

FIRST REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 701

## 101ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE BLACK (7).

1524H.01P

DANA RADEMAN MILLER, Chief Clerk

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### AN ACT

To repeal sections 104.010, 104.020, 104.035, 104.090, 104.130, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, RSMo, and to enact in lieu thereof twenty-four new sections relating to retirement systems.

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

Section A. Sections 104.010, 104.020, 104.035, 104.090, 104.130, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, RSMo, are repealed and twenty-four new sections enacted in lieu thereof, to be known as sections 104.010, 104.020, 104.035, 104.090, 104.170, 104.200, 104.312, 104.410, 104.436, 104.490, 104.515, 104.625, 104.810, 104.1003, 104.1015, 104.1018, 104.1024, 104.1051, 104.1060, 104.1066, 104.1072, 104.1084, 104.1091, and 476.521, to read as follows:

104.010. 1. The following words and phrases as used in sections 104.010 to 104.800, unless a different meaning is plainly required by the context, shall mean:

(1) "Accumulated contributions", the sum of all deductions for retirement benefit purposes from a member's compensation which shall be credited to the member's individual account and interest allowed thereon;

(2) "Active armed warfare", any declared war, or the Korean or Vietnamese Conflict;

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.

- 7 (3) "Actuarial equivalent", a benefit which, when computed upon the basis of specified  
8 actuarial assumptions approved by the board, is equal in value to a certain amount or other  
9 benefit;
- 10 (4) "Actuarial tables", the actuarial tables approved and in use by a board at any given  
11 time;
- 12 (5) "Actuary", the actuary who is a member of the American Academy of Actuaries or  
13 who is an enrolled actuary under the Employee Retirement Income Security Act of 1974 and who  
14 is employed by a board at any given time;
- 15 (6) "Annuity", annual payments, made in equal monthly installments, to a retired  
16 member from funds provided for in, or authorized by, this chapter;
- 17 (7) "Annuity starting date", the first day of the first month with respect to which an  
18 amount is paid as an annuity under sections 104.010 to 104.800, and the terms retirement, time  
19 of retirement, and date of retirement shall mean annuity starting date as defined in this  
20 subdivision unless the context in which the term is used indicates otherwise;
- 21 (8) "Average compensation", the average compensation of a member for the thirty-six  
22 consecutive months of service prior to retirement when the member's compensation was greatest;  
23 or if the member is on workers' compensation leave of absence or a medical leave of absence due  
24 to an employee illness, the amount of compensation the member would have received may be  
25 used, as reported and verified by the employing department; or if the member had less than  
26 thirty-six months of service, the average annual compensation paid to the member during the  
27 period up to thirty-six months for which the member received creditable service when the  
28 member's compensation was the greatest; or if the member is on military leave, the amount of  
29 compensation the member would have received may be used as reported and verified by the  
30 employing department or, if such amount is not determinable, the amount of the employee's  
31 average rate of compensation during the twelve-month period immediately preceding such period  
32 of leave, or if shorter, the period of employment immediately preceding such period of leave.  
33 The board of each system may promulgate rules for purposes of calculating average  
34 compensation and other retirement provisions to accommodate for any state payroll system in  
35 which compensation is received on a monthly, semimonthly, biweekly, or other basis;
- 36 (9) "Beneficiary", any persons or entities entitled to or nominated by a member or retiree  
37 who may be legally entitled to receive benefits pursuant to this chapter;
- 38 (10) "Biennial assembly", the completion of no less than two years of creditable service  
39 or creditable prior service by a member of the general assembly;
- 40 (11) "Board of trustees", "board", or "trustees", a board of trustees as established for the  
41 applicable system pursuant to this chapter;
- 42 (12) "Chapter", sections 104.010 to 104.800;

43 (13) "Compensation":

44 (a) All salary and wages payable out of any state, federal, trust, or other funds to an  
45 employee for personal services performed for a department; but including only amounts for  
46 which contributions have been made in accordance with section 104.436, or section 104.070,  
47 whichever is applicable, and excluding any nonrecurring single sum payments or amounts paid  
48 after the member's termination of employment unless such amounts paid after such termination  
49 are a final installment of salary or wages at the same rate as in effect immediately prior to  
50 termination of employment in accordance with a state payroll system adopted on or after January  
51 1, 2000, or any other one-time payments made as a result of such payroll system;

52 (b) All salary and wages which would have been payable out of any state, federal, trust  
53 or other funds to an employee on workers' compensation leave of absence during the period the  
54 employee is receiving a weekly workers' compensation benefit, as reported and verified by the  
55 employing department;

56 (c) Effective December 31, 1995, compensation in excess of the limitations set forth in  
57 Internal Revenue Code Section 401(a)(17) shall be disregarded. The limitation on compensation  
58 for eligible employees shall not be less than the amount which was allowed to be taken into  
59 account under the system as in effect on July 1, 1993. For this purpose, an "eligible employee"  
60 is an individual who was a member of the system before the first plan year beginning after  
61 December 31, 1995;

62 (d) **The board by its rules may further define "compensation" in a manner**  
63 **consistent with this definition;**

64 (14) "Consumer price index", the Consumer Price Index for All Urban Consumers for  
65 the United States, or its successor index, as approved by a board, as such index is defined and  
66 officially reported by the United States Department of Labor, or its successor agency;

67 (15) "Creditable prior service", the service of an employee which was either rendered  
68 prior to the establishment of a system, or prior to the date the employee last became a member  
69 of a system, and which is recognized in determining the member's eligibility and for the amount  
70 of the member's benefits under a system;

71 (16) "Creditable service", the sum of membership service and creditable prior service,  
72 to the extent such service is standing to a member's credit as provided in this chapter; except that  
73 in no case shall more than one day of creditable service or creditable prior service be credited any  
74 member for any one calendar day of eligible service credit as provided by law;

75 (17) "Deferred normal annuity", the annuity payable to any former employee who  
76 terminated employment as an employee or otherwise withdrew from service with a vested right  
77 to a normal annuity, payable at a future date;

78 (18) "Department", any department or agency of the executive, legislative or judicial  
79 branch of the state of Missouri receiving state appropriations, including allocated funds from the  
80 federal government but not including any body corporate or politic unless its employees are  
81 eligible for retirement coverage from a system pursuant to this chapter as otherwise provided by  
82 law;

83 (19) "Disability benefits", benefits paid to any employee while totally disabled as  
84 provided in this chapter;

85 (20) "Early retirement age", a member's attainment of fifty-five years of age and the  
86 completion of ten or more years of creditable service, except for uniformed members of the water  
87 patrol;

88 (21) "Employee":

89 (a) Effective August 28, 2007, any elective or appointive officer or person employed by  
90 the state who is employed, promoted or transferred by a department into a new or existing  
91 position and earns a salary or wage in a position normally requiring the performance by the  
92 person of duties during not less than one thousand forty hours per year, including each member  
93 of the general assembly but not including any patient or inmate of any state, charitable, penal or  
94 correctional institution. However, persons who are members of the public school retirement  
95 system and who are employed by a state agency other than an institution of higher learning shall  
96 be deemed employees for purposes of participating in all insurance programs administered by  
97 a board established pursuant to section 104.450. This definition shall not exclude any employee  
98 as defined in this subdivision who is covered only under the federal Old Age and Survivors'  
99 Insurance Act, as amended. As used in this chapter, the term "employee" shall include:

100 a. Persons who are currently receiving annuities or other retirement benefits from some  
101 other retirement or benefit fund, so long as they are not simultaneously accumulating creditable  
102 service in another retirement or benefit system which will be used to determine eligibility for or  
103 the amount of a future retirement benefit;

104 b. Persons who have elected to become or who have been made members of a system  
105 pursuant to section 104.342;

106 (b) Any person who is not a retiree and has performed services in the employ of the  
107 general assembly or either house thereof, or any employee of any member of the general  
108 assembly while acting in the person's official capacity as a member, and whose position does not  
109 normally require the person to perform duties during at least one thousand forty hours per year,  
110 with a month of service being any monthly pay period in which the employee was paid for  
111 full-time employment for that monthly period; except that persons described in this paragraph  
112 shall not include any such persons who are employed on or after August 28, 2007, and who have  
113 not previously been employed in such positions;

114 (c) "Employee" does not include special consultants employed pursuant to section  
115 104.610;

116 (d) The system shall consider a person who is employed in multiple positions  
117 simultaneously within a single agency to be working in a single position for purposes of  
118 determining whether the person is an employee as defined in this subdivision;

119 (22) "Employer", a department of the state;

120 (23) "Executive director", the executive director employed by a board established  
121 pursuant to the provisions of this chapter;

122 (24) "Fiscal year", the period beginning July first in any year and ending June thirtieth  
123 the following year;

124 (25) "Full biennial assembly", the period of time beginning on the first day the general  
125 assembly convenes for a first regular session until the last day of the following year;

126 (26) "Fund", the benefit fund of a system established pursuant to this chapter;

127 (27) "Interest", interest at such rate as shall be determined and prescribed from time to  
128 time by a board;

129 (28) "Member", as used in sections 104.010 to 104.272 or 104.601 to 104.800 shall mean  
130 an employee, retiree, or former employee entitled to a deferred annuity covered by the Missouri  
131 department of transportation and highway patrol employees' retirement system. "Member", as  
132 used in this section and sections 104.312 to 104.800, shall mean an employee, retiree, or former  
133 employee entitled to deferred annuity covered by the Missouri state employees' retirement  
134 system;

135 (29) "Membership service", the service after becoming a member that is recognized in  
136 determining a member's eligibility for and the amount of a member's benefits under a system;

137 (30) "Military service", all active service performed in the United States Army, Air  
138 Force, Navy, Marine Corps, Coast Guard, and members of the United States Public Health  
139 Service or any women's auxiliary thereof; and service in the Army National Guard and Air  
140 National Guard when engaged in active duty for training, inactive duty training or full-time  
141 National Guard duty, and service by any other category of persons designated by the President  
142 in time of war or emergency;

143 (31) "Normal annuity", the annuity provided to a member upon retirement at or after the  
144 member's normal retirement age;

145 (32) "Normal retirement age", an employee's attainment of sixty-five years of age and  
146 the completion of four years of creditable service or the attainment of age sixty-five years of age  
147 and the completion of five years of creditable service by a member who has terminated  
148 employment and is entitled to a deferred normal annuity or the member's attainment of age sixty  
149 and the completion of fifteen years of creditable service, except that normal retirement age for

150 uniformed members of the highway patrol shall be fifty-five years of age and the completion of  
151 four years of creditable service and uniformed employees of the water patrol shall be fifty-five  
152 years of age and the completion of four years of creditable service or the attainment of age  
153 fifty-five and the completion of five years of creditable service by a member of the water patrol  
154 who has terminated employment and is entitled to a deferred normal annuity and members of the  
155 general assembly shall be fifty-five years of age and the completion of three full biennial  
156 assemblies. Notwithstanding any other provision of law to the contrary, a member of the  
157 Missouri department of transportation and highway patrol employees' retirement system or a  
158 member of the Missouri state employees' retirement system shall be entitled to retire with a  
159 normal annuity and shall be entitled to elect any of the survivor benefit options and shall also be  
160 entitled to any other provisions of this chapter that relate to retirement with a normal annuity if  
161 the sum of the member's age and creditable service equals eighty years or more and if the  
162 member is at least forty-eight years of age;

