued, transact business, contract, invest funds and hold cash, securities and other property  
33 and shall be vested with such other powers as may be necessary or proper to enable it, its  
34 employees and agents to carry out fully and effectively all the purposes provided by this  
35 section and sections 103.120 to 103.124.

36 3. For the purposes of this section, section 103.120 and sections 103.122 to 103.124,  
37 "board of trustees" or "board" shall mean the body established by the highways and  
38 transportation commission to provide for the general administration of the Missouri  
39 department of transportation and highway patrol health care plan. The board shall consist  
40 of eight members as follows:

41           **(1) Three Missouri department of transportation employees appointed by the**  
42 **director;**

43           **(2) Three Missouri state highway patrol employees appointed by the**  
44 **superintendent of the state highway patrol;**

45           **(3) One retired Missouri department of transportation employee appointed by its**  
46 **director; and**

47           **(4) One retired Missouri state highway patrol employee appointed by its**  
48 **superintendent of the state highway patrol. The Highways and Transportation**  
49 **Commission shall approve appointees selected to represent the Missouri department of**  
50 **transportation.**

51           **4. The board may promulgate rules to implement the provisions of sections 103.120**  
52 **to 103.124. Any rule or portion of a rule, as that term is defined in section 536.010, that is**  
53 **created under the authority delegated in this section shall become effective only if it**  
54 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
55 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**  
56 **vested with the general assembly under chapter 536 to review, to delay the effective date,**  
57 **or to disapprove and annul a rule are subsequently held unconstitutional, then the grant**  
58 **of rulemaking authority and any rule proposed or adopted after August 28, 2012, shall be**  
59 **invalid and void.**

**103.122. 1. The state Highways and Transportation Commission and the**  
2 **superintendent of the highway patrol shall determine the premium amount for medical**  
3 **benefits required for members. The premium amount for medical benefits shall be the**  
4 **amount, which, together with the state's contribution, is required to fund the benefits**  
5 **provided, taking into account necessary actuarial reserves. The commission and the**  
6 **superintendent shall establish separate premiums for employees' benefits and a separate**  
7 **premium or schedule of premiums shall be established for benefits for spouses and**  
8 **dependent children, as required by law, of participating employees. The employee's**  
9 **premiums for spouse and children benefits shall be established to cover that portion of the**  
10 **cost of such benefits which is not paid for by contributions by the state. All such premium**  
11 **amounts shall be paid to the board of trustees, as established for the applicable system**  
12 **under sections 104.010 to 104.800, at the time that each employee's wages or salary would**  
13 **normally be paid. The premium amounts so remitted will be placed in the separate**  
14 **account for medical benefits specified in section 104.515. In lieu of the availability of**  
15 **premium deductions, the commission and the superintendent may establish alternative**  
16 **methods for the collection of premium amounts.**

17           **2. The spouses and dependent children, as required by law, of the members shall**  
18 **be able to participate in the program of insurance benefits to cover medical expenses under**  
19 **the provisions of this section.**

20           **3. Any promulgated rule established by the board regarding the contributions for**  
21 **the Missouri department of transportation and highway patrol health care plan shall:**

22           **(1) Base the state's contribution on creditable years of service at retirement using**  
23 **a calculated method reported by the Missouri department of transportation and highway**  
24 **patrol employees' retirement system;**

25           **(2) Base the employer's contribution on a rate that multiplies creditable years of**  
26 **service by two percent for each creditable year up to sixty percent for thirty years of**  
27 **creditable years of service; and**

28           **(3) Determine premium rates for retirees not eligible for Medicare under multiplier**  
29 **rate described in subdivision (2) of this subsection that is chosen by a retiree upon**  
30 **retirement.**

**103.123. 1. Each employee described in paragraph (b) of subdivision (20) of section**  
2 **104.010 shall be entitled to the same insurance benefits provided under sections 103.003**  
3 **to 103.175 to employees described in paragraph (a) of subdivision (20) of section 104.010**  
4 **to cover the medical expenses of such employees and their spouses and children. Such**  
5 **insurance benefits shall be made available to employees described in paragraph (b) of**  
6 **subdivision (20) of section 104.010 upon their initial employment as such employees in the**  
7 **same manner provided for employees described in paragraph (a) of subdivision (20) of**  
8 **section 104.010, and shall be continued during any period of time, not to exceed one year,**  
9 **in which such employees are not paid for full-time employment, so long as such employees**  
10 **pay the same amount for such insurance benefits as is required of employees described in**  
11 **paragraph (a) of subdivision (20) of section 104.010 who continue receiving such insurance**  
12 **benefits during a leave of absence without pay from their employment with the state. Any**  
13 **employee described in paragraph (b) of subdivision (20) of section 104.010 who is**  
14 **reemployed by the general assembly or either house thereof, or by any member of the**  
15 **general assembly while acting in his or her official capacity as a member, by the thirteenth**  
16 **legislative day of the session of the general assembly immediately following the session of**  
17 **the general assembly in which such employee was last so employed, without having elected**  
18 **to discontinue the insurance benefits described in this subsection, shall be entitled to**  
19 **continue such insurance benefits without having to prove insurability for himself or herself**  
20 **or any of his or her covered dependents for whom he or she has paid for such coverage**  
21 **continuously since last employed as an employee described in paragraph (b) of subdivision**  
22 **(20) of section 104.010. Any employee described in paragraph (b) of subdivision (20) of**

23 section 104.010 who is not reemployed by the general assembly or either house thereof, or  
24 by any member of the general assembly while acting in his or her official capacity as a  
25 member, by the thirteenth legislative day of the session of the general assembly  
26 immediately following the session of the general assembly in which such employee was last  
27 so employed, shall be deemed terminated as an employee as of such thirteenth legislative  
28 day, and the insurance benefits provided for such employee under this subsection and  
29 sections 103.003 to 103.175 shall be terminated as provided for employees described in  
30 paragraph (a) of subdivision (20) of section 104.010 whose employment is terminated.  
31 During each month of service in which an employee described in paragraph (b) of  
32 subdivision (20) of section 104.010 is employed, the state shall make any contribution  
33 required by sections 103.003 to 103.175 for such employee.

