

FIRST REGULAR SESSION

HOUSE BILL NO. 1258

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE OTTO.

2335L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 104.1072, 104.1075, and 104.1084, RSMo, and to enact in lieu thereof four new sections relating to employee benefits of general assembly members.

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

Section A. Sections 104.1072, 104.1075, and 104.1084, RSMo, are repealed and four
2 new sections enacted in lieu thereof, to be known as sections 103.094, 104.1072, 104.1075, and
3 104.1084 to read as follows:

**103.094. Any person who first serves as a member of the general assembly on or
2 after January 1, 2017, and who elects to obtain health insurance coverage under this
3 chapter, shall be responsible for one hundred percent of the premium cost for such health
4 insurance coverage without any contribution from the state. A person who first serves as
5 a member of the general assembly on or after January 1, 2017, shall not receive any
6 contributions from the state toward such person's retiree health insurance premium for
7 such person's years of creditable service served while serving in the general assembly on
8 or after January 1, 2017.**

104.1072. 1. Each board shall provide or contract, or both, for life insurance benefits
2 for employees covered pursuant to the year 2000 plan as follows:

(1) Employees shall be provided fifteen thousand dollars of life insurance until
4 December 31, 2000. Effective January 1, 2001, the system shall provide or contract or both for
5 basic life insurance for employees covered under any retirement plan administered by the system
6 pursuant to this chapter, persons covered by sections 287.812 to 287.856, for employees who are
7 members of the judicial retirement system as provided in section 476.590, and, at the election
8 of the state highways and transportation commission, employees who are members of the

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.

9 [highways and] **Missouri department of** transportation [employees'] and highway patrol
10 **employees'** retirement system, in the amount equal to one times annual pay, subject to a
11 minimum amount of fifteen thousand dollars. The board shall establish by rule or contract the
12 method for determining the annual rate of pay and any other terms of such insurance as it deems
13 necessary to implement the requirements pursuant to this section. Annual rate of pay shall not
14 include overtime or any other irregular payments as determined by the board. Such life insurance
15 shall provide for triple indemnity in the event the cause of death is a proximate result of a
16 personal injury or disease arising out of and in the course of actual performance of duty as an
17 employee;

18 (2) Any member who terminates employment after reaching normal or early retirement
19 eligibility and becomes a retiree within sixty days of such termination shall receive five thousand
20 dollars of life insurance coverage.

21 2. (1) In addition to the life insurance authorized by the provisions of subsection 1 of
22 this section, any person for whom life insurance is provided or contracted for pursuant to such
23 subsection may purchase, at the person's own expense and only if monthly voluntary payroll
24 deductions are authorized, additional life insurance at a cost to be stipulated in a contract with
25 a private insurance company or as may be required by a system if the board of trustees
26 determines that the system should provide such insurance itself. The maximum amount of
27 additional life insurance which may be so purchased prior to January 1, 2004, is that amount
28 which equals six times the amount of the person's annual rate of pay, subject to any maximum
29 established by a board, except that if such maximum amount is not evenly divisible by one
30 thousand dollars, then the maximum amount of additional insurance which may be purchased
31 is the next higher amount evenly divisible by one thousand dollars.

32

33 The maximum amount of additional life insurance which may be so purchased on or after
34 January 1, 2004, is an amount to be stipulated in a contract with a private insurance company or
35 as may be required by the system if the board of trustees determines that the system should
36 provide the insurance itself.

37 (2) Any person defined in subdivision (1) of this subsection may retain an amount not
38 to exceed sixty thousand dollars of life insurance following the date of his or her retirement if
39 such person becomes a retiree the month following termination of employment and makes
40 written application for such life insurance at the same time such person's application is made to
41 the board for retirement benefits. Such life insurance shall only be provided if such person pays
42 the entire cost of the insurance, as determined by the board, by allowing voluntary deductions
43 from the member's annuity.

44 (3) In addition to the life insurance authorized in subdivision (1) of this subsection, any
45 person for whom life insurance is provided or contracted for pursuant to this subsection may
46 purchase, at the person's own expense and only if monthly voluntary payroll deductions are
47 authorized, life insurance covering the person's children or the person's spouse or both at
48 coverage amounts to be determined by the board at a cost to be stipulated in a contract with a
49 private insurer or as may be required by the system if the board of trustees determines that the
50 system should provide such insurance itself.