163 (33) "Payroll deduction", deductions made from an employee's compensation;

164 (34) "Prior service credit", the service of an employee rendered prior to the date the  
165 employee became a member which service is recognized in determining the member's eligibility  
166 for benefits from a system but not in determining the amount of the member's benefit;

167 (35) "Reduced annuity", an actuarial equivalent of a normal annuity;

168 (36) "Retiree", a member who is not an employee and who is receiving an annuity from  
169 a system pursuant to this chapter;

170 (37) "System" or "retirement system", the Missouri department of transportation and  
171 highway patrol employees' retirement system, as created by sections 104.010 to 104.270, or  
172 sections 104.601 to 104.800, or the Missouri state employees' retirement system as created by  
173 sections 104.320 to 104.800;

174 (38) "Uniformed members of the highway patrol", the superintendent, lieutenant colonel,  
175 majors, captains, director of radio, lieutenants, sergeants, corporals, and patrolmen of the  
176 Missouri state highway patrol who normally appear in uniform;

177 (39) "Uniformed members of the water patrol", employees of the Missouri state water  
178 patrol of the department of public safety who are classified as water patrol officers who have  
179 taken the oath of office prescribed by the provisions of chapter 306 and who have those peace  
180 officer powers given by the provisions of chapter 306;

181 (40) "Vesting service", the sum of a member's prior service credit and creditable service  
182 which is recognized in determining the member's eligibility for benefits under the system.

183 2. Benefits paid pursuant to the provisions of this chapter shall not exceed the limitations  
184 of Internal Revenue Code Section 415, the provisions of which are hereby incorporated by  
185 reference. Notwithstanding any other law to the contrary, the board of trustees may establish a

186 benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as amended. Such plan  
187 shall be created solely for the purposes described in Section 415(m)(3)(A) of the Internal  
188 Revenue Code of 1986, as amended. The board of trustees may promulgate regulations  
189 necessary to implement the provisions of this subsection and to create and administer such  
190 benefit plan.

104.020. There is hereby created the "Missouri Department of Transportation and  
2 Highway Patrol Employees' Retirement System", which shall be a body corporate and an  
3 instrumentality of the state. In such system shall be vested the powers and duties specified in  
4 sections 104.010 to ~~[104.270]~~ **104.312** and such other powers as may be necessary or proper to  
5 enable it, its officers, employees, and agents to carry out fully and effectively all the purposes of  
6 sections 104.010 to ~~[104.270]~~ **104.312**.

104.035. 1. Any member whose employment terminated prior to August 13, 1976, and  
2 who had served twenty years or more as an employee shall be entitled to a deferred normal  
3 annuity based on his creditable service, average compensation, and the act in effect at the time  
4 his employment was terminated.

5 2. Any member whose employment terminates on or after August 13, 1976, and prior  
6 to June 1, 1981, and who had served fifteen or more years' creditable service as an employee or  
7 had served ten or more years of creditable service as an employee and was at least thirty-five  
8 years of age at the date of termination of employment shall be entitled to a deferred normal  
9 annuity based on his creditable service, average compensation, and the act in effect at the time  
10 his employment was terminated.

11 3. Any member whose employment terminates on or after June 1, 1981, and who has ten  
12 or more years of creditable service at the date of termination of employment shall be entitled to  
13 a deferred normal annuity based on the member's creditable service, average compensation and  
14 the act in effect at the time the member's employment is terminated.

15 4. Any member entitled to a deferred normal annuity as provided in subsection 1, 2, 3  
16 or 5 of this section who reenters the service of a department and again becomes a member of the  
17 system ~~[and thereafter serves for one continuous year]~~ shall have his prior period of service  
18 restored, so that benefits determined by reason of his retirement or subsequent withdrawal from  
19 service will include the sum of all periods of creditable service, and his annuity shall be based  
20 on his creditable service, average compensation, and the act in effect at the time of his retirement  
21 or subsequent withdrawal from service.

22 5. Notwithstanding any other law to the contrary, any member of the transportation  
23 department and highway patrol retirement system whose employment terminated on or after  
24 September 28, 1992, who has five or more years of vesting service as an employee at the date  
25 of termination of employment shall be entitled to a deferred normal annuity based on the

26 member's creditable service, average compensation, and the act in effect at the time the member's  
27 employment was terminated.

104.090. 1. The normal annuity of a member shall equal one and six-tenths percent of  
2 the average compensation of the member multiplied by the number of years of creditable service  
3 of such member. In addition, the normal annuity of a uniformed member of the patrol shall be  
4 increased by thirty-three and one-third percent.

5 2. In addition, a uniformed member of the highway patrol who is retiring with a normal  
6 annuity after attaining normal retirement age shall receive an additional sum of ninety dollars per  
7 month as a contribution by the system until such member attains the age of sixty-five years, when  
8 such contribution shall cease. To qualify for the contribution provided in this subsection by the  
9 system, the retired uniformed member of the highway patrol is made, constituted, appointed and  
10 employed by the board as a special consultant on the problems of retirement, aging and other  
11 state matters. Such additional contribution shall be reduced each month by such amount earned  
12 by the retired uniformed member of the highway patrol in gainful employment. In order to  
13 qualify for the additional contribution provided in this subsection, the retired uniformed member  
14 of the highway patrol shall have been:

15 (1) Hired by the Missouri state highway patrol prior to January 1, 1995; and

16 (2) Employed by the Missouri state highway patrol or receiving long-term disability or  
17 work-related disability benefits on the day before the effective date of the member's retirement.

18 3. In lieu of the annuity payable to the member pursuant to section 104.100, a member  
19 whose age at retirement is forty-eight or more may elect in the member's application for  
20 retirement to receive one of the following:

21

22 Option 1.

23 An actuarial reduction approved by the board of the member's annuity in reduced monthly  
24 payments for life during retirement with the provision that upon the member's death the reduced  
25 annuity at date of death shall be continued throughout the life of, and be paid to, the member's  
26 spouse; or

27

28 Option 2.

29 The member's normal annuity in regular monthly payments for life during retirement with  
30 the provision that upon the member's death a survivor's benefit equal to one-half the member's  
31 normal annuity at date of death shall be paid to the member's spouse in regular monthly  
32 payments for life; or

33

34 Option 3.



35 An actuarial reduction approved by the board of the member's normal annuity in reduced  
36 monthly payments for the member's life with the provision that if the member dies prior to the  
37 member's having received one hundred twenty monthly payments of the member's reduced  
38 annuity, the member's reduced allowance to which the member would have been entitled had the  
39 member lived shall be paid for the remainder of the one hundred twenty-month period to such  
40 beneficiary as the member shall have nominated by written designation duly executed and filed  
41 with the board. If there is no beneficiary surviving the retiree, the reserve for such allowance for  
42 the remainder of such one hundred twenty-month period shall be paid to the retiree's estate; or  
43

44 Option 4.

45 An actuarial reduction approved by the board of the member's normal annuity in reduced  
46 monthly payments for the member's life with the provision that if the member dies prior to the  
47 member having received sixty monthly payments of the member's reduced annuity, the member's  
48 reduced allowance to which the member would have been entitled had the member lived shall  
49 be paid for the remainder of the sixty-month period to such beneficiary as the member shall have  
50 nominated by written designation duly executed and filed with the board. If there is no  
51 beneficiary surviving the retiree, the reserve for such allowance for the remainder of such  
52 sixty-month period shall be paid to the retiree's estate.

53 4. The election may be made only in the application for retirement, and such application  
54 shall be filed at least thirty days but not more than ninety days prior to the date on which the  
55 retirement of the member is to be effective, provided that if either the member or the spouse  
56 nominated to receive the survivorship payment dies before the effective date of retirement, the  
57 election shall not be effective. If after the reduced annuity commences, the spouse predeceases  
58 the retired member, the reduced annuity continues to the retired member during the member's  
59 lifetime.

60 5. Effective July 1, 2000, a member may make an election under option 1 or 2 after the  
61 date retirement benefits are initiated if the member makes the election within one year from the  
62 date of marriage or July 1, 2000, whichever is later, under any of the following circumstances:

63 (1) The member elected to receive a normal annuity and was not eligible to elect option  
64 1 or 2 on the date retirement benefits were initiated; or

65 (2) The member's annuity reverted to a normal annuity pursuant to subsection 7 of this  
66 section or subsection ~~[7-08]~~ 8 of section 104.103 and the member remarried; or

67 (3) The member elected option 1 or 2 but the member's spouse at the time of retirement  
68 has died and the member has remarried.

69 6. Any person who terminates employment or retires prior to July 1, 2000, shall be made,  
70 constituted, appointed and employed by the board as a special consultant on the problems of

71 retirement, aging and other state matters, and for such services shall be eligible to elect to receive  
72 the benefits described in subsection 5 of this section.

73           7. For retirement applications filed on or after August 28, 2004, the beneficiary for either  
74 option 1 or option 2 of subsection 3 of this section shall be the member's spouse at the time of  
75 retirement. If the member's marriage ends after retirement as a result of a dissolution of  
76 marriage, such dissolution shall not affect the option election and the former spouse shall  
77 continue to be eligible to receive survivor benefits upon death of the member, except a member  
78 may cancel his or her election if:

79           (1) The dissolution of marriage of the member and former spouse occurred on or after  
80 January 1, 2021, and the dissolution decree provides for sole retention by the member of all  
81 rights in the annuity and provides that the former spouse shall not be entitled to any survivor  
82 benefits pursuant to this chapter; or

83           (2) The dissolution of marriage of the member and former spouse occurred prior to  
84 January 1, 2021, and:

85           (a) The dissolution decree provided for the sole retention by the member of all rights in  
86 the annuity pursuant to this chapter, and the parties obtained an amended or modified dissolution  
87 decree after January 1, 2021, providing for immediate removal of the former spouse as the  
88 beneficiary entitled to survivor benefits to the satisfaction of the system; or

89           (b) The dissolution decree does not provide for the sole retention by the member of all  
90 rights in the annuity and the parties obtained an amended or modified dissolution decree after  
91 January 1, 2021, which provides for the sole retention by the member of all rights in the annuity  
92 and provides that the former spouse shall not be entitled to any survivor benefits pursuant to this  
93 chapter.