34       **2. Any employee described in paragraph (b) of subdivision (20) of section 104.010**  
35 **who is actively employed on or after September 28, 1992, shall be deemed vested for**  
36 **purposes of determining eligibility for benefits under sections 104.320 to 104.620 after**  
37 **being so employed for at least sixty months.**

**103.124. Notwithstanding any law to the contrary, any legislation enacted by the**  
2 **general assembly which mandates the coverage of specific health benefits, services, or**  
3 **providers in the policies or contracts of insurers, health services corporations, health**  
4 **maintenance organizations, or other third-party payors, on and after January 1, 1991, also**  
5 **shall apply to the health benefit plans of the Missouri state employees' retirement system,**  
6 **the Missouri department of transportation and highway patrol employees' retirement**  
7 **system, and any other health benefit plan provided by the state on behalf of its employees.**

      104.010. 1. The following words and phrases as used in sections 104.010 to 104.800,  
2 unless a different meaning is plainly required by the context, shall mean:

3       (1) "Accumulated contributions", the sum of all deductions for retirement benefit  
4 purposes from a member's compensation which shall be credited to the member's individual  
5 account and interest allowed thereon;

6       (2) "Active armed warfare", any declared war, or the Korean or Vietnamese Conflict;

7       (3) "Actuarial equivalent", a benefit which, when computed upon the basis of actuarial  
8 tables and interest, is equal in value to a certain amount or other benefit;

9       (4) "Actuarial tables", the actuarial tables approved and in use by a board at any given  
10 time;

11       (5) "Actuary", the actuary who is a member of the American Academy of Actuaries or  
12 who is an enrolled actuary under the Employee Retirement Income Security Act of 1974 and who  
13 is employed by a board at any given time;

14 (6) "Annuity", annual payments, made in equal monthly installments, to a retired  
15 member from funds provided for in, or authorized by, this chapter;

16 (7) "Average compensation", the average compensation of a member for the thirty-six  
17 consecutive months of service prior to retirement when the member's compensation was greatest;  
18 or if the member is on workers' compensation leave of absence or a medical leave of absence due  
19 to an employee illness, the amount of compensation the member would have received may be  
20 used, as reported and verified by the employing department; or if the member had less than  
21 thirty-six months of service, the average annual compensation paid to the member during the  
22 period up to thirty-six months for which the member received creditable service when the  
23 member's compensation was the greatest; or if the member is on military leave, the amount of  
24 compensation the member would have received may be used as reported and verified by the  
25 employing department or, if such amount is not determinable, the amount of the employee's  
26 average rate of compensation during the twelve-month period immediately preceding such period  
27 of leave, or if shorter, the period of employment immediately preceding such period of leave.  
28 The board of each system may promulgate rules for purposes of calculating average  
29 compensation and other retirement provisions to accommodate for any state payroll system in  
30 which compensation is received on a monthly, semimonthly, biweekly, or other basis;

31 (8) "Beneficiary", any person entitled to or nominated by a member or retiree who may  
32 be legally entitled to receive benefits pursuant to this chapter;

33 (9) "Biennial assembly", the completion of no less than two years of creditable service  
34 or creditable prior service by a member of the general assembly;

35 (10) "Board of trustees", "board", or "trustees", a board of trustees as established for the  
36 applicable system pursuant to this chapter;

37 (11) "Chapter", sections 104.010 to 104.800;

38 (12) "Compensation":

39 (a) All salary and wages payable out of any state, federal, trust, or other funds to an  
40 employee for personal services performed for a department; but including only amounts for  
41 which contributions have been made in accordance with section 104.436, or section 104.070,  
42 whichever is applicable, and excluding any nonrecurring single sum payments or amounts paid  
43 after the member's termination of employment unless such amounts paid after such termination  
44 are a final installment of salary or wages at the same rate as in effect immediately prior to  
45 termination of employment in accordance with a state payroll system adopted on or after January  
46 1, 2000, or any other one-time payments made as a result of such payroll system;

47 (b) All salary and wages which would have been payable out of any state, federal, trust  
48 or other funds to an employee on workers' compensation leave of absence during the period the

49 employee is receiving a weekly workers' compensation benefit, as reported and verified by the  
50 employing department;

51 (c) Effective December 31, 1995, compensation in excess of the limitations set forth in  
52 Internal Revenue Code Section 401(a)(17) shall be disregarded. The limitation on compensation  
53 for eligible employees shall not be less than the amount which was allowed to be taken into  
54 account under the system as in effect on July 1, 1993. For this purpose, an "eligible employee"  
55 is an individual who was a member of the system before the first plan year beginning after  
56 December 31, 1995;

57 (13) "Consumer price index", the Consumer Price Index for All Urban Consumers for  
58 the United States, or its successor index, as approved by a board, as such index is defined and  
59 officially reported by the United States Department of Labor, or its successor agency;

60 (14) "Creditable prior service", the service of an employee which was either rendered  
61 prior to the establishment of a system, or prior to the date the employee last became a member  
62 of a system, and which is recognized in determining the member's eligibility and for the amount  
63 of the member's benefits under a system;

64 (15) "Creditable service", the sum of membership service and creditable prior service,  
65 to the extent such service is standing to a member's credit as provided in this chapter; except that  
66 in no case shall more than one day of creditable service or creditable prior service be credited any  
67 member for any one calendar day of eligible service credit as provided by law;

68 (16) "Deferred normal annuity", the annuity payable to any former employee who  
69 terminated employment as an employee or otherwise withdrew from service with a vested right  
70 to a normal annuity, payable at a future date;

71 (17) "Department", any department or agency of the executive, legislative or judicial  
72 branch of the state of Missouri receiving state appropriations, including allocated funds from the  
73 federal government but not including any body corporate or politic unless its employees are  
74 eligible for retirement coverage from a system pursuant to this chapter as otherwise provided by  
75 law;

76 (18) "Disability benefits", benefits paid to any employee while totally disabled as  
77 provided in this chapter;

78 (19) "Early retirement age", a member's attainment of fifty-five years of age and the  
79 completion of ten or more years of creditable service, except for uniformed members of the water  
80 patrol;

81 (20) "Employee":

82 (a) Any elective or appointive officer or person employed by the state who is employed,  
83 promoted or transferred by a department into a new or existing position and earns a salary or  
84 wage in a position normally requiring the performance by the person of duties during not less

85 than one thousand forty hours per year, including each member of the general assembly but not  
86 including any patient or inmate of any state, charitable, penal or correctional institution.  
87 However, persons who are members of the public school retirement system and who are  
88 employed by a state agency other than an institution of higher learning shall be deemed  
89 employees for purposes of participating in all insurance programs administered by a board  
90 established pursuant to section 104.450. This definition shall not exclude any employee as  
91 defined in this subdivision who is covered only under the federal Old Age and Survivors'  
92 Insurance Act, as amended. As used in this chapter, the term "employee" shall include:

93       a. Persons who are currently receiving annuities or other retirement benefits from some  
94 other retirement or benefit fund, so long as they are not simultaneously accumulating creditable  
95 service in another retirement or benefit system which will be used to determine eligibility for or  
96 the amount of a future retirement benefit;

97       b. Persons who have elected to become or who have been made members of a system  
98 pursuant to section 104.342;

99       (b) Any person who is not a retiree and has performed services in the employ of the  
100 general assembly or either house thereof, or any employee of any member of the general  
101 assembly while acting in the person's official capacity as a member, and whose position does not  
102 normally require the person to perform duties during at least one thousand forty hours per year,  
103 with a month of service being any monthly pay period in which the employee was paid for  
104 full-time employment for that monthly period; except that persons described in this paragraph  
105 shall not include any such persons who are employed on or after August 28, 2007, and who have  
106 not previously been employed in such positions;

107       (c) "Employee" does not include special consultants employed pursuant to section  
108 104.610;