51 (4) Effective July 1, 2000, any member who applies and is eligible to receive an annuity
52 based on the attainment of at least forty-eight years of age with a total of years of age and years
53 of credited service which is at least eighty shall be eligible to retain any optional life insurance
54 described in subdivision (1) of this subsection. The amount of such retained insurance shall not
55 be greater than the amount in effect during the month prior to termination of employment. Such
56 insurance may be retained until the member's attainment of the earliest age for eligibility for
57 reduced Social Security retirement benefits but no later than age sixty-two, at which time the
58 amount of such insurance that may be retained shall be that amount permitted pursuant to
59 subdivision (2) of this subsection.

60 3. The state highways and transportation commission may provide for insurance benefits
61 to cover medical expenses for members of the [highways and] **Missouri department of**
62 transportation [employees'] and highway patrol **employees'** retirement system. The state
63 highways and transportation commission may provide medical benefits for dependents of
64 members and for retired members. Contributions by the state highways and transportation
65 commission to provide the benefits shall be on the same basis as provided for other state
66 employees pursuant to the provisions of section 104.515. Except as otherwise provided by law,
67 the cost of benefits for dependents of members and for retirees and their dependents shall be paid
68 by the members or retirees. The commission may contract with other persons or entities
69 including but not limited to third-party administrators, health network providers and health
70 maintenance organizations for all, or any part of, the benefits provided for in this section. The
71 commission may require reimbursement of any medical claims paid by the commission's medical
72 plan for which there was third-party liability.

73 4. The [highways and] **Missouri department of** transportation [employees'] and
74 highway patrol **employees'** retirement system may request the state highways and transportation
75 commission to provide life insurance benefits as required in subsections 1 and 2 of this section.
76 If the state highways and transportation commission agrees to the request, the [highways and]
77 **Missouri department of** transportation [employees'] and highway patrol **employees'** retirement
78 system shall reimburse the state highways and transportation commission for any and all costs
79 for life insurance provided pursuant to subdivision (2) of subsection 1 of this section. The

80 person who is covered pursuant to subsection 2 of this section shall be solely responsible for the
81 costs of any additional life insurance. In lieu of the life insurance benefit in subdivision (2) of
82 subsection 1 of this section, the [highways and] **Missouri department of** transportation
83 [employees'] and highway patrol **employees'** retirement system is authorized in its sole discretion
84 to provide a death benefit of five thousand dollars.

85 5. To the extent that the board enters or has entered into any contract with any insurer
86 or service organization to provide life insurance provided for pursuant to this section:

87 (1) The obligation to provide such life insurance shall be primarily that of the insurer or
88 service organization and secondarily that of the board;

89 (2) Any member who has been denied life insurance benefits by the insurer or service
90 organization and has exhausted all appeal procedures provided by the insurer or service
91 organization may appeal such decision by filing a petition against the insurer or service
92 organization in a court of law in the member's county of residence; and

93 (3) The board and the system shall not be liable for life insurance benefits provided by
94 an insurer or service organization pursuant to this section and shall not be subject to any cause
95 of action with regard to life insurance benefits or the denial of life insurance benefits by the
96 insurer or service organization unless the member has obtained judgment against the insurer or
97 service organization for life insurance benefits and the insurer or service organization is unable
98 to satisfy that judgment.

99 **6. Notwithstanding any other provision of this chapter to the contrary, any person**
100 **who first serves as a member of the general assembly on or after January 1, 2017, shall not**
101 **be provided with life insurance benefits under this chapter based on service as a member**
102 **of the general assembly, except that, such member of the general assembly may elect at**
103 **such member's own expense to purchase the insurance coverage under subdivisions (1) and**
104 **(3) of subsection 2 of this section, but not the insurance provided under any other**
105 **provisions of this section, and shall be responsible for one hundred percent of the premium**
106 **cost for such life insurance coverage without any contribution from the state.**

104.1075. 1. Each board shall provide or contract, or both, for disability income benefits
2 for employees pursuant to sections 104.1003 to 104.1093, and other persons specified by
3 applicable state law, as follows:

4 (1) Definitions of disability and other rules and procedures necessary for the operation
5 and administration of the disability benefit shall be established by each board;

6 (2) An employee may elect to waive the receipt of the disability benefit provided for
7 under this section at any time.

8 2. To the extent that each board enters or has entered into any contract with any insurer
9 or service organization to provide the disability benefits provided for pursuant to this section:

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

12 (2) Any member who has been denied disability benefits by the insurer or service
13 organization and has exhausted all appeal procedures provided by the insurer or service
14 organization may appeal such decision by filing a petition against the insurer or service
15 organization in a court of law in the member's county of residence;

16 (3) The board and the system shall not be liable for the disability benefits provided for
17 by an insurer or service organization pursuant to this section and shall not be subject to any cause
18 of action with regard to disability benefits or the denial of disability benefits by the insurer or
19 service organization unless the member has obtained judgment against the insurer or service
20 organization for disability benefits and the insurer or service organization is unable to satisfy that
21 judgment.

