

House _____ Amendment NO. _____

Offered By

1 AMEND House Bill No. 2044, Page 2, Section 70.227, Line 22, by inserting after all of said line
2 the following:

3 "169.291. 1. The general administration and the responsibility for the proper operation of
4 the retirement system are hereby vested in a board of trustees of twelve persons who shall be
5 resident taxpayers of the school district, as follows:

6 (1) Four trustees to be appointed for terms of four years by the board of education;
7 provided, however, that the terms of office of the first four trustees so appointed shall begin
8 immediately upon their appointment and shall expire one, two, three and four years from the date
9 the retirement system becomes operative, respectively;

10 (2) Four trustees to be elected for terms of four years by and from the members of the
11 retirement system; provided, however, that the terms of office of the first four trustees so elected
12 shall begin immediately upon their election and shall expire one, two, three and four years from the
13 date the retirement system becomes operative, respectively;

14 (3) The ninth trustee shall be the superintendent of schools of the school district;

15 (4) The tenth trustee shall be one retirant of the retirement system elected for a term of four
16 years beginning the first day of January immediately following August 13, 1986, by the retirants of
17 the retirement system;

18 (5) The eleventh trustee shall be appointed for a term of four years beginning the first day
19 of January immediately following August 13, 1990, by the board of trustees described in
20 subdivision (3) of section 182.701;

21 (6) The twelfth trustee shall be a retirant of the retirement system elected for a term of four
22 years beginning the first day of January immediately following August 28, 1992, by the retirants of
23 the retirement system.

24 2. If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired
25 term in the same manner as the office was previously filled, except that the board of trustees may
26 appoint a qualified person to fill the vacancy in the office of an elected member until the next
27 regular election at which time a member shall be elected for the unexpired term. No vacancy or
28 vacancies on the board of trustees shall impair the power of the remaining trustees to administer the
29 retirement system pending the filling of such vacancy or vacancies.

30 3. In the event of a lapse of the school district's corporate organization as described in
31 subsections 1 and 4 of section 162.081, the general administration and responsibility for the proper
32 operation of the retirement system shall continue to be vested in a twelve-person board of trustees,
33 all of whom shall be resident taxpayers of a city, other than a city not within a county, of four
34 hundred thousand or more. In such event, if vacancies occur in the offices of the four trustees
35 appointed, prior to the lapse, by the board of education, or in the offices of the four trustees elected,
36 prior to the lapse, by the members of the retirement system, or in the office of trustee held, prior to

Action Taken _____ Date _____

1 the lapse, by the superintendent of schools in the school district, as provided in subdivisions (1), (2)
2 and (3) of subsection 1 of this section, the board of trustees shall appoint a qualified person to fill
3 each vacancy and subsequent vacancies in the office of trustee for terms of up to four years, as
4 determined by the board of trustees.

5 4. Each trustee shall, before assuming the duties of a trustee, take the oath of office before
6 the court of the judicial circuit or one of the courts of the judicial circuit in which the school district
7 is located that so far as it devolves upon the trustee, such trustee shall diligently and honestly
8 administer the affairs of the board of trustees and that the trustee will not knowingly violate or
9 willingly permit to be violated any of the provisions of the law applicable to the retirement system.
10 Such oath shall be subscribed to by the trustee making it and filed in the office of the clerk of the
11 circuit court.

12 5. Each trustee shall be entitled to one vote in the board of trustees. Seven trustees shall
13 constitute a quorum at any meeting of the board of trustees. At any meeting of the board of trustees
14 where a quorum is present, the vote of at least seven of the trustees in support of a motion,
15 resolution or other matter is necessary to be the decision of the board; provided, however, that in the
16 event of a lapse in the school district's corporate organization as described in subsections 1 and 4 of
17 section 162.081, a majority of the trustees then in office shall constitute a quorum at any meeting of
18 the board of trustees, and the vote of a majority of the trustees then in office in support of a motion,
19 resolution or other matter shall be necessary to be the decision of the board.