109       (d) The system shall consider a person who is employed in multiple positions  
110 simultaneously within a single agency to be working in a single position for purposes of  
111 determining whether the person is an employee as defined in this subdivision;

112       (21) "Employer", a department of the state;

113       (22) "Executive director", the executive director employed by a board established  
114 pursuant to the provisions of this chapter;

115       (23) "Fiscal year", the period beginning July first in any year and ending June thirtieth  
116 the following year;

117       (24) "Full biennial assembly", the period of time beginning on the first day the general  
118 assembly convenes for a first regular session until the last day of the following year;

119       (25) "Fund", the benefit fund of a system established pursuant to this chapter;

120 (26) "Interest", interest at such rate as shall be determined and prescribed from time to  
121 time by a board;

122 (27) "Member", as used in sections 104.010 to 104.272 or 104.601 to 104.800 shall mean  
123 an employee, retiree, or former employee entitled to a deferred annuity covered by the Missouri  
124 department of transportation and highway patrol employees' retirement system. "Member", as  
125 used in this section and sections 104.312 to 104.800, shall mean an employee, retiree, or former  
126 employee entitled to deferred annuity covered by the Missouri state employees' retirement  
127 system;

128 (28) "Membership service", the service after becoming a member that is recognized in  
129 determining a member's eligibility for and the amount of a member's benefits under a system;

130 (29) "Military service", all active service performed in the United States Army, Air  
131 Force, Navy, Marine Corps, Coast Guard, and members of the United States Public Health  
132 Service or any women's auxiliary thereof; and service in the Army national guard and Air  
133 national guard when engaged in active duty for training, inactive duty training or full-time  
134 national guard duty, and service by any other category of persons designated by the President in  
135 time of war or emergency;

136 (30) "Normal annuity", the annuity provided to a member upon retirement at or after the  
137 member's normal retirement age;

138 (31) "Normal retirement age", an employee's attainment of sixty-five years of age and  
139 the completion of four years of creditable service or the attainment of age sixty-five years of age  
140 and the completion of five years of creditable service by a member who has terminated  
141 employment and is entitled to a deferred normal annuity or the member's attainment of age sixty  
142 and the completion of fifteen years of creditable service, except that normal retirement age for  
143 uniformed members of the highway patrol shall be fifty-five years of age and the completion of  
144 four years of creditable service and uniformed employees of the water patrol shall be fifty-five  
145 years of age and the completion of four years of creditable service or the attainment of age  
146 fifty-five and the completion of five years of creditable service by a member of the water patrol  
147 who has terminated employment and is entitled to a deferred normal annuity and members of the  
148 general assembly shall be fifty-five years of age and the completion of three full biennial  
149 assemblies.

150 Notwithstanding any other provision of law to the contrary, a member of the [highways and  
151 transportation employees' and highway patrol] **Missouri department of transportation and**  
152 **highway patrol employees'** retirement system or a member of the Missouri state employees'  
153 retirement system shall be entitled to retire with a normal annuity and shall be entitled to elect  
154 any of the survivor benefit options and shall also be entitled to any other provisions of this  
155 chapter that relate to retirement with a normal annuity if the sum of the member's age and

156 creditable service equals eighty years or more and if the member is at least forty-eight years of  
157 age;

158 (32) "Payroll deduction", deductions made from an employee's compensation;

159 (33) "Prior service credit", the service of an employee rendered prior to the date the  
160 employee became a member which service is recognized in determining the member's eligibility  
161 for benefits from a system but not in determining the amount of the member's benefit;

162 (34) "Reduced annuity", an actuarial equivalent of a normal annuity;

163 (35) "Retiree", a member who is not an employee and who is receiving an annuity from  
164 a system pursuant to this chapter;

165 (36) "System" or "retirement system", the Missouri department of transportation and  
166 highway patrol employees' retirement system, as created by sections 104.010 to [104.270]  
167 **104.260**, or sections 104.601 to 104.800, or the Missouri state employees' retirement system as  
168 created by sections 104.320 to 104.800;

169 (37) "Uniformed members of the highway patrol", the superintendent, lieutenant colonel,  
170 majors, captains, director of radio, lieutenants, sergeants, corporals, and patrolmen of the  
171 Missouri state highway patrol who normally appear in uniform;

172 (38) "Uniformed members of the water patrol", employees of the Missouri state water  
173 patrol of the department of public safety who are classified as water patrol officers who have  
174 taken the oath of office prescribed by the provisions of chapter 306 and who have those peace  
175 officer powers given by the provisions of chapter 306;

176 (39) "Vesting service", the sum of a member's prior service credit and creditable service  
177 which is recognized in determining the member's eligibility for benefits under the system.

178 2. Benefits paid pursuant to the provisions of this chapter shall not exceed the limitations  
179 of Internal Revenue Code Section 415, the provisions of which are hereby incorporated by  
180 reference. Notwithstanding any other law to the contrary, the board of trustees may establish a  
181 benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as amended. Such plan  
182 shall be created solely for the purposes described in Section 415(m)(3)(A) of the Internal  
183 Revenue Code of 1986, as amended. The board of trustees may promulgate regulations  
184 necessary to implement the provisions of this subsection and to create and administer such  
185 benefit plan.

104.020. There is hereby created the "Missouri Department of Transportation and  
2 Highway Patrol Employees' Retirement System", which shall be a body corporate and an  
3 instrumentality of the state. In such system shall be vested the powers and duties specified in  
4 sections 104.010 to [104.270] **104.260** and such other powers as may be necessary or proper to  
5 enable it, its officers, employees, and agents to carry out fully and effectively all the purposes of  
6 sections 104.010 to [104.270] **104.260**.

104.070. At least ninety days before each regular session of the general assembly, the  
2 board shall certify to each department an actuarially determined estimate of the respective shares  
3 of each employer in the amount which will be necessary during the next appropriation period to  
4 pay all liabilities which shall exist or accrue under sections 104.010 to [104.270] **104.260** during  
5 such period. The estimate shall be computed upon a level percentage of payroll compensation  
6 to cover the normal cost. To the estimate actuarially computed there shall be added the  
7 additional payment of ninety dollars per month due those retired members of the highway patrol  
8 who have not attained the age of sixty-five years. Each department shall include in its budget  
9 and in its request for appropriations for personal service, the sum so certified to it by the board,  
10 and shall present the same to the general assembly for allowance. The sums so certified and  
11 appropriated, when available, shall be paid to the system and deposited in the transportation  
12 department employees' and highway patrol retirement and benefit fund. Such contributions and  
13 contributions previously made by members are the funds of the system and shall not be  
14 commingled with any funds in the state treasury.

104.110. 1. Any employee, regardless of the length of time of creditable service, who  
2 is affirmatively found by the board to be wholly incapable of performing the duties of the  
3 employee's or any other position in the employee's department for which the employee is suited,  
4 shall be entitled to receive disability benefits. The disability benefit provided by this subsection  
5 shall equal one and six-tenths percent of the employee's average compensation multiplied by the  
6 number of years of creditable service of the member. Effective September 1, 2003, no employee  
7 is eligible for or shall request or apply for the disability benefit provided pursuant to this  
8 subsection.