94

95 Upon meeting the requirements of subdivision (1) or (2) of this subsection, the monthly benefit  
96 payable for the lifetime of the member shall be the actuarial equivalent of the annuity payable  
97 pursuant to the provisions of option 1 or option 2 of subsection 3 of this section, as adjusted for  
98 early retirement if applicable. In no event shall the monthly benefit payable for the lifetime of  
99 the member be greater than the amount that would have been payable to the member under  
100 subsection 7 or 8 of section 104.103, whichever is applicable, had the former spouse died on the  
101 date of the dissolution of marriage. Any increase in the annuity amount pursuant to this  
102 subsection shall be prospective and effective the first of the month following the date of receipt  
103 by the system of a certified copy of the dissolution decree that meets the requirements of this  
104 subsection.

105           8. Any application for retirement shall only become effective on the first day of the  
106 month.

104.170. 1. The board shall elect [~~by secret ballot~~] one member as chair and one  
2 member as vice chair at the first board meeting of each year. The chair may not serve more than  
3 two consecutive terms beginning after August 13, 1988. The chair shall preside over meetings  
4 of the board and perform such other duties as may be required by action of the board. The vice  
5 chair shall perform the duties of the chair in the absence of the latter or upon the chair's inability  
6 or refusal to act.

7 2. The board shall appoint a full-time executive director, who shall not be compensated  
8 for any other duties under the state highways and transportation commission. The executive  
9 director shall have charge of the offices and records and shall hire such employees that the  
10 executive director deems necessary subject to the direction of the board. The executive director  
11 and all other employees of the system shall be members of the system and the board shall make  
12 contributions to provide the insurance benefits available pursuant to section 104.270 on the same  
13 basis as provided for other state employees pursuant to the provisions of section 104.515, and  
14 also shall make contributions to provide the retirement benefits on the same basis as provided  
15 for other employees pursuant to the provisions of sections 104.090 to 104.260. The executive  
16 director is authorized to execute all documents including contracts necessary to carry out any and  
17 all actions of the board.

18 3. Any summons or other writ issued by the courts of the state shall be served upon the  
19 executive director or, in the executive director's absence, on the assistant director.

104.200. Should any error in any records result in any [~~member's~~] **member** or  
2 [~~beneficiary's~~] **beneficiary** receiving more or less than he **or she** would have been entitled to  
3 receive had the records been correct, the board shall correct such error, and, as far as practicable,  
4 make future payments in such a manner that the actuarial equivalent of the benefit to which such  
5 member or beneficiary was entitled shall be paid, and to this end may recover any overpayments.  
6 In all cases in which such error has been made, no such error shall be corrected unless the system  
7 discovers or is notified of such error within ten years after the [~~initial~~] **member's annuity**  
8 **starting date or the date of error, whichever occurs later. In cases of fraud, any error**  
9 **discovered shall be corrected without concern to the amount of time that has passed.**

104.312. 1. The provisions of subsection 2 of section 104.250, subsection 2 of section  
2 104.540, subsection 2 of section 287.820, and section 476.688 to the contrary notwithstanding,  
3 any pension, annuity, benefit, right, or retirement allowance provided pursuant to this chapter,  
4 chapter 287, or chapter 476 is marital property and after August 28, 1994, a court of competent  
5 jurisdiction may divide the pension, annuity, benefits, rights, and retirement allowance provided  
6 pursuant to this chapter, chapter 287, or chapter 476 between the parties to any action for  
7 dissolution of marriage. A division of benefits order issued pursuant to this section:

8 (1) Shall not require the applicable retirement system to provide any form or type of  
9 annuity or retirement plan not selected by the member and not normally made available by that  
10 system;

11 (2) Shall not require the applicable retirement system to commence payments until the  
12 member submits a valid application for an annuity and the annuity becomes payable in  
13 accordance with the application;

14 (3) Shall identify the monthly amount to be paid to the alternate payee, which shall be  
15 expressed as a percentage and which shall not exceed fifty percent of the amount of the member's  
16 annuity accrued during all or part of the time while the member and alternate payee were  
17 married, **excluding service accrued under section 104.601**; and which shall be based on the  
18 member's vested annuity on the date of the dissolution of marriage or an earlier date as specified  
19 in the order, which amount shall be adjusted proportionately if the member's annuity is reduced  
20 due to early retirement or the member's annuity is reduced pursuant to section 104.395 under an  
21 annuity option in which the member named the alternate payee as beneficiary prior to the  
22 dissolution of marriage or pursuant to section 104.090 under an annuity option in which the  
23 member on or after August 28, 2007, named the alternative payee as beneficiary prior to the  
24 dissolution of marriage, and the percentage established shall be applied to the pro rata portion  
25 of any lump sum distribution pursuant to subsection 6 of section 104.335, accrued during the  
26 time while the member and alternate payee were married;

27 (4) Shall not require the payment of an annuity amount to the member and alternate  
28 payee which in total exceeds the amount which the member would have received without regard  
29 to the order;

30 (5) Shall provide that any benefit formula increases, additional years of service,  
31 increased average compensation or other type of increases accrued after the date of the  
32 dissolution of marriage shall accrue solely to the benefit of the member; except that on or after  
33 September 1, 2001, any annual benefit increase **paid after the member's annuity starting date**  
34 shall not be considered to be an increase accrued after the date of termination of marriage and  
35 shall be part of the monthly amount subject to division pursuant to any order issued after  
36 September 1, 2001;

37 (6) Shall terminate upon the death of either the member or the alternate payee, whichever  
38 occurs first;

39 (7) Shall not create an interest which is assignable or subject to any legal process;

40 (8) Shall include the name, address, and date of birth of both the member and the  
41 alternate payee, and the identity of the retirement system to which it applies;

42 (9) Shall be consistent with any other division of benefits orders which are applicable  
43 to the same member;

44 (10) Shall not require the applicable retirement system to continue payments to the  
45 alternate payee if the member's retirement benefit is suspended or waived as provided by this  
46 chapter but such payments shall resume when the retiree begins to receive retirement benefits  
47 in the future.

48 2. A system established by this chapter shall provide the court having jurisdiction of a  
49 dissolution of marriage proceeding or the parties to the proceeding with information necessary  
50 to issue a division of benefits order concerning a member of the system, upon written request  
51 from either the court, the member or the member's spouse, which cites this section and identifies  
52 the case number and parties.

53 3. A system established by this chapter shall have the discretionary authority to reject a  
54 division of benefits order for the following reasons:

55 (1) The order does not clearly state the rights of the member and the alternate payee;

56 (2) The order is inconsistent with any law governing the retirement system.

57 4. The amount paid to an alternate payee under an order issued pursuant to this section  
58 shall be based on the plan the member was in on the date of the dissolution of marriage; except  
59 that any annual benefit increases subject to division shall be based on the actual annual benefit  
60 increases received after the retirement plan election.

61 **5. Any annuity payable under section 104.625 that is subject to a division of benefit**  
62 **order under this section shall be calculated as follows:**

63 **(1) In instances of divorce after retirement, any service or compensation of a**  
64 **member between the retroactive starting date and the annuity starting date shall not be**  
65 **considered creditable service or compensation; and**

66 **(2) The lump sum payment described in subdivision (3) of section 104.625 shall not**  
67 **be subject to any division of benefit order.**

104.410. 1. Any uniformed member of the water patrol who shall be affirmatively found  
2 by the board to be wholly and permanently incapable of holding any position of gainful  
3 employment as a result of injuries or illness incurred in the performance of the member's duties  
4 shall be entitled to receive disability benefits in an amount equal to one-half of the compensation  
5 that the employee was receiving at the time of the occurrence of the injury entitling the employee  
6 to such disability benefits. Any disability benefit payable pursuant to this subsection shall be  
7 decreased by any amount paid to such uniformed member of the water patrol by reason of the  
8 workers' compensation laws of this state. After termination of payment under workers'  
9 compensation, however, any such reduction and disability benefits shall be restored.

10 2. The board of trustees may require a medical examination of any uniformed member  
11 of the water patrol who is receiving disability benefits pursuant to this section at any time by a  
12 designated physician, and disability benefits shall be discontinued if the board finds that such

13 member is able to perform the duties of the member's former position, or if such member refuses  
14 to submit to such an examination.

15         3. The disability benefits described in this section shall not be paid to any uniformed  
16 member of the water patrol who has retained or regained more than fifty percent of the member's  
17 earning capacity. If any uniformed member of the water patrol who has been receiving disability  
18 benefits again becomes an employee, the member's disability benefits shall be discontinued, the  
19 member's prior period of creditable service shall be restored, and any subsequent determination  
20 of benefits due the member or the member's survivors shall be based on the sum of the member's  
21 creditable service accrued to the date the member's disability benefits commenced and the period  
22 of creditable service after the member's return to employment.

23         4. Any uniformed member of the water patrol receiving benefits pursuant to the  
24 provisions of this section for five or more years immediately prior to attainment of age fifty-five  
25 shall be considered a normal retirant at age fifty-five, and may elect, within thirty days preceding  
26 the attainment of age fifty-five, option 1 of section 104.395, but only for the member's spouse  
27 who was the member's spouse for two or more years prior to the member's attainment of age  
28 fifty-five.

29         5. Any member who is receiving disability benefits as of December 31, 1985, or any  
30 member who is disabled on December 31, 1985, and would have been entitled to receive  
31 disability benefits pursuant to this section as the provisions of this section existed immediately  
32 prior to September 28, 1985, shall be eligible to receive or shall continue to receive benefits in  
33 accordance with such prior provisions of this section until the member again becomes an  
34 employee; however, all employees of the department of conservation who are disabled shall  
35 receive benefits pursuant only to this section or section 104.518, whichever is applicable, and  
36 shall not be eligible for benefits under any other plan or program purchased or provided after  
37 September 28, 1985.

38         6. Any member who qualifies for disability benefits pursuant to subsection 1 of this  
39 section or pursuant to the provisions of section 104.518, or under a long-term disability program  
40 provided by the member's employing department as a consequence of employment by the  
41 department, shall continue to accrue creditable service based on the member's rate of pay  
42 immediately prior to the date the member became disabled in accordance with sections 104.370,  
43 104.371, 104.374 and 104.615, until the date the member's retirement benefit goes into pay  
44 status, the disability benefits cease being paid to the member, or the member is no longer  
45 disabled, whichever comes first. Persons covered by the provisions of sections 476.515 to  
46 476.565 or sections 287.812 to 287.855, who qualify for disability benefits pursuant to the  
47 provisions of section 104.518, at the date the person becomes disabled, shall continue to accrue  
48 creditable service based on the person's rate of pay immediately prior to the date the person

49 becomes disabled until the date the person's retirement benefit goes into pay status, the disability  
50 benefits cease being paid to the person or the person is no longer disabled, whichever comes first.  
51 Members or persons continuing to accrue creditable service pursuant to this subsection shall be  
52 entitled to continue their life insurance coverage subject to the provisions of the life insurance  
53 plan administered by the board pursuant to section 104.517. The rate of pay for purposes of  
54 calculating retirement benefits for a member or person described in this subsection who becomes  
55 disabled and retires on or after August 28, 1999, shall be the member's or person's regular  
56 monthly compensation received at the time of disablement, increased thereafter for any increases  
57 in the consumer price index. Such increases in the member's monthly pay shall be made annually  
58 beginning twelve months after disablement and shall be equal to eighty percent of the increase  
59 in the consumer price index during the calendar year prior to the adjustment, but not more than  
60 five percent of the member's monthly pay immediately before the increase. Such accruals shall  
61 continue until the earliest of: receipt of an early retirement annuity, attainment of normal  
62 retirement eligibility or termination of disability benefits.

