FIRST REGULAR SESSION

HOUSE BILL NO. 630

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE LEARA.

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D. ADAM CRUMBLISS. Chief Clerk

AN ACT

To repeal sections 86.1110 and 86.1500, RSMo, and to enact in lieu thereof two new sections relating to retirement benefits.

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

Section A. Sections 86.1110 and 86.1500, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 86.1110 and 86.1500, to read as follows:

86.1110. 1. Whenever a member is given a leave of absence for military service and returns to employment after discharge from the service, such member shall be entitled to creditable service for the years of employment prior to the leave of absence.

2. Except as provided in subsection 3 of this section, a member who served on active duty in the Armed Forces of the United States and who became a member, or returned to membership, after discharge under honorable conditions, may elect prior to retirement to purchase creditable service equivalent to such service in the Armed Forces, not to exceed two years, provided the member is not receiving and is not eligible to receive retirement credits or benefits from any other public or private retirement plan for the service to be purchased, other than a United States military service retirement system or United States Social Security benefits attributable to such military service, and an affidavit so stating is filed by the member with the retirement system. A member electing to make such purchase shall pay to the retirement system an amount equal to the actuarial cost of the additional benefits attributable to the additional service credit to be purchased, as of the date the member elects to make such purchase. Payment in full of the amount due from a member electing to purchase creditable service under this subsection shall be made over a period not to exceed five years, measured from the date of election, or prior to the commencement date for payment of benefits to the member from the

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retirement system, whichever is earlier, including interest on unpaid balances compounded annually at the interest rate assumed from time to time for actuarial valuations of the retirement system. If payment in full including interest is not made within the prescribed period, any partial payments made by the member shall be refunded, and no creditable service attributable to such election, or as a result of any such partial payments, shall be allowed; provided that if a benefit commencement date occurs because of the death or disability of a member who has made an election under this subsection and if the member is current in payments under an approved installment plan at the time of the death or disability, such election shall be valid if the member, the surviving spouse, or other person entitled to benefit payments pays the entire balance of the remaining amount due, including interest to the date of such payment, within sixty days after the member's death or disability. The time of a disability shall be deemed to be the time when such member is retired by the board of police commissioners for reason of disability as provided in sections 86.900 to 86.1280.

3. Notwithstanding any other provision of sections 86.900 to 86.1280, on or after August 28, 2015, a member who [is on leave of absence for military service during any portion of which leave the United States is in a state of declared war, or a compulsory draft is in effect for any of the military branches of the United States, or any units of the military reserves of the United States, including the National Guard, are mobilized for combat military operations, returns to service from a leave of absence for active duty military service and who becomes entitled to reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code, relating to employment and reemployment rights of members of the uniformed services by meeting the requirements for such rights and benefits under Section 4312 of said chapter, or the corresponding provisions of any subsequent applicable federal statute, shall be entitled to service credit for the time spent in such military service for all purposes of sections 86.900 to 86.1280 [and such member shall not be required to pay any member contributions for such time. If it becomes necessary for the years of such service to be included in the calculation of such member's compensation for any purpose, such member shall be deemed to have received the same compensation throughout such period of service as the member's base annual salary immediately prior to the commencement of such leave of absence; provided, however, that the foregoing provisions of this subsection shall apply only to such portion of such leave with respect to which the cumulative length of the absence and of all previous absences from a position of employment with the employer by reason of service in the uniformed services does not exceed five years except for such period of any such excess as meets the requirements for exceptions to such five-year limitation set forth in the aforesaid Section 4312] only to the extent such member pays any required member contributions for such time. The amount of required member contributions shall be calculated on the base compensation the member HB 630 3

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would have received during such leave period. The total amount of service credit that will be granted at the member contribution rate is limited to a maximum of five years. The retirement board may waive the required contributions for military leave of absence, not to exceed three years of creditable service, if the member provides duty orders under Title 10 or Title 32 U.S.C. and discharge from active duty documentation in the form of a DD214 or NGB23.

86.1500. 1. Whenever a member is given a leave of absence for military service and returns to employment after discharge from the service, such member shall be entitled to creditable service for the years of employment prior to the leave of absence.

2. Except as provided in subsection 3 of this section, a member who served on active duty in the Armed Forces of the United States and who became a member, or returned to membership, after discharge under honorable conditions, may elect prior to retirement to purchase creditable service equivalent to such service in the Armed Forces, not to exceed two years, provided the member is not receiving and is not eligible to receive retirement credits or benefits from any other public or private retirement plan for the service to be purchased, other than a United States military service retirement system or United States Social Security benefits attributable to such military service, and an affidavit so stating is filed by the member with the retirement system. A member electing to make such purchase shall pay to the retirement system an amount equal to the actuarial cost of the additional benefits attributable to the additional service credit to be purchased, as of the date the member elects to make such purchase. Payment in full of the amount due from a member electing to purchase creditable service under this subsection shall be made over a period not to exceed five years, measured from the date of election, or prior to the commencement date for payment of benefits to the member from the retirement system, whichever is earlier, including interest on unpaid balances compounded annually at the interest rate assumed from time to time for actuarial valuations of the retirement system. If payment in full including interest is not made within the prescribed period, any partial payments made by the member shall be refunded, and no creditable service attributable to such election, or as a result of any such partial payments, shall be allowed; provided that if a benefit commencement date occurs because of the death or disability of a member who has made an election under this subsection and if the member is current in payments under an approved installment plan at the time of the death or disability, such election shall be valid if the member, the surviving spouse or other person entitled to benefit payments pays the entire balance of the remaining amount due, including interest to the date of such payment, within sixty days after the member's death or disability. The time of a disability shall be deemed to be the time when such member is determined by the retirement board to be totally and permanently disabled as provided in section 86.1560.

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3. Notwithstanding any other provision of sections 86.1310 to 86.1640, on or after August 28, 2015, a member who [is on leave of absence for military service during any portion of which leave the United States is in a state of declared war, or a compulsory draft is in effect for any of the military branches of the United States, or any units of the military reserves of the United States, including the National Guard, are mobilized for combat military operations, returns to service from a leave of absence for active duty military service and who becomes entitled to reemployment rights and other employment benefits under Title 38, Chapter 43 of the U.S. Code, relating to employment and reemployment rights of members of the uniformed services by meeting the requirements for such rights and benefits under Section 4312 of said chapter, or the corresponding provisions of any subsequent applicable federal statute, shall be entitled to service credit for the time spent in such military service for all purposes of sections 86.1310 to 86.1640 [and such member shall not be required to pay any member contributions for such time. If it becomes necessary for the years of such service to be included in the calculation of such member's compensation for any purpose, such member shall be deemed to have received the same compensation throughout such period of service as the member's base annual salary immediately prior to the commencement of such leave of absence; provided, however, that the foregoing provisions of this subsection shall apply only to such portion of such leave with respect to which the cumulative length of the absence and of all previous absences from a position of employment with the employer by reason of service in the uniformed services does not exceed five years except for such period of any such excess as meets the requirements for exceptions to such five-year limitation set forth in the aforesaid Section 4312] only to the extent such member pays any required member contributions for such time. The amount of required member contributions shall be calculated on the base compensation the member would have received during such leave period. The total amount of service credit that will be granted at the member contribution rate is limited to a maximum of five years. The retirement board may waive the required contributions for military leave of absence, not to exceed three years of creditable service, if the member provides duty orders under Title 10 or Title 32 U.S.C. and discharge from active duty documentation in the form of a DD214 or NGB23.

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