9 2. Any uniformed member of the highway patrol, highway patrol employee or  
10 department of transportation employee, regardless of the length of time of creditable service, who  
11 is found by the board to be disabled as a result of injuries incurred in the performance of the  
12 employee's duties, shall be entitled to receive an initial disability benefit in an amount equal to  
13 seventy percent of the compensation that the employee was receiving on the date preceding the  
14 date of disability; provided, however, that the amount of the disability benefit, plus any primary  
15 Social Security disability benefits received by such member shall not exceed ninety percent of  
16 the monthly compensation such member was receiving on the date preceding the date of  
17 disability.

18 3. Any disability benefits payable pursuant to this section shall be decreased by any  
19 amount paid to such member for periodic disability benefits by reason of the workers'  
20 compensation laws of this state. After termination of payment under workers' compensation,  
21 however, disability benefits shall be paid in the amount required by subsections 1, 2, 7, and 9 of  
22 this section.

23           4. The board of trustees may require a medical examination of a disabled member at any  
24 time by a designated physician, and benefits shall be discontinued if the board finds that such  
25 member is able to perform the duties of the member's former position or if such member refuses  
26 to submit to a medical examination. Any employee who applies for disability benefits provided  
27 pursuant to this section shall provide medical certification acceptable to the board which shall  
28 include the date the disability commenced and the expected duration of the disability.

29           5. Any employee who applies for disability benefits pursuant to subsections 2 and 7 of  
30 this section shall provide proof of application for Social Security disability benefits. If Social  
31 Security disability benefits are denied, the employee shall also provide proof that the employee  
32 has requested reconsideration, and upon denial of the reconsideration, that an appeal process is  
33 prosecuted.

34           6. The disability benefits provided in this section shall not be paid to any member who  
35 retains or regains earning capacity as determined by the board. If a member who has been  
36 receiving disability benefits again becomes an employee, the member's disability benefits shall  
37 be discontinued.

38           7. The board shall also provide or contract for long-term disability benefits for those  
39 members whose disability exists or is diagnosed as being of such nature as to exist for more than  
40 one year. The benefits provided or contracted for pursuant to this subsection shall be in lieu of  
41 any other benefit provided in this section. The eligibility requirements, benefit period and  
42 amount of the disability benefits provided pursuant to this subsection shall be established by the  
43 board.

44           8. Definitions of disability and other rules and procedures necessary for administration  
45 of the disability benefits provided pursuant to this section shall be established by the board.

46           9. Any member receiving disability benefits pursuant to subsections 1 and 2 of this  
47 section shall receive the same cost-of-living increases as granted to retired members pursuant to  
48 section 104.103.

49           10. The state highways and transportation commission shall contribute the same amount  
50 as provided for all state employees for any person receiving disability benefits pursuant to  
51 subsection 2 of this section for medical insurance provided pursuant to section [104.270]  
52 **103.120**.

53           11. Any member who qualified for disability benefits pursuant to subsection 2 or  
54 subsection 7 of this section shall continue to accrue normal annuity benefits based on the  
55 member's rate of pay immediately prior to the date the member became disabled in accordance  
56 with sections 104.090 and 104.615 as in effect on the earlier of the date the member reaches  
57 normal retirement age or the date normal annuity payments commence.

58           12. A member who continues to be disabled as provided in subsection 2 or subsection  
59 7 of this section shall continue to accrue creditable service until the member reaches normal  
60 retirement age. The maximum benefits period for benefits pursuant to subsections 2 and 7 of this  
61 section shall be established by the board. A member who is eligible to retire and does retire  
62 while receiving disability benefits pursuant to subsections 2 and 7 of this section shall receive  
63 the greater of the normal annuity or the minimum annuity determined pursuant to sections  
64 104.090 and 104.615, as if the member had continued in the active employ of the employer until  
65 the member's normal retirement age and the member's compensation for such period had been  
66 the member's rate of pay immediately preceding the date the member became disabled.

67           13. Any member who was receiving disability benefits from the board prior to August  
68 28, 1997, or any member who has submitted an application for disability benefits before August  
69 28, 1997, and would have been eligible to receive benefits pursuant to the eligibility  
70 requirements which were applicable at the time of application shall be eligible to receive or shall  
71 continue to receive benefits in accordance with such prior eligibility requirements until the  
72 member again becomes an employee.

73           14. Any member receiving disability benefits pursuant to subsection 1, subsection 2 or  
74 subsection 7 of this section shall be eligible to receive death benefits pursuant to the provisions  
75 of subsection 1 of section 104.140.

76 The death benefits provided pursuant to this subsection shall be in lieu of the death benefits  
77 available to the member pursuant to subsection 2 of section 104.140.

78           15. The board is authorized to contract for benefits in lieu of the benefits provided  
79 pursuant to this section.

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

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

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

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

94 17. An employee may elect to waive the receipt of any disability benefit provided for  
95 pursuant to this section at any time.

96 18. Any member receiving disability benefits pursuant to subsections 1 and 2 of this  
97 section shall be eligible for a death benefit of five thousand dollars in addition to any benefits  
98 under subsection 14 of this section.

104.150. 1. The board shall set up and maintain a transportation department employees'  
2 and highway patrol retirement and benefit fund account in which shall be placed all payroll  
3 deductions, deferred compensation, payments and income from all sources. All property, money,  
4 funds, investments, and rights which shall belong to, or be available for expenditure or use by,  
5 the system shall be dedicated to and held in trust for the members and for the purposes set out  
6 in sections 104.010 to [104.270] **104.260** and sections 104.600 to 104.800 and no other. The  
7 board, in the name and on behalf of the system, may purchase, acquire, hold, invest, lend, lease,  
8 sell, assign, transfer, and dispose of all property, rights, and securities, and enter into written  
9 contracts, when necessary or proper to carry out the purposes of sections 104.010 to [104.270]  
10 **104.260** and sections 104.600 to 104.800.

11 2. All moneys received by or belonging to the system shall be paid to the executive  
12 director and by him deposited to the credit of the system in one or more banks or trust  
13 companies. No such money shall be deposited in or be retained by any bank or trust company  
14 which does not have on deposit with and for the board at the time the kind and value of collateral  
15 required by section 30.270 for depositaries of the state treasurer. The executive director shall  
16 be responsible for all funds, securities, and property belonging to the system, and shall give such  
17 corporate surety bond for the faithful handling of the same as the board shall require.

18 3. The board may invest the funds of the system as permitted by sections 105.686 to  
19 105.690.

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

7 2. The board shall appoint a full-time executive director, who shall not be compensated  
8 for any other duties under the state highways and transportation commission. The executive  
9 director shall have charge of the offices and records and shall hire such employees that the  
10 executive director deems necessary subject to the direction of the board. The executive director  
11 and all other employees of the system shall be members of the system and the board shall make  
12 contributions to provide the insurance benefits available pursuant to section [104.270] **103.120**

13 on the same basis as provided for other state employees pursuant to the provisions of section  
14 104.515, and also shall make contributions to provide the retirement benefits on the same basis  
15 as provided for other employees pursuant to the provisions of sections 104.090 to 104.260. The  
16 executive director is authorized to execute all documents including contracts necessary to carry  
17 out any and all actions of the board.