63         7. A member or person who continues to be disabled as provided in subsection 6 of this  
64 section until the member's normal retirement age shall be eligible to retire on the first day of the  
65 month next following the member's or person's final payment pursuant to section 104.518 or, if  
66 applicable, subsection 1 of this section. A member or person who retires pursuant to this  
67 subsection shall receive the greater of the normal annuity or the minimum annuity, if applicable,  
68 determined pursuant to sections 104.370, 104.371, 104.374 and 104.615, and section 287.820,  
69 and section 476.530 as if the member or person had continued in the active employ of the  
70 employer until the member's or person's retirement benefit goes into pay status, the disability  
71 benefits cease being paid to the member or person, or the member or person is no longer  
72 disabled, whichever comes first and the member's or person's compensation for such period had  
73 been the member's or person's rate of pay immediately preceding the date the member or person  
74 became disabled.

75         8. If a member who has been disabled becomes an employee again and if the member  
76 was disabled during the entire period of the member's absence, then the member shall resume  
77 active participation as of the date of reemployment. Such a member shall receive creditable  
78 service for the entire period the member was disabled as provided in subsection 6 of this section.

79         9. If a member ceases to be disabled and if the member does not return to work as  
80 provided in subsection 8 of this section, the member's rights to further benefits shall be  
81 determined in accordance with sections 104.335, 104.380, 104.400, 104.420 and 104.615 as  
82 though the member had withdrawn from service as of the date the member ceased to be disabled,  
83 as determined by the system.

84           **10. Members of the general assembly who are accruing service under subsection**  
85 **6 of this section shall continue to accrue service until the earliest of attainment of normal**  
86 **retirement age eligibility, termination of disability benefits, or the end of the member's**  
87 **constitutionally mandated limit on service as a member of the general assembly for the**  
88 **chamber in which the member was serving at the time of disablement.**

89           **11. Statewide elected officials who are accruing service under subsection 6 of this**  
90 **section shall continue to accrue service until the earliest of attainment of normal retirement**  
91 **age eligibility, termination of disability benefits, or the end of the statewide elected official's**  
92 **constitutionally mandated limit on service as a statewide elected official for the office in**  
93 **which the statewide elected official was serving at the time of disablement.**

104.436. 1. The board intends to follow a financing pattern which computes and  
2 requires contribution amounts which, expressed as percents of active member payroll, will  
3 remain approximately level from year to year and from one generation of citizens to the next  
4 generation. Such contribution determinations require regular actuarial valuations, which shall  
5 be made by the board's actuary, using assumptions and methods adopted by the board after  
6 consulting with its actuary. The entry age normal cost valuation method shall be used in  
7 determining ~~the normal cost calculation [and contributions for unfunded accrued liabilities~~  
8 ~~shall be determined using level percent of payroll amortization].~~

9           2. At least ninety days before each regular session of the general assembly, the board  
10 shall certify to the division of budget the contribution rate necessary to cover the liabilities of the  
11 plan administered by the system, including costs of administration, expected to accrue during the  
12 next appropriation period. The commissioner of administration shall request appropriation of  
13 the amount calculated pursuant to the provisions of this subsection. Following each pay period,  
14 the commissioner of administration shall requisition and certify the payment to the executive  
15 director of the Missouri state employees' retirement system. The executive director shall  
16 promptly deposit the amounts certified to the credit of the Missouri state employees' retirement  
17 fund.

18           3. The employers of members of the system who are not paid out of funds that have been  
19 deposited in the state treasury shall remit promptly to the executive director an amount equal to  
20 the amount which the state would have paid if those members had been paid entirely from state  
21 funds. The executive director shall promptly deposit the amounts certified to the credit of the  
22 Missouri state employees' retirement system fund.

23           4. These amounts are funds of the system, and shall not be commingled with any funds  
24 in the state treasury.

104.490. 1. Should any error result in any member or beneficiary receiving more or less  
2 than he or she would have been entitled to receive had the error not occurred, the board shall



3 correct such error, and, as far as practicable, make future payments in such a manner that the  
4 actuarial equivalent of the benefit to which such member or beneficiary was entitled shall be  
5 paid, and to this end may recover any overpayments. In all cases in which such error has been  
6 made, no such error shall be corrected unless the system discovers or is notified of such error  
7 within ten years after the ~~[initial]~~ **member's annuity starting date or the** date of error,  
8 **whichever occurs later. In cases of fraud, any error discovered shall be corrected without**  
9 **concern to the amount of time that has passed.**

10 2. A person who knowingly makes a false statement, or falsifies or permits to be falsified  
11 a record of the system, in an attempt to defraud the system is subject to fine or imprisonment  
12 pursuant to the Missouri revised statutes.

13 3. The board of trustees of the Missouri state employees' retirement system shall cease  
14 paying benefits to any survivor or beneficiary who is charged with the intentional killing of a  
15 member without legal excuse or justification. A survivor or beneficiary who is convicted of such  
16 charge shall no longer be entitled to receive benefits. If the survivor or beneficiary is not  
17 convicted of such charge, the board shall resume payment of benefits and shall pay the survivor  
18 or beneficiary any benefits that were suspended pending resolution of such charge.

104.515. 1. Separate accounts for medical, life insurance and disability benefits  
2 provided pursuant to sections 104.517 and 104.518 shall be established as part of the fund. The  
3 funds, property and return on investments of the separate account shall not be commingled with  
4 any other funds, property and investment return of the system. All benefits and premiums are  
5 paid solely from the separate account for medical, life insurance and disability benefits provided  
6 pursuant to this section.

7 2. The state shall contribute an amount as appropriated by law and approved by the  
8 governor per month for medical benefits, life insurance and long-term disability benefits as  
9 provided pursuant to this section and sections 104.517 and 104.518. Such amounts shall include  
10 the cost of providing life insurance benefits for each active employee who is a member of the  
11 Missouri state employees' retirement system, a member of the public school retirement system  
12 and who is employed by a state agency other than an institution of higher learning, a member of  
13 the retirement system established by sections 287.812 to 287.855, the judicial retirement system,  
14 each legislator and official holding an elective state office, members not on payroll status who  
15 are receiving workers' compensation benefits, and if the state highways and transportation  
16 commission so elects, those employees who are members of the state transportation department  
17 employees' and highway patrol retirement system; if the state highways and transportation  
18 commission so elects to join the plan, the state shall contribute an amount as appropriated by law  
19 for medical benefits for those employees who are members of the transportation department  
20 employees' and highway patrol retirement system; an additional amount equal to the amount

21 required, based on competitive bidding or determined actuarially, to fund the retired members'  
22 death benefit or life insurance benefit, or both, provided in subsection 4 of this section and the  
23 disability benefits provided in section 104.518. This amount shall be reported as a separate item  
24 in the monthly certification of required contributions which the commissioner of administration  
25 submits to the state treasurer and shall be deposited to the separate account for medical, life  
26 insurance and disability benefits. All contributions made on behalf of members of the state  
27 transportation department employees' and highway patrol retirement system shall be made from  
28 highway funds. If the highways and transportation commission so elects, the spouses and  
29 unemancipated children under twenty-three years of age of employees who are members of the  
30 state transportation department employees' and highway patrol retirement system shall be able  
31 to participate in the program of insurance benefits to cover medical expenses pursuant to the  
32 provisions of subsection 3 of this section.

33         3. The board shall determine the premium amounts required for participating employees.  
34 The premium amounts shall be the amount, which, together with the state's contribution, is  
35 required to fund the benefits provided, taking into account necessary actuarial reserves. Separate  
36 premiums shall be established for employees' benefits and a separate premium or schedule of  
37 premiums shall be established for benefits for spouses and unemancipated children under  
38 twenty-three years of age of participating employees. The employee's premiums for spouse and  
39 children benefits shall be established to cover that portion of the cost of such benefits which is  
40 not paid for by contributions by the state. All such premium amounts shall be paid to the board  
41 of trustees at the time that each employee's wages or salary would normally be paid. The  
42 premium amounts so remitted will be placed in the separate account for medical, life insurance  
43 and disability benefits. In lieu of the availability of premium deductions, the board may establish  
44 alternative methods for the collection of premium amounts.

45         4. Each special consultant eligible for life benefits employed by a board of trustees of  
46 a retirement system as provided in section 104.610 who is a member of the Missouri state life  
47 insurance plan or Missouri state transportation department and Missouri state highway patrol life  
48 insurance plan shall, in addition to duties prescribed in section 104.610 or any other law, and  
49 upon request of the board of trustees, give the board, orally or in writing, a short detailed  
50 statement on life insurance and death benefit problems affecting retirees. As compensation for  
51 the extra duty imposed by this subsection, any special consultant as defined above, other than  
52 a special consultant entitled to a deferred normal annuity pursuant to section 104.035 or 104.335,  
53 who retires on or after September 28, 1985, shall receive as a part of compensation for these  
54 extra duties, a death benefit of five thousand dollars, and any special consultant who terminates  
55 employment on or after August 28, 1999, after reaching normal or early retirement age and  
56 becomes a retiree within ~~sixty~~ **sixty-five** days of such termination shall receive five thousand

57 dollars of life insurance coverage. In addition, each special consultant who is a member of the  
58 transportation department employees' and highway patrol retirement system medical insurance  
59 plan shall also provide the board, upon request of the board, orally or in writing, a short detailed  
60 statement on physical, medical and health problems affecting retirees. As compensation for this  
61 extra duty, each special consultant as defined above shall receive, in addition to all other  
62 compensation provided by law, nine dollars, or an amount equivalent to that provided to other  
63 special consultants pursuant to the provisions of section 103.115. In addition, any special  
64 consultant as defined in section 287.820 or section 476.601 who terminates employment and  
65 immediately retires on or after August 28, 1995, shall receive as a part of compensation for these  
66 duties, a death benefit of five thousand dollars and any special consultant who terminates  
67 employment on or after August 28, 1999, after reaching the age of eligibility to receive  
68 retirement benefits and becomes a retiree within ~~sixty~~ **sixty-five** days of such termination shall  
69 receive five thousand dollars of life insurance coverage.