20 6. The board of trustees shall have exclusive original jurisdiction in all matters relating to or
21 affecting the funds herein provided for, including, in addition to all other matters, all claims for
22 benefits or refunds, and its action, decision or determination in any matter shall be reviewable in
23 accordance with chapter 536 or chapter 621. Subject to the limitations of sections 169.270 to
24 169.400, the board of trustees shall, from time to time, establish rules and regulations for the
25 administration of funds of the retirement system, for the transaction of its business, and for the
26 limitation of the time within which claims may be filed.

27 7. The trustees shall serve without compensation. The board of trustees shall elect from its
28 membership a chairman and a vice chairman. The board of trustees shall appoint an executive
29 director who shall serve as the administrative officer of the retirement system and as secretary to the
30 board of trustees. It shall employ one or more persons, firms or corporations experienced in the
31 investment of moneys to serve as investment counsel to the board of trustees. The compensation of
32 all persons engaged by the board of trustees and all other expenses of the board necessary for the
33 operation of the retirement system shall be paid at such rates and in such amounts as the board of
34 trustees shall approve, and shall be paid from the investment income.

35 8. The board of trustees shall keep in convenient form such data as shall be necessary for
36 actuarial valuations of the various funds of the retirement system and for checking the experience of
37 the system.

38 9. The board of trustees shall keep a record of all its proceedings which shall be open to
39 public inspection. It shall prepare annually and furnish to the board of education and to each
40 member of the retirement system who so requests a report showing the fiscal transactions of the
41 retirement system for the preceding fiscal year, the amount of accumulated cash and securities of the
42 system, and the last balance sheet showing the financial condition of the system by means of an
43 actuarial valuation of the assets and liabilities of the retirement system.

44 10. The board of trustees shall have, in its own name, power to sue and to be sued, to enter
45 into contracts, to own property, real and personal, and to convey the same; but the members of such
46 board of trustees shall not be personally liable for obligations or liabilities of the board of trustees or
47 of the retirement system.

48 11. The board of trustees shall arrange for necessary legal advice for the operation of the

1 retirement system.

2 12. The board of trustees shall designate a medical board to be composed of three or more
3 physicians who shall not be eligible for membership in the system and who shall pass upon all
4 medical examinations required under the provisions of sections 169.270 to 169.400, shall
5 investigate all essential statements and certificates made by or on behalf of a member in connection
6 with an application for disability retirement and shall report in writing to the board of trustees its
7 conclusions and recommendations upon all matters referred to it.

8 13. The board of trustees shall designate an actuary who shall be the technical advisor of the
9 board of trustees on matters regarding the operation of the retirement system and shall perform such
10 other duties as are required in connection therewith. Such person shall be qualified as an actuary by
11 membership as a Fellow of the Society of Actuaries or by similar objective standards.

12 14. At least once in each five-year period the actuary shall make an investigation into the
13 actuarial experience of the members, retirants and beneficiaries of the retirement system and, taking
14 into account the results of such investigation, the board of trustees shall adopt for the retirement
15 system such actuarial assumptions as the board of trustees deems necessary for the financial
16 soundness of the retirement system.

17 15. On the basis of such actuarial assumptions as the board of trustees adopts, the actuary
18 shall make annual valuations of the assets and liabilities of the funds of the retirement system.

19 16. The rate of contribution payable by the employers shall equal one and ninety-nine one-
20 hundredths percent, effective July 1, 1993; three and ninety-nine one-hundredths percent, effective
21 July 1, 1995; five and ninety-nine one-hundredths percent, effective July 1, 1996; seven and one-
22 half percent effective January 1, 1999, and for subsequent calendar years through 2013. For
23 calendar year 2014 and each subsequent year, the rate of contribution payable by the employers for
24 each year shall be determined ~~[by the actuary for the retirement system in the manner]~~ as provided
25 in ~~[subsection]~~ subsections 4 and 6 of section 169.350 and shall be certified by the board of trustees
26 to the employers at least six months prior to the date such rate is to be effective.