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

104.210. 1. The general administration of, and responsibility for, the proper operation  
2 of the system are hereby vested in a board of trustees.

3 2. Subject to the limitations of law, the board shall formulate and adopt rules and  
4 regulations for the government of its own proceedings and for the administration of the system,  
5 and its decisions as to all question of fact shall be final and conclusive on all persons except for  
6 the right of review as provided by law and except for fraud or such gross mistake of fact as to  
7 have an effect equivalent to fraud.

8 3. The accounts and records of the state highways and transportation commission, the  
9 state highway patrol, the state auditor, and the state treasurer shall be open to inspection to the  
10 board of trustees and its employees, for the purpose of obtaining information necessary in the  
11 performance of the duties of such board under sections 104.010 to [104.270] **104.260** and  
12 sections 104.600 to 104.800.

13 4. The board shall have the power to subpoena witnesses or obtain the production of  
14 records when necessary for the performance of its duties.

15 5. Subject to the provisions of the constitution and sections 104.010 to [104.270]  
16 **104.260** and sections 104.600 to 104.800, the board of trustees shall have exclusive jurisdiction  
17 and control over the funds and property of the system and may employ and fix the compensation  
18 of necessary employees.

19 6. No trustee or employee of the system shall receive any gain or profit from any funds  
20 or transaction of the system, except benefits from interest in investments common to all members  
21 if entitled thereto.

22 7. Any trustee or employee accepting any gratuity or compensation for the purpose of  
23 influencing his action with respect to the investment and the funds of the system shall thereby  
24 forfeit his office and in addition thereto be subject to the penalties prescribed for bribery.

104.220. The board of trustees may select and employ an actuary who shall serve at its  
2 pleasure as its technical adviser on matters regarding the operation of the system, or may call  
3 upon the director of the department of insurance, financial institutions and professional  
4 registration for actuarial service, which shall be furnished by him. The actuary shall:

5 (1) During the first year of operation of the system, or as soon as practicable, and at least  
6 once every five years thereafter, make a general investigation of the mortality, retirement,  
7 disability, death, employment turnover, interest, and earnable compensation experience of the  
8 system;

9 (2) Recommend mortality and other tables to be used for all required actuarial  
10 calculations;

11 (3) Make an annual valuation of the liabilities, assets, and reserves of the system, and  
12 a determination of the amounts of contributions required by the system to discharge the liabilities  
13 and administration costs under sections 104.010 to [104.270] **104.260**, and certify the results  
14 thereof to the board; and

15 (4) Perform such other duties as may be assigned to him by the board.

104.250. 1. All payroll deductions and deferred compensation provided for under  
2 sections 104.010 to [104.270] **104.260** are hereby made obligations of the state of Missouri. No  
3 alteration, amendment, or repeal of sections 104.010 to [104.270] **104.260** shall affect the then  
4 existing rights of members and beneficiaries, but shall be effective only as to rights which would  
5 otherwise accrue under sections 104.010 to [104.270] **104.260** as a result of services rendered  
6 by an employee after such alteration, amendment, or repeal.

7 2. Any annuity, benefits, funds, property, or rights created by, or accruing to, any person  
8 under the provisions of sections 104.010 to [104.270] **104.260** are hereby made and declared  
9 exempt from any tax of the state of Missouri or any political subdivision or taxing body thereof,  
10 and shall not be subject to execution, garnishment, attachment, writ of sequestration, or any other  
11 process or claim whatsoever, and shall be unassignable except that any payment from the  
12 retirement system shall be subject to the collection of child support or spousal maintenance.

104.354. In each fiscal year in which retirement benefits are to be paid to retired  
2 employees described in paragraph (b) of subdivision (20) of section 104.010 because of the  
3 provisions of section [104.352] **103.123**, funding for such benefits shall be provided as set forth  
4 in section 104.436. All benefits paid because of the provisions of section [104.352] **103.123** shall  
5 be paid by the retirement system along with all other retirement benefits due such retired  
6 employees under the retirement system.

104.372. 1. (1) In the event a person who served as a member of the general assembly  
2 or in an elective state office on or after September 1, 1976, and who retired after September 1,  
3 1976, dies, a survivor's income in an amount equal to fifty percent of the monthly annuity the  
4 retired member was receiving at the time of the member's death shall be paid in monthly  
5 installments to such deceased retired member's surviving spouse; provided such surviving spouse  
6 was married to the deceased retired member of the general assembly or elected official on the  
7 date of the member's death; or if there is no surviving spouse eligible to receive such survivor's

8 income, then such survivor's income shall be payable to any children under the age of twenty-one  
9 of the deceased member of the general assembly or elective official in equal shares in a total  
10 amount equal to such survivor's income that would otherwise have been paid to the surviving  
11 spouse until the children reach twenty-one years of age. The benefits shall be funded as provided  
12 in section 104.436; or

13 (2) Upon the death of a person who served as a member of the general assembly or in  
14 an elective state office on or after September 1, 1976, and who retired pursuant to the provisions  
15 of this chapter on or after September 1, 1976, and who terminated employment before August  
16 28, 1988, such deceased retired member's surviving spouse, who was married to the deceased  
17 retired member on the date of the member's death, may apply to the board of trustees and shall  
18 be made, constituted, appointed and employed by the board as a special consultant on the  
19 problems of retirement, aging and other state matters for the remainder of the surviving spouse's  
20 life, and upon request of the board shall give opinions, and be available to give opinions in  
21 writing, or orally, in response to such requests. As compensation for such services, beginning  
22 the first of the month following application, such surviving spouse shall receive monthly an  
23 amount equal to fifty percent of the monthly annuity the retired member was receiving at the time  
24 of the member's death.

25 2. If a member of the general assembly who has served in at least three full biennial  
26 assemblies dies before retirement, pursuant to the provisions of sections 104.312 to [104.801]  
27 **104.800**, a survivor's benefit shall be paid in an amount equal to fifty percent of the member's  
28 accrued annuity calculated as if the member were of normal retirement age as of the member's  
29 death. The survivor's benefit shall be paid in monthly installments to such deceased member's  
30 surviving spouse; provided such surviving spouse was married to the deceased member of the  
31 general assembly on the date of the member's death; or if there is no surviving spouse eligible  
32 to receive such survivor's benefit, such survivor's benefit shall be payable to any children under  
33 the age of twenty-one of the deceased member of the general assembly in equal shares in a total  
34 amount equal to such survivor's benefit that would otherwise have been paid to the surviving  
35 spouse until the children reach twenty-one years of age.

