

SECOND REGULAR SESSION

HOUSE BILL NO. 2550

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BURNS.

6493H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 169.471, RSMo, and to enact in lieu thereof one new section relating to teacher and school employee retirement.

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

Section A. Section 169.471, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 169.471, to read as follows:

169.471. 1. The board of education is authorized from time to time, in its discretion, to increase the retirement benefits now or hereafter provided pursuant to sections 169.410 to 169.540 and to adopt and implement additional retirement benefits and plans, including without limitation early retirement plans, deferred retirement option plans and cost-of-living adjustments, but excluding compensation to retired members pursuant to section 169.475, and for such purpose the contribution rate of members of the retirement system may be increased to provide part of the cost thereof, subject to the following conditions:

(1) Any such increase in retirement benefits and additional retirement benefits and plans shall be approved by the board of trustees;

(2) The board of trustees shall have presented to the board of education the projected increases in rates of contribution which will be required to be made by members and the board of education to the retirement system to pay the cost of such increases in retirement benefits and additional retirement benefits and plans; and

(3) Any increase in the contribution rate of members of the retirement system shall be approved by the board of trustees and shall be deducted from the compensation of each member by the employing board and transferred and credited to the individual account of each member from whose compensation the deduction was made, and shall be administered in accordance with

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.

18 sections 169.410 to 169.540; provided that, any such increase in the members' contribution rate
19 shall not exceed one-half of one percent of compensation in any year for such increases to
20 retirement benefits and additional retirement benefits and plans adopted during such year by the
21 board of education pursuant to this section, and all such increases in the members' contribution
22 rate shall, in the aggregate, not exceed two percent of compensation.

23 2. The board of trustees is authorized from time to time, in its discretion, to increase the
24 retirement benefits, now or hereinafter provided under sections 169.410 to 169.540, and to adopt
25 and implement additional retirement benefits for persons who have retired, [including
26 cost-of-living adjustments,] provided that the board of trustees finds the additional benefit will
27 not require an increase in the contribution rate required by the members, will not increase the
28 contribution required from the board of education, and is actuarially sound. In the event the
29 board of trustees authorizes an increase under this section, it shall certify in writing to the board
30 of education the findings, including but not limited to all actuarial assumptions, upon which the
31 board of trustees determined that the increase in benefits would result in no increase in
32 contributions by members or the board of education.

33 **3. Beginning August 28, 2016, if the board of trustees determines that the cost of**
34 **living, as measured by generally accepted standards, increases two percent or more in the**
35 **preceding fiscal year, the board shall increase the retirement allowances that the retired**
36 **members or beneficiaries are receiving by two percent of the amount being received by the**
37 **retired member or the beneficiary at the time the annual increase is granted by the board.**
38 **If the board of trustees determines that the cost of living has increased five percent or more**
39 **in the preceding fiscal year, the board shall increase the retirement allowances by five**
40 **percent. The total of the increases granted to a retired member or the beneficiary shall not**
41 **exceed eighty percent of the retirement allowance established at retirement or as previously**
42 **adjusted by other subsections. If the cost of living increases less than five percent, the**
43 **board of trustees may determine the percentage of increase to be made in retirement**
44 **allowances, but at no time can the increase exceed five percent per year. If the cost of**
45 **living decreases in a fiscal year, there will be no increase in allowances for retired members**
46 **on the following January first.**

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