27 17. In the event of a lapse of a school district's corporate organization as described in
28 subsections 1 and 4 of section 162.081, no retirement system, nor any of the assets of any retirement
29 system, shall be transferred to or merged with another retirement system without prior approval of
30 such transfer or merge by the board of trustees of the retirement system.

31 169.324. 1. The annual service retirement allowance payable pursuant to section 169.320
32 shall be the retirant's number of years of creditable service multiplied by a percentage of the
33 retirant's average final compensation, determined as follows:

34 (1) A retirant whose last employment as a regular employee ended prior to June 30, 1999,
35 shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal
36 monthly installments for life equal to the retirant's number of years of creditable service multiplied
37 by one and three-fourths percent of the person's average final compensation, subject to a maximum
38 of sixty percent of the person's average final compensation;

39 (2) A retirant whose number of years of creditable service is greater than thirty-four and
40 one-quarter on August 28, 1993, shall receive an annual service retirement allowance payable
41 pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of
42 years of creditable service as of August 28, 1993, multiplied by one and three-fourths percent of the
43 person's average final compensation but shall not receive a greater annual service retirement
44 allowance based on additional years of creditable service after August 28, 1993;

45 (3) A retirant who was an active member of the retirement system at any time on or after
46 June 30, 1999, and who either retires before January 1, 2014, or is a member of the retirement
47 system on December 31, 2013, and remains a member continuously to retirement shall receive an
48 annual service retirement allowance payable pursuant to section 169.320 in equal monthly

1 installments for life equal to the retirant's number of years of creditable service multiplied by two
2 percent of the person's average final compensation, subject to a maximum of sixty percent of the
3 person's final compensation;

4 (4) A retirant who becomes a member of the retirement system on or after January 1, 2014,
5 including any retirant who was a member of the retirement system before January 1, 2014, but
6 ceased to be a member for any reason other than retirement, shall receive an annual service
7 retirement allowance payable pursuant to section 169.320 in equal monthly installments for life
8 equal to the retirant's number of years of creditable service multiplied by one and three-fourths
9 percent of the person's average final compensation, subject to a maximum of sixty percent of the
10 person's average final compensation;

11 (5) Notwithstanding the provisions of subdivisions (1) to (4) of this subsection, effective
12 January 1, 1996, any retirant who retired on, before or after January 1, 1996, with at least twenty
13 years of creditable service shall receive at least three hundred dollars each month as a retirement
14 allowance, or the actuarial equivalent thereof if the retirant elected any of the options available
15 under section 169.326. Any retirant who retired with at least ten years of creditable service shall
16 receive at least one hundred fifty dollars each month as a retirement allowance, plus fifteen dollars
17 for each additional full year of creditable service greater than ten years but less than twenty years
18 (or the actuarial equivalent thereof if the retirant elected any of the options available under section
19 169.326). Any beneficiary of a deceased retirant who retired with at least ten years of creditable
20 service and elected one of the options available under section 169.326 shall also be entitled to the
21 actuarial equivalent of the minimum benefit provided by this subsection, determined from the
22 option chosen.