36 3. In the event a person who has held one or more statewide state elective offices for a  
37 total of at least twelve years, and whose retirement benefits have been calculated and are being  
38 paid pursuant to the provisions of section 104.371, dies, a survivor's benefit in an amount equal  
39 to fifty percent of the benefits being paid the member pursuant to section 104.371 shall be paid  
40 to the member's surviving spouse. The survivor's benefits shall be paid in the manner provided  
41 in section 104.371.

42 4. Every member of the state employees' retirement system who had previous state  
43 employment by a state agency by virtue of which the person was a member of the public school

44 retirement system of Missouri and has previously withdrawn the person's employee contribution  
45 to the public school retirement system shall upon request if qualified pursuant to the provisions  
46 of this subsection receive creditable prior service in the state employees' retirement system for  
47 such service notwithstanding any other provisions of law. The public school retirement system  
48 shall pay to the state employees' retirement system an amount equal to the contribution paid to  
49 the public school retirement system on behalf of the employee by the employee's employer, and  
50 the commissioner of administration shall pay an equal amount to the state employees' retirement  
51 system from funds appropriated from the general revenue fund for such purpose. In no event  
52 shall any person receive credit for the same period of service under more than one retirement  
53 system.

54         5. Upon the death of a person who served as a member of the general assembly or in an  
55 elective state office before September 1, 1976, and who retired and chose a normal annuity  
56 pursuant to the provisions of this chapter, such deceased retired member's surviving spouse, who  
57 was married to the member on the date of the member's death, may apply to the board of trustees  
58 and shall be made, constituted, appointed and employed by the board as a special consultant on  
59 the problems of retirement, aging, and other state matters for the remainder of the surviving  
60 spouse's life, and upon request of the board shall give opinions, and be available to give opinions  
61 in writing, or orally, in response to such requests. As compensation for such services, beginning  
62 the first of the month following application, such surviving spouse shall receive monthly an  
63 amount equal to fifty percent of the monthly annuity the retired member was receiving at the time  
64 of the member's death.

65         6. Survivor benefits shall be paid pursuant to section 104.420 in lieu of any other  
66 provisions of this section to the contrary if the member of the general assembly or statewide  
67 elected official:

- 68             (1) Dies on or after August 28, 2001;  
69             (2) Had a vested right to an annuity; and  
70             (3) Was not receiving an annuity.

71         7. Survivor benefits shall be paid pursuant to section 104.395 in lieu of any other  
72 provisions of this section to the contrary if the member of the general assembly or statewide  
73 elected official elects a survivor benefit option pursuant to section 104.395, and dies on or after  
74 August 28, 2001.

104.515. 1. Separate accounts for medical, life insurance and disability benefits  
2 provided pursuant to sections **103.122**, 104.517, and 104.518 shall be established as part of the  
3 fund. The funds, property and return on investments of the separate account shall not be  
4 commingled with any other funds, property and investment return of the system. All benefits and

5 premiums are paid solely from the separate account for medical, life insurance and disability  
6 benefits provided pursuant to this section.

7         2. The state shall contribute an amount as appropriated by law and approved by the  
8 governor per month for medical benefits, life insurance and long-term disability benefits as  
9 provided pursuant to this section and sections **103.122**, 104.517, and 104.518. Such amounts  
10 shall include the cost of providing life insurance benefits for each active employee who is a  
11 member of the Missouri state employees' retirement system, a member of the public school  
12 retirement system and who is employed by a state agency other than an institution of higher  
13 learning, a member of the retirement system established by sections 287.812 to 287.855, the  
14 judicial retirement system, each legislator and official holding an elective state office, members  
15 not on payroll status who are receiving workers' compensation benefits, and [if the state  
16 highways and transportation commission so elects,] those employees who are members of the  
17 state transportation department employees' and highway patrol retirement system; [if the state  
18 highways and transportation commission so elects to join the plan,] the state shall contribute an  
19 amount as appropriated by law for medical benefits for those employees who are members of the  
20 transportation department employees' and highway patrol retirement system; an additional  
21 amount equal to the amount required, based on competitive bidding or determined actuarially,  
22 to fund the retired members' death benefit or life insurance benefit, or both, provided in  
23 subsection 4 of this section and the disability benefits provided in section 104.518. This amount  
24 shall be reported as a separate item in the monthly certification of required contributions which  
25 the commissioner of administration submits to the state treasurer and shall be deposited to the  
26 separate account for medical, life insurance and disability benefits. All contributions made on  
27 behalf of members of the state transportation department employees' and highway patrol  
28 retirement system shall **only** be made from [highway] **federal and state** funds. [If the highways  
29 and transportation commission so elects, The spouses and unemancipated children under  
30 twenty-three years of age of employees who are members of the state transportation department  
31 employees' and highway patrol retirement system shall be able to participate in the program of  
32 insurance benefits to cover medical expenses pursuant to the provisions of subsection 3 of this  
33 section.]

34         3. The **Missouri department of transportation and highway patrol health plan's**  
35 **board of trustees and the Missouri department of transportation and highway patrol**  
36 **employees' retirement system's board of trustees** shall determine the premium amounts **for**  
37 **life insurance and disability benefits, respectively**, required for participating employees. **The**  
38 **premium amount for medical benefits shall be determined under sections 103.120 to**  
39 **103.124.** The premium amounts shall be the amount, which, together with the state's  
40 contribution, is required to fund the benefits provided, taking into account necessary actuarial

41 reserves. Separate premiums shall be established for employees' benefits and a separate premium  
42 or schedule of premiums shall be established for benefits for spouses and [unemancipated]  
43 **dependent** children [under twenty-three years of age] , **as required by law**, of participating  
44 employees. The employee's premiums for spouse and children benefits shall be established to  
45 cover that portion of the cost of such benefits which is not paid for by contributions by the state.  
46 All such premium amounts shall be paid to the board of trustees at the time that each employee's  
47 wages or salary would normally be paid. The premium amounts so remitted will be placed in  
48 the separate account for medical, life insurance and disability benefits. In lieu of the availability  
49 of premium deductions, the board may establish alternative methods for the collection of  
50 premium amounts.

51 4. Each special consultant eligible for life benefits employed by a board of trustees of  
52 a retirement system as provided in section 104.610 who is a member of the Missouri state life  
53 insurance plan or Missouri state transportation department and Missouri state highway patrol life  
54 insurance plan shall, in addition to duties prescribed in section 104.610 or any other law, and  
55 upon request of the board of trustees, give the board, orally or in writing, a short detailed  
56 statement on life insurance and death benefit problems affecting retirees. As compensation for  
57 the extra duty imposed by this subsection, any special consultant as defined above, other than  
58 a special consultant entitled to a deferred normal annuity pursuant to section 104.035 or 104.335,  
59 who retires on or after September 28, 1985, shall receive as a part of compensation for these  
60 extra duties, a death benefit of five thousand dollars, and any special consultant who terminates  
61 employment on or after August 28, 1999, after reaching normal or early retirement age and  
62 becomes a retiree within sixty days of such termination shall receive five thousand dollars of life  
63 insurance coverage. In addition, each special consultant who is a member of the transportation  
64 department employees' and highway patrol retirement system medical insurance plan shall also  
65 provide the board, upon request of the board, orally or in writing, a short detailed statement on  
66 physical, medical and health problems affecting retirees. As compensation for this extra duty,  
67 each special consultant as defined above shall receive, in addition to all other compensation  
68 provided by law, [nine dollars, or] an amount equivalent to that provided to other special  
69 consultants pursuant to the provisions of section 103.115. In addition, any special consultant as  
70 defined in section 287.820 or section 476.601 who terminates employment and immediately  
71 retires on or after August 28, 1995, shall receive as a part of compensation for these duties, a  
72 death benefit of five thousand dollars and any special consultant who terminates employment on  
73 or after August 28, 1999, after reaching the age of eligibility to receive retirement benefits and  
74 becomes a retiree within sixty days of such termination shall receive five thousand dollars of life  
75 insurance coverage.

