FIRST REGULAR SESSION HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 222

102ND GENERAL ASSEMBLY

0176H.02C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 104.160, 104.380, and 104.1039, RSMo, and to enact in lieu thereof three new sections relating to state employee retirement.

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

Section A. Sections 104.160, 104.380, and 104.1039, RSMo, are repealed and three 2 new sections enacted in lieu thereof, to be known as sections 104.160, 104.380, and 3 104.1039, to read as follows:

104.160. The board of trustees shall consist of three members of the state highways 2 and transportation commission elected by the members of the commission. The 3 superintendent of the highway patrol and the director of the department of transportation 4 shall serve as members by virtue of their respective offices, and their successors shall succeed 5 them as members of the board of trustees. In addition, one member of the senate appointed 6 by the president pro tem of the senate and one member of the house of representatives, 7 appointed by the speaker of the house shall serve as members of the board of trustees. In 8 addition to the appointed legislators, two active employee members of the system shall be 9 elected by a plurality vote of the active employee members of the system, herein designated 10 for four-year terms to commence July 1, 1982, and every four years thereafter. One elected member shall be elected from the active employees of the department of transportation and 11 12 one elected member shall be elected from the active employees of the civilian or uniformed highway patrol. The terms of the active employee representatives serving on the board 13 on August 28, 2026, shall continue until June 30, 2028. All terms of elected active 14 employee representatives shall be for four years after June 30, 2028. In addition to the 15 16 two active employee members, two retirees of the system shall be elected to serve on the 17 board by a plurality vote of the retirees of the system. One retiree shall be elected by 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.

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retired employees of the transportation department and one retiree shall be elected by the 18 retired employees of the civilian or uniformed highway patrol. The retiree serving on the 19 20 board on August 28, 2007, shall continue to serve on the board as the representative of the retired employees of the transportation department until June 30, 2010. An election shall be 21 22 held prior to January 1, 2008, for the retiree to be elected by the retired employees of the 23 civilian or uniformed highway patrol with said term to commence on January 1, 2008, and 24 expire on June 30, 2010. All terms of elected retired employees shall be for four years after June 30, 2010. The board shall determine the procedures for nomination and election of the 25 26 elective board members. Nominations may be entered by any member of the system, provided members of the system have a reasonable opportunity to vote. 27

104.380. 1. If a retired member is elected to any state office or is appointed to any state office or is employed by a department in a position normally requiring the performance by the person of duties during not less than one thousand forty hours per year, the member shall not receive an annuity for any month or part of a month for which the member serves as an officer or employee[, but] except, notwithstanding the provisions of section 105.684 to the contrary, those retired members serving as a member of the general assembly under section 104.370 or an elected state official under section 104.371.

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8 2. Upon reemployment under subsection 1 of this section, the member shall be considered to be a new employee with no previous creditable service and must accrue 9 10 creditable service continuously for at least one year in order to receive any additional annuity. Any retired member who again becomes an employee and who accrues additional creditable 11 12 service and later retires shall receive an additional amount of monthly annuity calculated to include only the creditable service and the average compensation earned by the member since 13 14 such employment or creditable service earned as a member of the general assembly. Years of 15 membership service and twelfths of a year are to be used in calculating any additional annuity except for creditable service earned as a member of the general assembly, and such additional 16 annuity shall be based on the type of service accrued. In either event, the original annuity and 17 18 the additional annuity, if any, shall be paid commencing with the end of the first month after 19 the month during which the member's term of office has been completed, or the member's 20 employment terminated. If a retired member is employed by a department in a position that does not normally require the person to perform duties during at least one thousand forty 21 hours per year, the member shall not be considered an employee as defined pursuant to 22 23 section 104.010. A retired member who becomes reemployed as an employee on or after 24 August 28, 2001, in a position covered by the Missouri department of transportation and 25 highway patrol employees' retirement system shall not be eligible to receive retirement benefits or additional creditable service from the state employees' retirement system. Annual 26 benefit increases paid under section 104.415 shall not accrue while a retired member is 27

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employed as described in this section **except**, **notwithstanding the provisions of section 105.684 to the contrary, those retired members serving as a member of the general assembly under section 104.370 or an elected state official under section 104.371**. Any future annual benefit increases paid after the member terminates such employment will be paid in the same month as the member's original annual benefit increases were paid. Benefits paid under subsection 3 of section 104.374 are not applicable to any additional annuity paid under this section.

104.1039. If a retiree is employed as an employee by a department, the retiree shall not receive an annuity payment for any calendar month in which the retiree is so employed 2 except, notwithstanding the provisions of section 105.684 to the contrary, those retirees 3 serving as a member of the general assembly or as a statewide elected official under 4 section 104.1084. While reemployed the retiree shall be considered to be a new employee 5 with no previous credited service and must accrue credited service continuously for at least 6 one year in order to receive any additional annuity. Such retiree shall receive an additional 7 annuity in addition to the original annuity, calculated based only on the credited service and 8 9 the pay earned by such retiree during reemployment and paid in accordance with the annuity option originally elected; provided such retiree who ceases to receive an annuity pursuant to 10 11 this section shall not receive such additional annuity if such retiree is employed by a department in a position that is covered by a state-sponsored defined benefit retirement plan 12 not created pursuant to this chapter. The original annuity and any additional annuity shall be 13 paid commencing as of the end of the first month after the month during which the retiree's 14 reemployment terminates. Cost-of-living adjustments paid under section 104.1045 shall not 15 accrue while a retiree is employed as described in this section except, notwithstanding the 16 17 provisions of section 105.684 to the contrary, those retirees serving as a member of the general assembly or as a statewide elected official under section 104.1084. Any future 18 cost-of-living adjustments paid after the retiree terminates such employment will be paid in 19 the same month as the retiree's original annual benefit increases were paid. 20

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