23 2. Except as otherwise provided in sections 169.331 and 169.585, payment of a retirant's
24 retirement allowance will be suspended for any month for which such person receives remuneration
25 from the person's employer or from any other employer in the retirement system established by
26 section 169.280 for the performance of services except any such person other than a person
27 receiving a disability retirement allowance under section 169.322 may serve as a nonregular
28 substitute, part-time or temporary employee for not more than six hundred hours in any school year
29 without becoming a member and without having the person's retirement allowance discontinued,
30 provided that through such substitute, part-time, or temporary employment, the person may earn no
31 more than fifty percent of the annual salary or wages the person was last paid by the employer
32 before the person retired and commenced receiving a retirement allowance, adjusted for inflation. If
33 a person exceeds such hours limit or such compensation limit, payment of the person's retirement
34 allowance shall be suspended for the month in which such limit was exceeded and each subsequent
35 month in the school year for which the person receives remuneration from any employer in the
36 retirement system. In addition to the conditions set forth above, the restrictions of this subsection
37 shall also apply to any person retired and currently receiving a retirement allowance under sections
38 169.270 to 169.400, other than for disability, who is employed by a third party or is performing
39 work as an independent contractor if the services performed by such person are provided to or for
40 the benefit of any employer in the retirement system established under section 169.280. The
41 retirement system may require the employer receiving such services, the third-party employer, the
42 independent contractor, and the retirant subject to this subsection to provide documentation showing
43 compliance with this subsection. If such documentation is not provided, the retirement system may
44 deem the retirant to have exceeded the limitations provided for in this subsection. If a retirant is
45 reemployed by any employer in any capacity, whether pursuant to this section, or section 169.331 or
46 169.585, or as a regular employee, the amount of such person's retirement allowance attributable to
47 service prior to the person's first retirement date shall not be changed by the reemployment. If the
48 person again becomes an active member and earns additional creditable service, upon the person's

1 second retirement the person's retirement allowance shall be the sum of:

2 (1) The retirement allowance the person was receiving at the time the person's retirement
3 allowance was suspended, pursuant to the payment option elected as of the first retirement date, plus
4 the amount of any increase in such retirement allowance the person would have received pursuant to
5 subsection 3 of this section had payments not been suspended during the person's reemployment;
6 and

7 (2) An additional retirement allowance computed using the benefit formula in effect on the
8 person's second retirement date, the person's creditable service following reemployment, and the
9 person's average final annual compensation as of the second retirement date.

10
11 The sum calculated pursuant to this subsection shall not exceed the greater of sixty percent of the
12 person's average final compensation as of the second retirement date or the amount determined
13 pursuant to subdivision (1) of this subsection. Compensation earned prior to the person's first
14 retirement date shall be considered in determining the person's average final compensation as of the
15 second retirement date if such compensation would otherwise be included in determining the
16 person's average final compensation.

17 3. The board of trustees shall determine annually whether the investment return on funds of
18 the system can provide for an increase in benefits for retirants eligible for such increase. A retirant
19 shall and will be eligible for an increase awarded pursuant to this section as of the second January
20 following the date the retirant commenced receiving retirement benefits. Any such increase shall
21 also apply to any monthly joint and survivor retirement allowance payable to such retirant's
22 beneficiaries, regardless of age. The board shall make such determination as follows:

23 (1) After determination by the actuary of the investment return for the preceding year as of
24 December thirty-first (the "valuation year"), the actuary shall recommend to the board of trustees
25 what portion of the investment return is available to provide such benefits increase, if any, and shall
26 recommend the amount of such benefits increase, if any, to be implemented as of the first day of the
27 thirteenth month following the end of the valuation year, and first payable on or about the first day
28 of the fourteenth month following the end of the valuation year. The actuary shall make such
29 recommendations so as not to affect the financial soundness of the retirement system, recognizing
30 the following safeguards:

31 (a) The retirement system's funded ratio as of January first of the year preceding the year of
32 a proposed increase shall be at least one hundred percent ~~after~~ before adjusting for the effect of the
33 proposed increase. The funded ratio is the ratio of assets to the pension benefit obligation;

34 (b) The actuarially required contribution rate, ~~after~~ before adjusting for the effect of the
35 proposed increase, may not exceed the then applicable employer and member contribution rate as
36 determined under ~~subsection~~ subsections 4, 5, and 6 of section 169.350;

37 (c) The actuary shall certify to the board of trustees that the proposed increase will not
38 impair the actuarial soundness of the retirement system;

39 (d) A benefit increase, under this section, once awarded, cannot be reduced in succeeding
40 years;

41 (2) The board of trustees shall review the actuary's recommendation and report and shall, in
42 their discretion, determine if any increase is prudent and, if so, shall determine the amount of
43 increase to be awarded.