22 **3. Notwithstanding any other provision of this chapter to the contrary, any person**
23 **who first serves as a member of the general assembly on or after January 1, 2017, shall not**
24 **be provided with disability income benefits under this chapter based on service as a**
25 **member of the general assembly, except that, such member of the general assembly or**
26 **statewide elected official may elect to purchase disability insurance coverage under this**
27 **section, but shall be responsible for one hundred percent of the premium cost for such**
28 **coverage without any contribution from the state.**

104.1084. 1. For members of the general assembly, the provisions of this section shall
2 supplement or replace the indicated other provisions of the year 2000 plan. "Normal retirement
3 eligibility" means attainment of age fifty-five for a member who has served at least three full
4 biennial assemblies or the attainment of at least age fifty for a member who has served at least
5 three full biennial assemblies with a total of years of age and years of credited service which is
6 at least eighty. A member shall receive two years of credited service for every full biennial
7 assembly served. A full biennial assembly shall be equal to the period of time beginning on the
8 first day the general assembly convenes for a first regular session until the last day of the
9 following year. If a member serves less than a full biennial assembly, the member shall receive
10 credited service for the pro rata portion of the full biennial assembly served.

11 2. For the purposes of section 104.1024, the normal retirement annuity of a member of
12 the general assembly shall be an amount for life equal to one twenty-fourth of the monthly pay
13 for a senator or representative on the annuity starting date multiplied by the years of credited
14 service as a member of the general assembly. In no event shall any such member or eligible
15 beneficiary receive annuity amounts in excess of one hundred percent of pay.

16 3. To be covered by the provisions of section 104.1030, or section 104.1036, a member
17 of the general assembly must have served at least three full biennial assemblies.

18 4. For members who are statewide elected officials, the provisions of this section shall
19 supplement or replace the indicated other provisions of the year 2000 plan. "Normal retirement
20 eligibility" means attainment of age fifty-five for a member who has served at least four years
21 as a statewide elected official, or the attainment of age fifty with a total of years of age and years
22 of such credited service which is at least eighty.

23 5. For the purposes of section 104.1024, the normal retirement annuity of a member who
24 is a statewide elected official shall be an amount for life equal to one twenty-fourth of the
25 monthly pay in the highest office held by such member on the annuity starting date multiplied
26 by the years of credited service as a statewide elected official not to exceed twelve years.

27 6. To be covered by the provisions of sections 104.1030 and 104.1036, a member who
28 is a statewide elected official must have at least four years as a statewide elected official.

29 7. The provisions of section 104.1045 shall not apply to persons covered by the general
30 assembly and statewide elected official provisions of this section. Persons covered by the
31 general assembly provisions and receiving a year 2000 plan annuity shall be entitled to a
32 cost-of-living adjustment (COLA) when there are increases in pay for members of the general
33 assembly. Persons covered by the statewide elected official provisions and receiving a year 2000
34 plan annuity shall be entitled to COLAs when there are increases in the pay for statewide elected
35 officials in the highest office held by such person. The COLA described in this subsection shall
36 be equal to and concurrent with the percentage increase in pay as described in section 105.005.
37 No COLA shall be less than zero.

38 8. Any member who serves under this chapter as a member of the general assembly or
39 as a statewide elected official on or after August 28, 1999, shall not be eligible to receive any
40 retirement benefits from the system under either the closed plan or the year 2000 plan based on
41 service rendered on or after August 28, 1999, as a member of the general assembly or as a
42 statewide elected official if such member is convicted of a felony that is determined by a court
43 of law to have been committed in connection with the member's duties either as a member of the
44 general assembly or as a statewide elected official, unless such conviction is later reversed by
45 a court of law.

46 9. A member of the general assembly who has purchased or transferred creditable service
47 shall not be subject to the cap on benefits pursuant to subsection 2 of this section for that portion
48 of the benefit attributable to the purchased or transferred service.

49 **10. Notwithstanding any other provision of this chapter to the contrary, any person**
50 **who first serves as a member of the general assembly on or after January 1, 2017, shall not**
51 **be eligible for retirement benefits under this chapter based on service as a member of the**
52 **general assembly. A retiree who first serves as a member of the general assembly on or**
53 **after January 1, 2017, shall not receive an annuity payment for any calendar month in**

54 **which the retiree is a member of the general assembly and shall not be eligible to accrue**
55 **additional benefits based on service as a member of the general assembly.**

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