

SECOND REGULAR SESSION

[PERFECTED]

HOUSE BILL NO. 1467

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE PIKE.

3862H.01P

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 70.705, RSMo, and to enact in lieu thereof one new section relating to the Missouri Local Government Employees' Retirement System.

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

Section A. Section 70.705, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 70.705, to read as follows:

70.705. 1. The "Members Deposit Fund" is hereby created. It shall be the fund in which shall be accumulated the contributions made by members to the system, and from which shall be made transfers and refunds of members' contributions as provided in sections 70.600 to 70.755.

2. Except as provided otherwise in this section, the contributions of a member to the system shall be four percent of his compensations after the date he has completed sufficient employment for six months of credited service. Such contributions shall be made notwithstanding that the minimum salary or wages provided by law for any member shall thereby be changed. Each member shall be deemed to consent and agree to the deductions made and provided for herein. Payment of a member's compensation less such deductions shall be a full and complete discharge and acquittance of all claims and demands whatsoever for services rendered by him to a political subdivision, except as to benefits provided by this system.

3. The officer or officers responsible for making up the payrolls for each political subdivision shall cause the contributions provided for in this section to be deducted from the compensation of each member in the employ of the political subdivision, on each and every

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.

16 payroll, for each and every payroll period after the date he has completed sufficient employment
17 for six months of credited service to the date his membership terminates. When deducted, each
18 of these amounts shall be paid by the political subdivision to the system; the payments shall be
19 made in the manner and shall be accompanied by such supporting data as the board shall from
20 time to time prescribe. When paid to the system, each of the amounts shall be credited to the
21 members deposit fund account of the member from whose compensations the contributions were
22 deducted.

23 4. In addition to the contributions deducted from the compensations of a member, as
24 heretofore provided, a member shall deposit in the members deposit fund, by a single
25 contribution or by an increased rate of contributions, as approved by the board, the amount or
26 amounts he may have withdrawn therefrom and not repaid thereto, together with regular interest
27 from the date of withdrawal to the date of repayment. In no case shall a member be given credit
28 for service rendered prior to the date he withdrew his accumulated contributions until he returns
29 to the members deposit fund all amounts due the fund by him.

30 5. Upon the retirement of a member, or upon his death if an allowance becomes payable
31 on account of his death, his accumulated contributions shall be transferred to the benefit reserve
32 fund.

33 6. Each political subdivision, by majority vote of its governing body, may elect with
34 respect to its members **an alternate contribution amount of two percent or six percent of**
35 **compensation or** to eliminate future member contributions otherwise provided for in this
36 section. **Should a political subdivision elect one benefit program for members whose**
37 **political subdivision employment is concurrently covered by federal Social Security and**
38 **a different benefit program for members whose political subdivision employment is not**
39 **concurrently covered by federal Social Security, as provided in section 70.655, the political**
40 **subdivision may also, by majority vote of its governing body, make one election concerning**
41 **member contributions provided for in this section for members whose political subdivision**
42 **employment is concurrently covered by federal Social Security and one election concerning**
43 **member contributions provided for in this section for members whose political subdivision**
44 **employment is not concurrently covered by federal Social Security.** The clerk or secretary
45 of the political subdivision shall certify the election concerning member contributions to the
46 board within ten days after such vote. The effective date of the political subdivision's member
47 contribution election is the first day of the calendar month specified by such governing body, or
48 the first day of the calendar month next following receipt by the board of the certification of such
49 election, or the effective date of the political subdivision's becoming an employer, whichever is
50 the latest. Such election concerning member contributions may be changed from time to time
51 by such vote, but not more often than once in two years. Except as provided in section 70.707,

52 if such election is to eliminate member contributions, then such election shall apply only to
53 future member compensations and shall not change the status of any member contributions made
54 before such election. If the effect of such election is to require member contributions, then such
55 election shall apply only to future member compensations and shall not change any member
56 contribution requirements existing before such election. Should an employer change its member
57 contribution requirements as provided in this section, the employer contribution requirements
58 shall be correspondingly changed effective the same date as the member contribution change.
59 The limitation on increases in an employer's contribution provided by subsection 6 of section
60 70.730 shall not apply to any contribution increase resulting from an employer electing to
61 eliminate member contributions.

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