44 4. This section does not guarantee an annual increase to any retirant.

45 5. If an inactive member becomes an active member after June 30, 2001, and after a break
46 in service, unless the person earns at least four additional years of creditable service without another
47 break in service, upon retirement the person's retirement allowance shall be calculated separately for
48 each separate period of service ending in a break in service. The retirement allowance shall be the

1 sum of the separate retirement allowances computed for each such period of service using the
2 benefit formula in effect, the person's average final compensation as of the last day of such period of
3 service and the creditable service the person earned during such period of service; provided,
4 however, if the person earns at least four additional years of creditable service without another break
5 in service, all of the person's creditable service prior to and including such service shall be
6 aggregated and, upon retirement, the retirement allowance shall be computed using the benefit
7 formula in effect and the person's average final compensation as of the last day of such period of
8 four or more years and all of the creditable service the person earned prior to and during such
9 period.

10 6. Notwithstanding anything contained in this section to the contrary, the amount of the
11 annual service retirement allowance payable to any retirant pursuant to the provisions of sections
12 169.270 to 169.400, including any adjustments made pursuant to subsection 3 of this section, shall
13 at all times comply with the provisions and limitations of Section 415 of the Internal Revenue Code
14 of 1986, as amended, and the regulations thereunder, the terms of which are specifically
15 incorporated herein by reference.

16 7. All retirement systems established by the laws of the state of Missouri shall develop a
17 procurement action plan for utilization of minority and women money managers, brokers and
18 investment counselors. Such retirement systems shall report their progress annually to the joint
19 committee on public employee retirement and the governor's minority advocacy commission.

20 169.350. 1. All of the assets of the retirement system (other than tangible real or personal
21 property owned by the retirement system for use in carrying out its duties, such as office supplies
22 and furniture) shall be credited, according to the purpose for which they are held, in either the
23 employees' contribution fund or the general reserve fund.

24 (1) The employees' contribution fund shall be the fund in which shall be accumulated the
25 contributions of the members. The employer shall, except as provided in subdivision (5) of this
26 subsection, cause to be deducted from the compensation of each member on each and every payroll,
27 for each and every payroll period, the pro rata portion of five and nine-tenths percent of his
28 annualized compensation. Effective January 1, 1999, through December 31, 2013, the employer
29 shall deduct an additional one and six-tenths percent of the member's annualized compensation. For
30 2014 and for each subsequent year, the employer shall deduct from each member's annualized
31 compensation the rate of contribution determined for such year [~~by the actuary for the retirement~~
32 ~~system in the manner]~~ as provided in [subsection] subsections 4, 5, and 6 of this section.

33 (2) The employer shall pay all such deductions and any amount it may elect to pay pursuant
34 to subdivision (5) of this subsection to the retirement system at once. The retirement system shall
35 credit such deductions and such amounts to the individual account of each member from whose
36 compensation the deduction was made or with respect to whose compensation the amount was paid
37 pursuant to subdivision (5) of this subsection. In determining the deduction for a member in any
38 payroll period, the board of trustees may consider the rate of compensation payable to such member
39 on the first day of the payroll period as continuing throughout such period.

40 (3) The deductions provided for herein are declared to be a part of the compensation of the
41 member and the making of such deductions shall constitute payments by the member out of the
42 person's compensation and such deductions shall be made notwithstanding that the amount actually
43 paid to the member after such deductions is less than the minimum compensation provided by law
44 for any member. Every member shall be deemed to consent to the deductions made and provided
45 for herein, and shall receipt for the person's full compensation, and the making of the deduction and
46 the payment of compensation less the deduction shall be a full and complete discharge and
47 acquittance of all claims and demands whatsoever for services rendered during the period covered
48 by the payment except as to benefits provided by sections 169.270 to 169.400.