70 5. Any former employee who is receiving disability income benefits from the Missouri  
71 state employees' retirement system or the transportation department employees' and highway  
72 patrol retirement system shall, upon application with the board of trustees of the Missouri  
73 consolidated health care plan or the transportation department employees and highway patrol  
74 medical plan, be made, constituted, appointed and employed by the respective board as a special  
75 consultant on the problems of the health of disability income recipients and, upon request of the  
76 board of trustees of each medical plan, give the board, orally or in writing, a short detailed  
77 statement of physical, medical and health problems affecting disability income recipients. As  
78 compensation for the extra duty imposed by this subsection, each such special consultant as  
79 defined in this subsection may receive, in addition to all other compensation provided by law,  
80 an amount contributed toward medical benefits coverage provided by the Missouri consolidated  
81 health care plan or the transportation employees and highway patrol medical plan pursuant to  
82 appropriations.

104.625. Effective July 1, 2002, any member retiring pursuant to the provisions of  
2 sections 104.010 to 104.801, except an elected official or a member of the general assembly, who  
3 has not been paid retirement benefits and continues employment for at least two years beyond  
4 normal retirement age, may elect to receive an annuity and lump sum payment or payments,  
5 determined as follows:

6 (1) A retroactive starting date shall be established which shall be a date selected by the  
7 member; provided, however, that the retroactive starting date selected by the member shall not  
8 be a date which is earlier than the date when a normal annuity would have first been payable.  
9 In addition, the retroactive starting date shall not be more than five years prior to the annuity  
10 starting date, which shall be the first day of the month with respect to which an amount is paid

11 as an annuity pursuant to this section. The member's selection of a retroactive starting date shall  
12 be done in twelve-month increments, except this restriction shall not apply when the member  
13 selects the total available time between the retroactive starting date and the annuity starting date;

14 (2) The prospective annuity payable as of the annuity starting date shall be determined  
15 pursuant to the provisions otherwise applicable under the law, with the exception that it shall be  
16 the amount which would have been payable had the member actually retired on the retroactive  
17 starting date under the retirement plan selected by the member. Other than for the lump sum  
18 payment or payments specified in subdivision (3) of this section, no other amount shall be due  
19 for the period between the retroactive starting date and the annuity starting date;

20 (3) The lump sum payable shall be ninety percent of the annuity amounts which would  
21 have been paid to the member from the retroactive starting date to the annuity starting date had  
22 the member actually retired on the retroactive starting date and received a normal annuity. The  
23 member shall ~~elect to~~ receive the lump sum amount ~~[either]~~ in its entirety at the same time as  
24 the initial annuity payment is made ~~[or in three equal annual installments with the first payment~~  
25 ~~made at the same time as the initial annuity payment]~~; **and**

26 (4) ~~[Any annuity payable pursuant to this section that is subject to a division of benefit~~  
27 ~~order pursuant to section 104.312 shall be calculated as follows:~~

28 ~~— (a) Any service of a member between the retroactive starting date and the annuity~~  
29 ~~starting date shall not be considered creditable service except for purposes of calculating the~~  
30 ~~division of benefit; and~~

31 ~~— (b) The lump sum payment described in subdivision (3) of this section shall not be~~  
32 ~~subject to any division of benefit order; and~~

33 ~~— (5)] For purposes of determining annual benefit increases payable as part of the lump~~  
34 ~~sum and annuity provided pursuant to this section, the retroactive starting date shall be~~  
35 ~~considered the member's date of retirement.~~

104.810. 1. Employees of the Missouri state water patrol who are earning creditable  
2 service in the closed plan of the Missouri state employees' retirement system and who are  
3 transferred to the division of water patrol with the Missouri state highway patrol shall elect  
4 within ninety days of January 1, 2011, to either remain a member of the Missouri state  
5 employees' retirement system or transfer membership and creditable service to the closed plan  
6 of the Missouri department of transportation and highway patrol employees' retirement system.  
7 The election shall be made in writing after the employee has received a detailed analysis  
8 comparing retirement, life insurance, disability benefits, and medical benefits of a member of the  
9 Missouri state employees' retirement system with the corresponding benefits provided an  
10 employee of the highway patrol covered by the closed plan of the Missouri department of  
11 transportation and highway patrol employees' retirement system. In electing plan membership

12 the employee shall acknowledge and agree that an election made under this subsection is  
13 irrevocable, and constitutes a waiver to receive retirement, life insurance, disability benefits, and  
14 medical benefits except as provided by the system elected by the employee. Furthermore, in  
15 connection with the election, the employee shall be required to acknowledge that the benefits  
16 provided by virtue of membership in either system, and any associated costs to the employee,  
17 may be different now or in the future as a result of the election and that the employee agrees to  
18 hold both systems harmless with regard to benefit differences resulting from the election. **If an  
19 employee terminates employment and later returns to the same position, the employee shall  
20 be a member of the system in which he or she was a member prior to termination. If the  
21 employee returns to any other job, the employee shall be a member of the system that  
22 currently covers that position.**

23 2. Employees of the Missouri state water patrol who are earning credited service in the  
24 year 2000 plan of the Missouri state employees' retirement system and who are transferred to the  
25 division of water patrol with the Missouri state highway patrol shall elect within ninety days of  
26 January 1, 2011, to either remain a member of the Missouri state employees' retirement system  
27 or transfer membership and creditable service to the year 2000 plan of the Missouri department  
28 of transportation and highway patrol employees' retirement system. The election shall be made  
29 in writing after the employee has received a detailed analysis comparing retirement, life  
30 insurance, disability benefits, and medical benefits of a member of the Missouri state employees'  
31 retirement system with the corresponding benefits provided an employee of the highway patrol  
32 covered by the year 2000 plan of the Missouri department of transportation and highway patrol  
33 employees' retirement system. In electing plan membership the employee shall acknowledge and  
34 agree that an election made under this subsection is irrevocable, and constitutes a waiver to  
35 receive retirement, life insurance, disability benefits, and medical benefits except as provided by  
36 the system elected by the employee. Furthermore, in connection with the election, the employee  
37 shall be required to acknowledge that the benefits provided by virtue of membership in either  
38 system, and any associated costs to the employee, may be different now or in the future as a  
39 result of the election and that the employee agrees to hold both systems harmless with regard to  
40 benefit differences resulting from the election.

41 3. The Missouri state employees' retirement system shall pay to the Missouri department  
42 of transportation and highway patrol employees' retirement system, by June 30, 2011, an amount  
43 actuarially determined to equal the liability at the time of the transfer for any employee who  
44 elects under subsection 1 or 2 of this section to transfer to the Missouri department of  
45 transportation and highway patrol employees' retirement system, to the extent that liability is  
46 funded as of the most recent actuarial valuation and based on the actuarial value of assets not to  
47 exceed one hundred percent.

48           4. In no event shall any employee receive service credit for the same period of service  
49 under more than one retirement system as a result of the provisions of this section.

50           5. The only medical coverage available for any employee who elects under subsection  
51 1 or 2 of this section to transfer to the Missouri department of transportation and highway patrol  
52 employees' retirement system shall be the medical coverage provided in section 104.270. The  
53 effective date for commencement of medical coverage shall be July 1, 2011. However, this does  
54 not preclude medical coverage for the transferred employee as a dependent under any other  
55 health care plan.

56           6. Any employee who elects under subsection 1 or 2 of this section to transfer to the  
57 Missouri department of transportation and highway patrol employees' retirement system and who  
58 is also thereafter a uniformed member of the highway patrol shall be subject to the mandatory  
59 retirement age stated in section 104.081.

          104.1003. 1. Unless a different meaning is plainly required by the context, the following  
2 words and phrases as used in sections 104.1003 to 104.1093 shall mean:

3           (1) "Act", the year 2000 plan created by sections 104.1003 to 104.1093;

4           (2) "Actuary", an actuary who is experienced in retirement plan financing and who is  
5 either a member of the American Academy of Actuaries or an enrolled actuary under the  
6 Employee Retirement Income Security Act of 1974;

7           (3) "Annuity", annual benefit amounts, paid in equal monthly installments, from funds  
8 provided for in, or authorized by, sections 104.1003 to 104.1093;

9           (4) "Annuity starting date" means the first day of the first month with respect to which  
10 an amount is paid as an annuity pursuant to sections 104.1003 to 104.1093;

11           (5) "Beneficiary", any persons or entities entitled to receive an annuity or other benefit  
12 pursuant to sections 104.1003 to 104.1093 based upon the employment record of another person;

13           (6) "Board of trustees", "board", or "trustees", a governing body or bodies established  
14 for the year 2000 plan pursuant to sections 104.1003 to 104.1093;

15           (7) "Closed plan", a benefit plan created pursuant to this chapter and administered by a  
16 system prior to July 1, 2000. No person first employed on or after July 1, 2000, shall become  
17 a member of the closed plan, but the closed plan shall continue to function for the benefit of  
18 persons covered by and remaining in the closed plan and their beneficiaries;

19           (8) "Consumer price index", the Consumer Price Index for All Urban Consumers for the  
20 United States, or its successor index, as approved by the board, as such index is defined and  
21 officially reported by the United States Department of Labor, or its successor agency;

22           (9) "Credited service", the total credited service to a member's credit as provided in  
23 sections 104.1003 to 104.1093; except that in no case shall more than one day of credited service

24 be credited to any member or vested former member for any one calendar day of eligible credit  
25 as provided by law;

26 (10) "Department", any department or agency of the executive, legislative, or judicial  
27 branch of the state of Missouri receiving state appropriations, including allocated funds from the  
28 federal government but not including any body corporate or politic unless its employees are  
29 eligible for retirement coverage from a system pursuant to this chapter as otherwise provided by  
30 law;

31 (11) "Early retirement eligibility", a member's attainment of fifty-seven years of age and  
32 the completion of at least five years of credited service;

33 (12) "Effective date", July 1, 2000;

34 (13) "Employee" shall be any person who is employed by a department and is paid a  
35 salary or wage by a department in a position normally requiring the performance of duties of not  
36 less than one thousand forty hours per year, provided:

37 (a) The term "employee" shall not include any patient or inmate of any state, charitable,  
38 penal or correctional institution, or any person who is employed by a department in a position  
39 that is covered by a state-sponsored defined benefit retirement plan not created by this chapter;

40 (b) The term "employee" shall be modified as provided by other provisions of sections  
41 104.1003 to 104.1093;

42 (c) The system shall consider a person who is employed in multiple positions  
43 simultaneously within a single agency to be working in a single position for purposes of  
44 determining whether the person is an employee as defined in this subdivision; **and**

45 (d) ~~[Beginning September 1, 2001, the term "year" as used in this subdivision shall mean~~  
46 ~~the twelve-month period beginning on the first day of employment;~~

47 ~~——(e)]~~ The term "employee" shall include any person as defined under paragraph (b) of  
48 subdivision (21) of subsection 1 of section 104.010 who is first employed on or after July 1,  
49 2000, but prior to August 28, 2007;

50 (14) "Employer", a department;

51 (15) "Executive director", the executive director employed by a board established  
52 pursuant to the provisions of sections 104.1003 to 104.1093;