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

          104.625. Effective July 1, 2002, any member retiring pursuant to the provisions of  
2 sections 104.010 to [104.801] **104.800**, except an elected official or a member of the general  
3 assembly, who has not been paid retirement benefits and continues employment for at least two  
4 years beyond normal retirement age, may elect to receive an annuity and lump sum payment or  
5 payments, determined as follows:

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

14           (2) The prospective annuity payable as of the annuity starting date shall be determined  
15 pursuant to the provisions otherwise applicable under the law, with the exception that it shall be  
16 the amount which would have been payable had the member actually retired on the retroactive  
17 starting date under the retirement plan selected by the member. Other than for the lump sum  
18 payment or payments specified in subdivision (3) of this section, no other amount shall be due  
19 for the period between the retroactive starting date and the annuity starting date;

20           (3) The lump sum payable shall be ninety percent of the annuity amounts which would  
21 have been paid to the member from the retroactive starting date to the annuity starting date had  
22 the member actually retired on the retroactive starting date and received a normal annuity. The  
23 member shall elect to receive the lump sum amount either in its entirety at the same time as the

24 initial annuity payment is made or in three equal annual installments with the first payment made  
25 at the same time as the initial annuity payment;

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

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

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

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

104.805. 1. Employees who are earning creditable service in the closed plan of the  
2 Missouri state employees' retirement system and who are, as a result of the provisions of this  
3 section and sections 226.008, 389.005, 389.610, and 621.040, transferred to the department of  
4 transportation will not become members of the closed plan of the Missouri department of  
5 transportation and highway patrol employees' retirement system unless they elect to transfer  
6 membership and creditable service to the closed plan of the Missouri department of  
7 transportation and highway patrol employees' retirement system. The election must be in writing  
8 and must be made within sixty days of August 28, 2007. Any election to transfer membership  
9 and creditable service to the Missouri department of transportation and highway patrol  
10 employees' retirement system shall result in the forfeiture of any rights or benefits in the Missouri  
11 state employees' retirement system. Any failure to elect to transfer membership and creditable  
12 service pursuant to this subsection will result in the employees remaining in the closed plan of  
13 the Missouri state employees' retirement system. If an election is made, the effective date for  
14 commencement of membership and transfer of such creditable service shall be January 1, 2008.

15 2. Employees who are earning credited service in the year 2000 plan of the Missouri state  
16 employees' retirement system and who are, as a result of the provisions of this section and  
17 sections 226.008, 389.005, 389.610, and 621.040, transferred to the department of transportation  
18 will remain in the year 2000 plan administered by the Missouri state employees' retirement  
19 system unless they elect to transfer membership and credited service to the year 2000 plan  
20 administered by the Missouri department of transportation and highway patrol employees'  
21 retirement system. The election must be in writing and must be made within sixty days of  
22 August 28, 2007. Any election to transfer membership and credited service to the year 2000 plan  
23 administered by the Missouri department of transportation and highway patrol employees'  
24 retirement system shall result in the forfeiture of any rights or benefits in the Missouri state

25 employees' retirement system. Any failure to elect to transfer membership and credited service  
26 pursuant to this subsection will result in the employees remaining in the year 2000 plan  
27 administered by the Missouri state employees' retirement system. If an election is made, the  
28 effective date for commencement of membership and transfer of such creditable service shall be  
29 January 1, 2008.

30 3. For any employee who elects under subsection 1 or 2 of this section to transfer to the  
31 Missouri department of transportation and highway patrol employees' retirement system, the  
32 Missouri state employees' retirement system shall pay to the Missouri department of  
33 transportation and highway patrol employees' retirement system, by December 31, 2007, an  
34 amount actuarially determined to equal the liability transferred from the Missouri state  
35 employees' retirement system.

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

38 5. For any transferred employee who elects under subsection 1 or 2 of this section to  
39 transfer to the Missouri department of transportation and highway patrol employees' retirement  
40 system, the only medical coverage available for the employee shall be the medical coverage  
41 provided in section [104.270] **103.120**. The effective date for commencement of medical  
42 coverage shall be January 1, 2008. However, this does not preclude medical coverage for the  
43 transferred employee as a dependent under any other health care plan.

44 6. Those employees transferred to the department of transportation prior to January 1,  
45 2003, under the provisions of this section and sections 226.008, 389.005, 389.610, and 621.040,  
46 shall not be eligible for the election provisions under this section.

104.806. 1. Employees who are earning creditable service in the closed plan of the  
2 Missouri state employees' retirement system and who are transferred to the department of  
3 transportation as a result of the provisions of executive order 03-05 will not become members  
4 of the closed plan of the highways and transportation employees' and highway patrol retirement  
5 system unless they elect to transfer membership and creditable service to the closed plan of the  
6 highways and transportation employees' and highway patrol retirement system. The election  
7 must be in writing and must be made within ninety days of July 1, 2003. Any election to transfer  
8 membership and creditable service to the highways and transportation employees' and highway  
9 patrol retirement system shall result in the forfeiture of any rights or benefits in the Missouri state  
10 employees' retirement system. Any failure to elect to transfer membership and creditable service  
11 pursuant to this subsection will result in the employees remaining in the closed plan of the  
12 Missouri state employees' retirement system. If an election is made, the effective date for  
13 commencement of membership and transfer of such creditable service shall be January 1, 2004.

14

15           2. Employees who are earning credited service in the year 2000 plan of the Missouri state  
16 employees' retirement system and who are transferred to the department of transportation as a  
17 result of the provisions of executive order 03-05 will remain in the year 2000 plan administered  
18 by the Missouri state employees' retirement system unless they elect to transfer membership and  
19 credited service to the year 2000 plan administered by the highways and transportation  
20 employees' and highway patrol retirement system. The election must be in writing and must be  
21 made within ninety days of July 1, 2003. Any election to transfer membership and credited  
22 service to the year 2000 plan administered by the highways and transportation employees' and  
23 highway patrol retirement system shall result in the forfeiture of any rights or benefits in the  
24 Missouri state employees' retirement system. Any failure to elect to transfer membership and  
25 credited service pursuant to this subsection will result in the employees remaining in the year  
26 2000 plan administered by the Missouri state employees' retirement system. If an election is  
27 made, the effective date for commencement of membership and transfer of such creditable  
28 service shall be January 1, 2004.