1 (4) The accumulated contributions with interest of a member withdrawn by the person or
2 paid to the person's estate or designated beneficiary in the event of the person's death before
3 retirement shall be paid from the employees' contribution fund. Upon retirement of a member the
4 member's accumulated contributions with interest shall be transferred from the employees'
5 contribution fund to the general reserve fund.

6 (5) The employer may elect to pay on behalf of all members all or part of the amount that
7 the members would otherwise be required to contribute to the employees' contribution fund pursuant
8 to subdivision (1) of this subsection. Such amounts paid by the employer shall be in lieu of
9 members' contributions and shall be treated for all purposes of sections 169.270 to 169.400 as
10 contributions made by members. Notwithstanding any other provision of this chapter to the
11 contrary, no member shall be entitled to receive such amounts directly. The election shall be made
12 by a duly adopted resolution of the employer's board and shall remain in effect for at least one year
13 from the effective date thereof. The election may be thereafter terminated only by an affirmative
14 act of the employer's board notwithstanding any limitation in the term thereof in the adopting
15 resolution. Any such termination resolution shall be adopted at least sixty days prior to the effective
16 date thereof, and the effective date thereof shall coincide with a fiscal year-end of the employer. In
17 the absence of such a termination resolution, the election shall remain in effect from fiscal year to
18 fiscal year.

19 2. The general reserve fund shall be the fund in which shall be accumulated all reserves for
20 the payment of all benefit expenses and other demands whatsoever upon the retirement system
21 except those items heretofore allocated to the employees' contribution fund.

22 (1) All contributions by the employer, except those the employer elects to make on behalf of
23 the members pursuant to subdivision (5) of subsection 1 of this section, shall be credited to the
24 general reserve fund.

25 (2) Should a retirant be restored to active service and again become a member of the
26 retirement system, the excess, if any, of the person's accumulated contributions over benefits
27 received by the retirant shall be transferred from the general reserve fund to the employees'
28 contribution fund and credited to the person's account.

29 3. Gifts, devises, bequests and legacies may be accepted by the board of trustees and
30 deposited in the general reserve fund to be held, invested and used at its discretion for the benefit of
31 the retirement system except where specific direction for the use of a gift is made by a donor.

32 4. Beginning in 2013, the actuary for the retirement system shall annually calculate the rate
33 of employer contributions and member contributions for 2014 and for each subsequent calendar
34 year through 2018, expressed as a level percentage of the annualized compensation of the members,
35 subject to the following:

36 (1) The rate of contribution for any calendar year shall be determined based on an actuarial
37 valuation of the retirement system as of the first day of the prior calendar year. Such actuarial
38 valuation shall be performed using the actuarial cost method and actuarial assumptions adopted by
39 the board of trustees and in accordance with accepted actuarial standards of practice in effect at the
40 time the valuation is performed, as promulgated by the actuarial standards board or its successor;

41 (2) The target combined employer and member contribution rate shall be the amount
42 actuarially required to cover the normal cost and amortize any unfunded accrued actuarial liability
43 over a period that shall not exceed thirty years from the date of the valuation;

44 (3) The target combined rate as so determined shall be allocated equally between the
45 employer contribution rate and the member contribution rate, provided, however, that the level rate
46 of contributions to be paid by the employers and the level rate of contributions to be deducted from
47 the compensation of members for any calendar year shall each be limited as follows:

48 (a) The contribution rate shall not be less than seven and one-half percent;

1 (b) The contribution rate shall not exceed nine percent; and

2 (c) Changes in the contribution rate from year to year shall be in increments of one-half
3 percent such that the contribution rate for any year shall not be greater than or less than the rate in
4 effect for the prior year by more than one-half percent;

5 (4) The board of trustees shall certify to the employers the contribution rate for the
6 following calendar year no later than six months prior to the date such rate is to be effective.

7 5. The member contribution rate for 2019 and subsequent periods shall be nine percent of
8 compensation unless a lower member contribution rate applies for any period beginning on or after
9 July 1, 2021, in accordance with the provisions of subdivision (4) of subsection 6 of this section.