53 (16) "Final average pay", the average pay of a member for the thirty-six full consecutive  
54 months of service before termination of employment when the member's pay was greatest; or if  
55 the member was on workers' compensation leave of absence or a medical leave of absence due  
56 to an employee illness, the amount of pay the member would have received but for such leave  
57 of absence as reported and verified by the employing department; or if the member was  
58 employed for less than thirty-six months, the average monthly pay of a member during the period  
59 for which the member was employed. The board of each system may promulgate rules for

60 purposes of calculating final average pay and other retirement provisions to accommodate for  
61 any state payroll system in which pay is received on a monthly, semimonthly, biweekly, or other  
62 basis;

63 (17) "Fund", a fund of the year 2000 plan established pursuant to sections 104.1003 to  
64 104.1093;

65 (18) "Investment return", or "interest", rates as shall be determined and prescribed from  
66 time to time by a board;

67 (19) "Member", a person who is included in the membership of the system, as set forth  
68 in section 104.1009;

69 (20) "Normal retirement eligibility", a member's attainment of at least sixty-two years  
70 of age and the completion of at least five or more years of credited service or, the attainment of  
71 at least forty-eight years of age with a total of years of age and years of credited service which  
72 is at least eighty or, in the case of a member of the highway patrol who shall be subject to the  
73 mandatory retirement provisions of section 104.080, the mandatory retirement age and  
74 completion of five years of credited service or, the attainment of at least forty-eight years of age  
75 with a total of years of age and years of credited service which is at least eighty;

76 (21) "Pay" shall include:

77 (a) All salary and wages payable to an employee for personal services performed for a  
78 department; but excluding:

79 a. Any amounts paid after an employee's employment is terminated, unless the payment  
80 is made as a final installment of salary or wages at the same rate as in effect immediately prior  
81 to termination of employment in accordance with a state payroll system adopted on or after  
82 January 1, 2000;

83 b. Any amounts paid upon termination of employment for unused annual leave or unused  
84 sick leave;

85 c. Pay in excess of the limitations set forth in Section 401(a)(17) of the Internal Revenue  
86 Code of 1986 as amended and other applicable federal laws or regulations;

87 d. Any nonrecurring single sum payments; and

88 e. Any amounts for which contributions have not been made in accordance with section  
89 104.1066;

90 (b) All salary and wages which would have been payable to an employee on workers'  
91 compensation leave of absence during the period the employee is receiving a weekly workers'  
92 compensation benefit, as reported and verified by the employing department;

93 (c) All salary and wages which would have been payable to an employee on a medical  
94 leave due to employee illness, as reported and verified by the employing department;



95 (d) For purposes of members of the general assembly, pay shall be the annual salary  
96 provided to each senator and representative pursuant to section 21.140, plus any salary  
97 adjustment pursuant to section 21.140;

98 (e) **The board by its rules may further define "pay" in a manner consistent with**  
99 **this definition;**

100 (22) "Retiree", a person receiving an annuity from the year 2000 plan based upon the  
101 person's employment record;

102 (23) "State", the state of Missouri;

103 (24) "System" or "retirement system", the Missouri state employees' retirement system  
104 or the Missouri department of transportation and highway patrol employees' retirement system,  
105 as the case may be;

106 (25) "Vested former member", a person entitled to receive a deferred annuity pursuant  
107 to section 104.1036;

108 (26) "Year 2000 plan", the benefit plan created by sections 104.1003 to 104.1093.

109 2. Benefits paid under the provisions of this chapter shall not exceed the limitations of  
110 Internal Revenue Code Section 415, the provisions of which are hereby incorporated by  
111 reference. Notwithstanding any other law to the contrary, the board of trustees may establish a  
112 benefit plan under Section 415(m) of the Internal Revenue Code of 1986, as amended. Such plan  
113 shall be created solely for the purposes described in Section 415(m)(3)(A) of the Internal  
114 Revenue Code of 1986, as amended. The board of trustees may promulgate regulations  
115 necessary to implement the provisions of this subsection and to create and administer such  
116 benefit plan.

104.1015. 1. Persons covered by a closed plan on July 1, 2000, shall elect whether or  
2 not to change to year 2000 plan coverage. Any such person who elects to be covered by the year  
3 2000 plan shall forfeit all rights to receive benefits under this chapter except as provided under  
4 the year 2000 plan and all creditable service of such person under the closed plan shall be  
5 credited under the year 2000 plan. Any such person who elects not to be covered by the year  
6 2000 plan shall waive all rights to receive benefits under the year 2000 plan. In no event shall  
7 any retroactive annuity be paid to such persons pursuant to sections 104.1003 to 104.1093 except  
8 as described in subsection 2 of this section. Any person who elects year 2000 plan coverage  
9 under subsection 3, 4, **or 5**~~[, or 6]~~ of this section shall be in the closed plan until the person's  
10 annuity starting date.

11 2. Each retiree of the closed plan on July 1, 2000, shall be furnished by the appropriate  
12 system a written comparison of the retiree's closed plan coverage and the retiree's potential year  
13 2000 plan coverage. A retiree shall elect whether or not to change to year 2000 plan coverage  
14 by making a written election, on a form furnished by the appropriate board, and providing that

15 form to the system by no later than twelve months after July 1, 2000, and any retiree who fails  
16 to make such election within such time period shall be deemed to have elected to remain covered  
17 under the closed plan; provided the election must be after the retiree has received from the  
18 appropriate system such written comparison. The retirement option elected under the year 2000  
19 plan shall be the same as the retirement option elected under the closed plan, except any retiree  
20 who is receiving one of the options providing for a continuing lifetime annuity to a surviving  
21 spouse under the closed plan may elect to receive an annuity under option 1 or 2 of section  
22 104.1027, or a life annuity under subsection 2 of section 104.1024, provided the person who was  
23 married to the member at the time of retirement, if any, consents in writing to such election made  
24 pursuant to section 104.1024, or to any election described in this section if the person was  
25 married to a member of the Missouri state employees' retirement system. The effective date of  
26 payment of an annuity under the year 2000 plan as provided in this subsection shall begin on July  
27 1, 2000. No adjustment shall be made to retirement benefits paid to the retiree prior to July 1,  
28 2000. In order to calculate a new monthly annuity for retirees electing coverage under the year  
29 2000 plan pursuant to this subsection, the following calculations shall be made:

30 (1) Except as otherwise provided in this subsection, the retiree's gross monthly  
31 retirement annuity in effect immediately prior to July 1, 2000, shall be multiplied by the  
32 percentage increase in the life annuity formula between the closed plan and the year 2000 plan.  
33 This amount shall be added to the retiree's gross monthly retirement annuity in effect  
34 immediately prior to July 1, 2000, to arrive at the retiree's new monthly retirement annuity in the  
35 year 2000 plan on July 1, 2000. The age of eligibility and reduction factors applicable to the  
36 retiree's original annuity under the closed plan shall remain the same in the annuity payable under  
37 the year 2000 plan, except as provided in subdivision (2) of this subsection;

38 (2) If option 1 or 2 pursuant to section 104.1027 is chosen by the retiree under the year  
39 2000 plan, the new monthly retirement annuity calculated pursuant to subdivision (1) of this  
40 subsection shall be recalculated using the reduction factors for the option chosen pursuant to  
41 section 104.1027;

42 (3) If a temporary annuity is payable pursuant to subsection 4 of section 104.1024 the  
43 additional temporary annuity shall be calculated by multiplying the retiree's credited service by  
44 the retiree's final average pay by eight-tenths of one percent;

45 (4) Cost-of-living adjustments paid pursuant to section 104.1045 will commence on the  
46 anniversary of the retiree's annuity starting date coincident with or next following July 1, 2000;

47 (5) Any retiree or other person described in this section who elects coverage under the  
48 year 2000 plan based on service rendered as a member of the general assembly or as a statewide  
49 elected official shall receive an annuity under the year 2000 plan calculated pursuant to the

50 provisions of section 104.1084 using the current monthly pay at the time of the election with  
51 future COLAs calculated pursuant to subsection 7 of section 104.1084.

52         3. Each person who is an employee and covered by the closed plan and not a retiree of  
53 the closed plan on July 1, 2000, shall elect whether or not to change to year 2000 plan coverage  
54 prior to the last business day of the month before the person's annuity starting date, and if such  
55 election has not been made within such time, annuity payments due beginning on and after the  
56 month of the annuity starting date shall be made the month following the receipt by the  
57 appropriate system of such election and any other information required by the year 2000 plan  
58 created by sections 104.1003 to 104.1093; provided, such election must be after the person has  
59 received from the year 2000 plan a written comparison of the person's closed plan coverage and  
60 the person's potential year 2000 plan coverage and the election must be made in writing on a  
61 form furnished by the appropriate board. If such person dies after the annuity starting date but  
62 before making such election and providing such other information, no benefits shall be paid  
63 except as required pursuant to section 104.420 or subsection 2 of section 104.372 for members  
64 of the general assembly.

65         4. Each person who is not an employee and not a retiree and is eligible for a deferred  
66 annuity from the closed plan on July 1, 2000, shall elect whether or not to change to the year  
67 2000 plan coverage prior to the last business day of the month before the person's annuity  
68 starting date, and if such election has not been made within such time, annuity payments due  
69 beginning on and after the month of the annuity starting date shall be made the month following  
70 the receipt by the appropriate system of such election and any other information required by the  
71 year 2000 plan created by sections 104.1003 to 104.1093; provided, the election must be after  
72 the person has received from the year 2000 plan a written comparison of the person's closed plan  
73 coverage and the person's potential year 2000 plan coverage and the election must be made in  
74 writing on a form furnished by the appropriate board. If such person dies after the annuity  
75 starting date but before making such election and providing such other information, no benefits  
76 shall be paid except as required pursuant to section 104.420 or subsection 2 of section 104.372  
77 for members of the general assembly.

78         5. Each person who is not an employee and not a retiree and is eligible for a deferred  
79 annuity from the closed plan and returns to covered employment on or after July 1, 2000, shall  
80 be covered under the closed plan; provided, such person shall elect whether or not to change to  
81 the year 2000 plan coverage prior to the last business day of the month before the person's  
82 annuity starting date, and if such election has not been made within such time, annuity payments  
83 due beginning on and after the month of the annuity starting date shall be made the month  
84 following the receipt by the appropriate system of such election and any other information  
85 required by the year 2000 plan created by sections 104.1003 to 104.1093 and the election must

86 be after the person has received from the year 2000 plan a written comparison of the person's  
87 closed plan coverage and the person's potential year 2000 plan coverage and the election must  
88 be made in writing on a form furnished by the appropriate board. If such person dies after the  
89 annuity starting date but before making such election and providing such other information, no  
90 benefits shall be paid except as required under section 104.420 or subsection 2 of section  
91 104.372 for members of the general assembly.

92 6. Each person who is not an employee and not a retiree and not eligible for a deferred  
93 annuity from the closed plan **or year 2000 plan** but has forfeited creditable service with the  
94 closed plan **or year 2000 plan** and becomes an employee on or after August 28, [2002] **2021**,  
95 shall be [~~changed to year 2000 plan coverage~~] **subject to the provisions of section 104.1091**  
96 and upon receiving credited service continuously for one year shall receive credited service for  
97 all such forfeited creditable service under the closed plan **or year 2000 plan**.