29           3. For any employee who elects pursuant to subsection 1 or 2 of this section to transfer  
30 to the highways and transportation employees' and highway patrol retirement system, the  
31 Missouri state employees' retirement system shall pay to the highways and transportation  
32 employees' and highway patrol retirement system, by December 31, 2003, an amount actuarially  
33 determined to equal the liability at the time of the transfer to the extent that liability is funded  
34 as of the most recent actuarial valuation, not to exceed one hundred percent.

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

37           5. For any transferred employee who elects pursuant to subsection 1 or 2 of this section  
38 to transfer to the highways and transportation employees' and highway patrol retirement system,  
39 the only medical coverage available for the employee shall be the medical coverage provided in  
40 section [104.270] **103.120**. The effective date for commencement of medical coverage shall be  
41 January 1, 2004. However, this does not preclude medical coverage for the transferred employee  
42 as a dependent under any other health care plan.

104.810. 1. Employees of the Missouri state water patrol who are earning creditable  
2 service in the closed plan of the Missouri state employees' retirement system and who are  
3 transferred to the division of water patrol with the Missouri state highway patrol shall elect  
4 within ninety days of January 1, 2011, to either remain a member of the Missouri state  
5 employees' retirement system or transfer membership and creditable service to the closed plan  
6 of the Missouri department of transportation and highway patrol employees' retirement system.  
7 The election shall be made in writing after the employee has received a detailed analysis  
8 comparing retirement, life insurance, disability benefits, and medical benefits of a member of the

9 Missouri state employees' retirement system with the corresponding benefits provided an  
10 employee of the highway patrol covered by the closed plan of the Missouri department of  
11 transportation and highway patrol employees' retirement system. In electing plan membership  
12 the employee shall acknowledge and agree that an election made under this subsection is  
13 irrevocable, and constitutes a waiver to receive retirement, life insurance, disability benefits, and  
14 medical benefits except as provided by the system elected by the employee. Furthermore, in  
15 connection with the election, the employee shall be required to acknowledge that the benefits  
16 provided by virtue of membership in either system, and any associated costs to the employee,  
17 may be different now or in the future as a result of the election and that the employee agrees to  
18 hold both systems harmless with regard to benefit differences resulting from the election.

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

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

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

46 5. The only medical coverage available for any employee who elects under subsection  
47 1 or 2 of this section to transfer to the Missouri department of transportation and highway patrol  
48 employees' retirement system shall be the medical coverage provided in section [104.270]  
49 **103.120**. The effective date for commencement of medical coverage shall be July 1, 2011.  
50 However, this does not preclude medical coverage for the transferred employee as a dependent  
51 under any other health care plan.

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

2 [104.270. The state highways and transportation commission may  
3 provide for benefits to cover medical expenses and death for members of the  
4 closed and year 2000 plans of the highways and transportation employees' and  
5 highway patrol retirement system. Any plan may provide medical benefits for  
6 dependents of members and for retirees of the closed and year 2000 plans and for  
7 persons entitled to deferred annuities in the closed and year 2000 plans and their  
8 dependents. Death benefits shall be comparable to those provided for in section  
9 104.517. Contributions by the state highways and transportation commission to  
10 provide the benefits shall be on the same basis as provided for other state  
11 employees under the provisions of section 104.515. Except as otherwise  
12 provided by law, the cost of benefits for dependents of members and for retirees  
13 and their dependents shall be paid by the members or retirees. The commission  
14 may contract with other persons or entities including but not limited to third-party  
15 administrators, health network providers, and health maintenance organizations  
16 for all, or any part of, the benefits provided for in this section. The commission  
17 may require reimbursement of any medical claims paid by the commission's  
18 medical plan for which there was third-party liability.]

2 [104.352. 1. Each employee described in paragraph (b) of subdivision  
3 (20) of section 104.010 shall be entitled to the same insurance benefits provided  
4 under sections 103.003 to 103.175 to employees described in paragraph (a) of  
5 subdivision (20) of section 104.010 to cover the medical expenses of such  
6 employees and their spouses and children. Such insurance benefits shall be made  
7 available to employees described in paragraph (b) of subdivision (20) of section  
8 104.010 upon their initial employment as such employees in the same manner  
9 provided for employees described in paragraph (a) of subdivision (20) of section  
10 104.010, and shall be continued during any period of time, not to exceed one  
11 year, in which such employees are not paid for full-time employment, so long as  
such employees pay the same amount for such insurance benefits as is required

12 of employees described in paragraph (a) of subdivision (20) of section 104.010  
13 who continue receiving such insurance benefits during a leave of absence without  
14 pay from their employment with the state. Any employee described in paragraph  
15 (b) of subdivision (20) of section 104.010 who is reemployed by the general  
16 assembly or either house thereof, or by any member of the general assembly  
17 while acting in his official capacity as a member, by the thirteenth legislative day  
18 of the session of the general assembly immediately following the session of the  
19 general assembly in which such employee was last so employed, without having  
20 elected to discontinue the insurance benefits described in this subsection, shall  
21 be entitled to continue such insurance benefits without having to prove  
22 insurability for himself or any of his covered dependents for whom he has paid  
23 for such coverage continuously since last employed as an employee described in  
24 paragraph (b) of subdivision (20) of section 104.010. Any employee described  
25 in paragraph (b) of subdivision (20) of section 104.010 who is not reemployed  
26 by the general assembly or either house thereof, or by any member of the general  
27 assembly while acting in his official capacity as a member, by the thirteenth  
28 legislative day of the session of the general assembly immediately following the  
29 session of the general assembly in which such employee was last so employed,  
30 shall be deemed terminated as an employee as of such thirteenth legislative day,  
31 and the insurance benefits provided for such employee under this subsection and  
32 sections 103.003 to 103.175 shall be terminated as provided for employees  
33 described in paragraph (a) of subdivision (20) of section 104.010 whose  
34 employment is terminated. During each month of service in which an employee  
35 described in paragraph (b) of subdivision (20) of section 104.010 is employed,  
36 the state shall make any contribution required by sections 103.003 to 103.175 for  
37 such employee.

38 2. Any employee described in paragraph (b) of subdivision (20) of  
39 section 104.010 who is actively employed on or after September 28, 1992, shall  
40 be deemed vested for purposes of determining eligibility for benefits under  
41 sections 104.320 to 104.620 after being so employed for at least sixty months.]  
42

2 [104.801. Notwithstanding any law to the contrary, any legislation  
3 enacted by the general assembly which mandates the coverage of specific health  
4 benefits, services, or providers in the policies or contracts of insurers, health  
5 services corporations, health maintenance organizations, or other third-party  
6 payors, on and after January 1, 1991, also shall apply to the health benefit plans  
7 of the Missouri state employees' retirement system, the Missouri state  
8 transportation department retirement system, and any other health benefit plan  
provided by the state on behalf of its employees.]

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