10 6. The employer contribution rate for calendar year 2019 shall be ten and one-half percent.
11 The employer contribution rate for the eighteen-month period beginning January 1, 2020, through
12 June 30, 2021, shall be twelve percent. For the twelve-month period beginning July 1, 2021, and
13 for each subsequent twelve-month period beginning July first each year, the employer contribution
14 rate shall be determined as follows:

15 (1) The actuary shall determine the total actuarially required contribution based on an
16 actuarial valuation of the retirement system as of the first day of the preceding calendar year. Such
17 actuarial valuation shall be performed using the actuarial cost method and actuarial assumptions
18 adopted by the board of trustees and in accordance with actuarial standards of practice applicable as
19 of the valuation date. The total actuarially required contribution rate, including both employer and
20 member contributions, shall be an amount determined in accordance with the board's current
21 funding policy, expressed as a level percentage of the annualized compensation of the members;

22 (2) If the retirement system's funded ratio as of the first day of the preceding calendar year
23 is below one hundred percent, the employer contribution rate shall be the greater of twelve percent
24 or the difference between the total actuarially required contribution rate and the nine percent
25 member contribution rate, subject to the limits on annual adjustments stated in subdivision (6) of
26 this subsection;

27 (3) If the retirement system's funded ratio as of the first day of the preceding calendar year
28 equals or exceeds one hundred percent and the total actuarially required contribution rate exceeds
29 eighteen percent, the employer contribution rate shall be the difference between the total actuarially
30 required contribution rate and the nine percent member contribution rate, subject to the limits on
31 annual adjustments stated in subdivision (6) of this subsection;

32 (4) If the retirement system's funded ratio as of the first day of the preceding calendar year
33 equals or exceeds one hundred percent and the total actuarially required contribution rate does not
34 exceed eighteen percent, the total actuarially required contribution rate shall be allocated equally
35 between the employer contribution rate and the member contribution rate. If the total actuarially
36 required contribution rate falls below eighteen percent after being above eighteen percent for the
37 preceding twelve-month period, the member contribution rate and the employer contribution rate
38 shall be adjusted to one-half of the total actuarially required contribution rate for such period,
39 regardless of the magnitude of the decrease from the rate in effect for the prior period, in order to
40 equalize the employer and member contribution rates. Otherwise, adjustments in the contribution
41 rates shall be limited by the annual adjustment limits stated in subdivision (6) of this subsection;

42 (5) If the retirement system's funded ratio as of the first day of the preceding calendar year
43 again falls below one hundred percent, or if the total actuarially required contribution rate rises
44 above eighteen percent, the provisions of subdivision (2) or (3) of this subsection shall apply, as
45 applicable, subject to the limits on annual adjustments stated in subdivision (6) of this subsection;

46 (6) Except as stated in subdivision (4) of this subsection, in transitioning to the contribution
47 rates prescribed in this subsection for periods beginning on or after July 1, 2021, the employer
48 contribution rate and the member contribution rate, respectively, shall not increase by more than one

1 percent or decrease by more than one-half percent for any period from the corresponding rate in
2 effect immediately before such increase or decrease; and

3 (7) The board of trustees shall certify to the employers the contribution rate to be effective
4 for July 1, 2021, and for each following July first, no later than six months prior to the date such
5 rate is to be effective.

6 169.360. 1. Before the first of July of each year, the board of trustees shall certify to each
7 employer the amounts which will become due and payable from each during the school year next
8 following to the general reserve fund. The amount so certified shall be appropriated by each
9 employer's board by a resolution explicitly directing the appropriate officials to pay the same, not
10 later than July twenty-fifth of each year and transferred to the retirement system on or before
11 December thirty-first of the same year.

12 2. Effective January 1, 2019, each employer shall transfer its employer contributions to the
13 retirement system promptly following the end of each payroll period at the time the employer
14 transfers member contributions."; and

15
16 Further amend said bill by amending the title, enacting clause, and intersectional references
17 accordingly.