98 7. Each person who was employed as a member of the general assembly through  
99 December 31, 2000, covered under the closed plan, and has served at least two full biennial  
100 assemblies as defined in subdivision (25) of subsection 1 of section 104.010 but who is not  
101 eligible for a deferred annuity under the closed plan shall be eligible to receive benefits under  
102 the new plan pursuant to subdivision (5) of subsection 2 of this section upon meeting the age  
103 requirements under the new plan.

104 8. The retirees and persons described in subsections 2 and 4 of this section shall be  
105 eligible for benefits under those subsections pursuant to subsection 8 of section 104.610.

106 9. A member may change a member's plan election made under this section at any time  
107 prior to the system mailing or electronically transferring the first annuity payment to such  
108 member.

104.1018. 1. When a member is no longer employed in a position covered by the  
2 system, membership in the system shall thereupon cease. If a member has five or more years of  
3 credited service upon such member's termination of membership, such member shall be a vested  
4 former member entitled to a deferred annuity pursuant to section 104.1036, **except as otherwise**  
5 **provided in subsection 7 of section 104.1024**. If a member has fewer than five years of  
6 credited service upon termination of membership, such former member's credited service shall  
7 be forfeited, provided that if such former member becomes reemployed in a position covered by  
8 the system, such former member shall again become a member of the system [~~and the forfeited~~  
9 ~~credited service shall be restored after receiving creditable service continuously for one year]~~  
10 **subject to the provisions of section 104.1091 and upon receiving credited service**  
11 **continuously for one year, such former member shall receive credited service for all such**  
12 **forfeited service.**

13           2. Upon a member becoming a retiree, membership shall cease and, except as otherwise  
14 provided in section 104.1039, the person shall not again become a member of the system.

15           3. If a vested former member becomes reemployed in a position covered by the system  
16 before such vested former member's annuity starting date, membership shall be restored with the  
17 previous credited service and increased by such reemployment.

          104.1024. 1. Any member who terminates employment may retire on or after attaining  
2 normal retirement eligibility by making application in written form and manner approved by the  
3 appropriate board. The written application shall set forth the annuity starting date which shall  
4 not be earlier than the first day of the second month following the month of the execution and  
5 filing of the member's application for retirement nor later than the first day of the fourth month  
6 following the month of the execution and filing of the member's application for retirement. The  
7 payment of the annuity shall be made the last working day of each month, providing all  
8 documentation required under section 104.1027 for the calculation and payment of the benefits  
9 is received by the board.

10           2. A member's annuity shall be paid in the form of a life annuity, except as provided in  
11 section 104.1027, and shall be an amount for life equal to one and seven-tenths percent of the  
12 final average pay of the member multiplied by the member's years of credited service.

13           3. The life annuity defined in subsection 2 of this section shall not be less than a monthly  
14 amount equal to fifteen dollars multiplied by the member's full years of credited service.

15           4. If as of the annuity starting date of a member who has attained normal retirement  
16 eligibility the sum of the member's years of age and years of credited service equals eighty or  
17 more years and if the member's age is at least forty-eight years but less than sixty-two years, or,  
18 in the case of a member of the highway patrol who shall be subject to the mandatory retirement  
19 provision of section 104.080, the mandatory retirement age and completion of five years of  
20 credited service, then in addition to the life annuity described in subsection 2 of this section, the  
21 member shall receive a temporary annuity equal to eight-tenths of one percent of the member's  
22 final average pay multiplied by the member's years of credited service. The temporary annuity  
23 and any cost-of-living adjustments attributable to the temporary annuity pursuant to section  
24 104.1045 shall terminate at the end of the calendar month in which the earlier of the following  
25 events occurs: the member's death or the member's attainment of the earliest age of eligibility  
26 for reduced Social Security retirement benefits, but no later than age sixty-two.

27           5. The annuity described in subsection 2 of this section for any person who has credited  
28 service not covered by the federal Social Security Act, as provided in ~~sections 105.300 to~~  
29 ~~105.430~~ **subdivision (1) of subsection 7 of section 104.342**, shall be calculated as follows: the  
30 life annuity shall be an amount equal to two and five-tenths percent of the final average pay of  
31 the member multiplied by the number of years of service not covered by the federal Social

32 Security Act in addition to one and seven-tenths percent of the final average pay of the member  
33 multiplied by the member's years of credited service covered by the federal Social Security Act.

34 6. Effective July 1, 2002, any member, except an elected official or a member of the  
35 general assembly, who has not been paid retirement benefits and continues employment for at  
36 least two years beyond the date of normal retirement eligibility, may elect to receive an annuity  
37 and lump sum payment or payments, determined as follows:

38 (1) A retroactive starting date shall be established which shall be a date selected by the  
39 member; provided, however, that the retroactive starting date selected by the member shall not  
40 be a date which is earlier than the date when a normal annuity would have first been payable.  
41 In addition, the retroactive starting date shall not be more than five years prior to the annuity  
42 starting date. The member's selection of a retroactive starting date shall be done in twelve-month  
43 increments, except this restriction shall not apply when the member selects the total available  
44 time between the retroactive starting date and the annuity starting date;

45 (2) The prospective annuity payable as of the annuity starting date shall be determined  
46 pursuant to the provisions of this section, with the exception that it shall be the amount which  
47 would have been payable at the annuity starting date had the member actually retired on the  
48 retroactive starting date under the retirement plan selected by the member. Other than for the  
49 lump sum payment or payments specified in subdivision (3) of this subsection, no other amount  
50 shall be due for the period between the retroactive starting date and the annuity starting date;

51 (3) The lump sum payable shall be ninety percent of the annuity amounts which would  
52 have been paid to the member from the retroactive starting date to the annuity starting date had  
53 the member actually retired on the retroactive starting date and received a life annuity. The  
54 member shall ~~elect to~~ receive the lump sum amount ~~either~~ in its entirety at the same time as  
55 the initial annuity payment is made ~~[or in three equal annual installments with the first payment~~  
56 ~~made at the same time as the initial annuity payment]; and~~

57 (4) ~~[Any annuity payable pursuant to this section that is subject to a division of benefit~~  
58 ~~order pursuant to section 104.1051 shall be calculated as follows:~~

59 ~~—— (a) Any service of a member between the retroactive starting date and the annuity~~  
60 ~~starting date shall not be considered credited service except for purposes of calculating the~~  
61 ~~division of benefit; and~~

62 ~~—— (b) The lump sum payment described in subdivision (3) of this section shall not be~~  
63 ~~subject to any division of benefit order; and~~

64 ~~—— (5)] For purposes of determining annual benefit increases payable as part of the lump~~  
65 ~~sum and annuity provided pursuant to this section, the retroactive starting date shall be~~  
66 ~~considered the member's date of retirement.~~

67           **7. Any vested former member who terminated employment after attaining normal**  
68 **retirement eligibility shall be considered a member for the purposes of this section.**

104.1051. 1. Any annuity provided pursuant to the year 2000 plan is marital property  
2 and a court of competent jurisdiction may divide such annuity between the parties to any action  
3 for dissolution of marriage if at the time of the dissolution the member has at least five years of  
4 credited service pursuant to sections 104.1003 to 104.1093. A division of benefits order issued  
5 pursuant to this section:

6           (1) Shall not require the applicable retirement system to provide any form or type of  
7 annuity or retirement plan not selected by the member;

8           (2) Shall not require the applicable retirement system to commence payments until the  
9 member's annuity starting date;

10           (3) Shall identify the monthly amount to be paid to the former spouse, which shall be  
11 expressed as a percentage and which shall not exceed fifty percent of the amount of the member's  
12 annuity accrued during all or part of the period of the marriage of the member and former spouse,  
13 **excluding service accrued under subsection 2 of section 104.1021**, and which shall be based  
14 on the member's vested annuity on the date of the dissolution of marriage or an earlier date as  
15 specified in the order, which amount shall be adjusted proportionately upon the annuity starting  
16 date if the member's annuity is reduced due to the receipt of an early retirement annuity or the  
17 member's annuity is reduced pursuant to section 104.1027 under an annuity option in which the  
18 member named the alternate payee as beneficiary prior to the dissolution of marriage;

19           (4) Shall not require the payment of an annuity amount to the member and former spouse  
20 which in total exceeds the amount which the member would have received without regard to the  
21 order;

22           (5) Shall provide that any annuity increases, additional years of credited service,  
23 increased final average pay, increased pay pursuant to subsections 2 and 5 of section 104.1084,  
24 or other type of increases accrued after the date of the dissolution of marriage and any temporary  
25 annuity received pursuant to subsection 4 of section 104.1024 shall accrue solely to the benefit  
26 of the member; except that on or after September 1, 2001, any cost-of-living adjustment (COLA)  
27 due after the annuity starting date shall not be considered to be an increase accrued after the date  
28 of termination of marriage and shall be part of the monthly amount subject to division pursuant  
29 to any order issued after September 1, 2001;

30           (6) Shall terminate upon the death of either the member or the former spouse, whichever  
31 occurs first;

32           (7) Shall not create an interest which is assignable or subject to any legal process;

33           (8) Shall include the name, address, and date of birth of both the member and the former  
34 spouse, and the identity of the retirement system to which it applies;

35 (9) Shall be consistent with any other division of benefits orders which are applicable  
36 to the same member;

37 (10) Shall not require the applicable retirement system to continue payments to the  
38 alternate payee if the member's retirement benefit is suspended or waived as provided by this  
39 chapter but such payments shall resume when the retiree begins to receive retirement benefits  
40 in the future.

41 2. A system shall provide the court having jurisdiction of a dissolution of a marriage  
42 proceeding or the parties to the proceeding with information necessary to issue a division of  
43 benefits order concerning a member of the system, upon written request from either the court,  
44 the member, or the member's spouse, citing this section and identifying the case number and  
45 parties.

46 3. A system shall have the discretionary authority to reject a division of benefits order  
47 for the following reasons:

48 (1) The order does not clearly state the rights of the member and the former spouse;

49 (2) The order is inconsistent with any law governing the retirement system.

50 4. Any member of the closed plan who elected the year 2000 plan pursuant to section  
51 104.1015 and then becomes divorced and subject to a division of benefits order shall have the  
52 division of benefits order calculated pursuant to the provisions of the year 2000 plan.

53 **5. Any annuity payable under section 104.1024 that is subject to a division of**  
54 **benefit order under this section shall be calculated as follows:**

55 **(a) In instances of divorce after retirement, any service or pay of a member between**  
56 **the retroactive starting date and the annuity starting date shall not be considered**  
57 **creditable service or pay; and**

58 **(b) The lump sum payment described in subdivision (3) of subsection 6 of section**  
59 **104.1024 shall not be subject to any division of benefit order.**

104.1060. 1. Should any error result in any person receiving more or less than the person  
2 would have been entitled to receive had the error not occurred, the board shall correct such error,  
3 and, as far as practicable, make future payments in such a manner that the actuarial equivalent  
4 of the annuity to which such person was entitled shall be paid, and to this end may recover any  
5 overpayments. In all cases in which such error has been made, no such error shall be corrected  
6 unless the system discovers or is notified of such error within ten years after the [initial]  
7 member's annuity starting date or the date of error, whichever occurs later. In cases of  
8 fraud, any error discovered shall be corrected without concern to the amount of time that  
9 has passed.



10           2. A person who knowingly makes a false statement, or falsifies or permits to be falsified  
11 a record of the system, in an attempt to defraud the system shall be subject to fine or  
12 imprisonment under the Missouri revised statutes.

13           3. A board shall not pay an annuity to any survivor or beneficiary who is charged with  
14 the intentional killing of a member, retiree or survivor without legal excuse or justification. A  
15 survivor or beneficiary who is convicted of such charge shall no longer be entitled to receive an  
16 annuity. If the survivor or beneficiary is not convicted of such charge, the board shall resume  
17 annuity payments and shall pay the survivor or beneficiary any annuity payments that were  
18 suspended pending resolution of such charge.

104.1066. 1. The year 2000 plan intends to follow a financing pattern which computes  
2 and requires contribution amounts which, expressed as percents of active member payroll, will  
3 remain approximately level from year to year and from one generation of citizens to the next  
4 generation. Such contribution determinations require regular actuarial valuations, which shall  
5 be made by the board's actuary, using assumptions and methods adopted by the board after  
6 consulting with its actuary. The entry age-normal cost valuation method shall be used in  
7 determining ~~the normal cost [and contributions for unfunded accrued liabilities shall be~~  
8 ~~determined using level percent of payroll amortization]~~ **calculation.** For purposes of this  
9 subsection and section 104.436, the actuary shall determine a single contribution rate applicable  
10 to both closed plan and year 2000 plan participants and, in determining such rate, make estimates  
11 of the probabilities of closed plan participants transferring to the year 2000 plan.

12           2. At least ninety days before each regular session of the general assembly, the board of  
13 the Missouri state employees' retirement system shall certify to the division of budget the  
14 contribution rate necessary to cover the liabilities of the year 2000 plan administered by such  
15 system, including costs of administration, expected to accrue during the next appropriation  
16 period. The commissioner of administration shall request appropriations based upon the  
17 contribution rate so certified. From appropriations so made, the commissioner of administration  
18 shall certify contribution amounts to the state treasurer who in turn shall immediately pay the  
19 contributions to the year 2000 plan.

20           3. The employers of members covered by the Missouri state employees' retirement  
21 system who are not paid out of funds that have been deposited in the state treasury shall remit  
22 following each pay period to the year 2000 plan an amount equal to the amount which the state  
23 would have paid if those members had been paid entirely from state funds. Such employers shall  
24 maintain payroll records for a minimum of five years and shall produce all such records as  
25 requested by the system. The system is authorized to request from the state office of  
26 administration an appropriation out of the annual budget of any such employer in the event such  
27 records indicate that such employer has not contributed the amounts required by this section.

28 The office of administration shall request such appropriation which shall be equal to the amount  
29 necessary to replace any shortfall in contributions as determined by the system. From  
30 appropriations so made, the commissioner of administration shall certify contribution amounts  
31 to the state treasurer who in turn shall immediately pay such contributions to the year 2000 plan.

32 4. At least ninety days before each regular session of the general assembly, the board of  
33 the transportation department and highway patrol retirement system shall certify to the  
34 department of transportation and the department of public safety the contribution rate necessary  
35 to cover the liabilities of the year 2000 plan administered by such system, including costs of  
36 administration, expected to accrue during the next biennial or other appropriation period. Each  
37 department shall include in its budget and in its request for appropriations for personal service  
38 the sum so certified to it by such board, and shall present the same to the general assembly for  
39 allowance. The sums so certified and appropriated, when available, shall be immediately paid  
40 to the system and deposited in the highway and transportation employees' and highway patrol  
41 retirement and benefit fund.

42 5. These amounts are funds of the year 2000 plan and shall not be commingled with any  
43 funds in the state treasury.

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:

3 (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  
9 highways and transportation employees' and highway patrol retirement system, in the amount  
10 equal to one times annual pay, subject to a minimum amount of fifteen thousand dollars. The  
11 board shall establish by rule or contract the method for determining the annual rate of pay and  
12 any other terms of such insurance as it deems necessary to implement the requirements pursuant  
13 to this section. Annual rate of pay shall not include overtime or any other irregular payments as  
14 determined by the board. Such life insurance shall provide for triple indemnity in the event the  
15 cause of death is a proximate result of a personal injury or disease arising out of and in the course  
16 of actual performance of duty as an employee;

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

20           2. (1) In addition to the life insurance authorized by the provisions of subsection 1 of  
21 this section, any person for whom life insurance is provided or contracted for pursuant to such  
22 subsection may purchase, at the person's own expense and only if monthly voluntary payroll  
23 deductions are authorized, additional life insurance at a cost to be stipulated in a contract with  
24 a private insurance company or as may be required by a system if the board of trustees  
25 determines that the system should provide such insurance itself. The maximum amount of  
26 additional life insurance which may be so purchased prior to January 1, 2004, is that amount  
27 which equals six times the amount of the person's annual rate of pay, subject to any maximum  
28 established by a board, except that if such maximum amount is not evenly divisible by one  
29 thousand dollars, then the maximum amount of additional insurance which may be purchased  
30 is the next higher amount evenly divisible by one thousand dollars. The maximum amount of  
31 additional life insurance which may be so purchased on or after January 1, 2004, is an amount  
32 to be stipulated in a contract with a private insurance company or as may be required by the  
33 system if the board of trustees determines that the system should provide the insurance itself.

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

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

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

55 amount of such insurance that may be retained shall be that amount permitted pursuant to  
56 subdivision (2) of this subsection.

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

69 4. The highways and transportation employees' and highway patrol retirement system  
70 may request the state highways and transportation commission to provide life insurance benefits  
71 as required in subsections 1 and 2 of this section. If the state highways and transportation  
72 commission agrees to the request, the highways and transportation employees' and highway  
73 patrol retirement system shall reimburse the state highways and transportation commission for  
74 any and all costs for life insurance provided pursuant to subdivision (2) of subsection 1 of this  
75 section. The person who is covered pursuant to subsection 2 of this section shall be solely  
76 responsible for the costs of any additional life insurance. In lieu of the life insurance benefit in  
77 subdivision (2) of subsection 1 of this section, the highways and transportation employees' and  
78 highway patrol retirement system is authorized in its sole discretion to provide a death benefit  
79 of five thousand dollars.

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

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

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

88 (3) The board and the system shall not be liable for life insurance benefits provided by  
89 an insurer or service organization pursuant to this section and shall not be subject to any cause  
90 of action with regard to life insurance benefits or the denial of life insurance benefits by the

91 insurer or service organization unless the member has obtained judgment against the insurer or  
92 service organization for life insurance benefits and the insurer or service organization is unable  
93 to satisfy that judgment.

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. For the purposes of section 104.1042, the service credit accrued by a member**  
50 **of the general assembly while receiving long-term disability benefits shall continue to**  
51 **accrue until the earliest of attainment of normal retirement age eligibility, termination of**  
52 **disability benefits, or the end of the member's constitutionally mandated limit on service**  
53 **as a member of the general assembly for the chamber in which the member was serving at**  
54 **the time of disablement.**

55 **11. For the purposes of section 104.1042, the service credit accrued by a statewide**  
56 **elected official while receiving long-term disability benefits shall continue to accrue until**  
57 **the earliest of attainment of normal retirement age eligibility, termination of disability**  
58 **benefits, or the end of the statewide elected official's constitutionally mandated limit on**  
59 **service as a statewide elected official for the office in which the statewide elected official**  
60 **was serving at the time of disablement.**

104.1091. 1. Notwithstanding any provision of the year 2000 plan to the contrary, each  
2 person who first becomes an employee on or after January 1, 2011, shall be a member of the year  
3 2000 plan subject to the provisions of this section.

4 2. A member's normal retirement eligibility shall be as follows:

5 (1) The member's attainment of at least age sixty-seven and the completion of at least  
6 ten years of credited service; or the member's attainment of at least age fifty-five with the sum  
7 of the member's age and credited service equaling at least ninety; or, in the case of a member  
8 who is serving as a uniformed member of the highway patrol and subject to the mandatory

9 retirement provisions of section 104.081, such member's attainment of at least age sixty or the  
10 attainment of at least age fifty-five with ten years of credited service;

11 (2) For members of the general assembly, the member's attainment of at least age  
12 sixty-two and the completion of at least three full biennial assemblies; or the member's  
13 attainment of at least age fifty-five with the sum of the member's age and credited service  
14 equaling at least ninety;

15 (3) For statewide elected officials, the official's attainment of at least age sixty-two and  
16 the completion of at least four years of credited service; or the official's attainment of at least age  
17 fifty-five with the sum of the official's age and credited service equaling at least ninety.

18 3. A vested former member's normal retirement eligibility shall be based on the  
19 attainment of at least age sixty-seven and the completion of at least ten years of credited service.

20 4. A temporary annuity paid pursuant to subsection 4 of section 104.1024 shall be  
21 payable if the member has attained at least age fifty-five with the sum of the member's age and  
22 credited service equaling at least ninety; or in the case of a member who is serving as a  
23 uniformed member of the highway patrol and subject to the mandatory retirement provisions of  
24 section 104.081, the temporary annuity shall be payable if the member has attained at least age  
25 sixty, or at least age fifty-five with ten years of credited service.

26 5. A member, other than a member who is serving as a uniformed member of the  
27 highway patrol and subject to the mandatory retirement provisions of section 104.081, shall be  
28 eligible for an early retirement annuity upon the attainment of at least age sixty-two and the  
29 completion of at least ten years of credited service. A vested former member **who terminated**  
30 **employment prior to the attainment of early retirement eligibility** shall not be eligible for  
31 early retirement.

32 6. The provisions of subsection 6 of section 104.1021 and section 104.344 as applied  
33 pursuant to subsection 7 of section 104.1021 and section 104.1090 shall not apply to members  
34 covered by this section.

35 7. The minimum credited service requirements of five years contained in sections  
36 104.1018, 104.1030, 104.1036, and 104.1051 shall be ten years for members covered by this  
37 section. The normal and early retirement eligibility requirements in this section shall apply for  
38 purposes of administering section 104.1087.

39 8. A member shall be required to contribute four percent of the member's pay to the  
40 retirement system, which shall stand to the member's credit in his or her individual account with  
41 the system, together with investment credits thereon, for purposes of funding retirement benefits  
42 payable under the year 2000 plan, subject to the following provisions:

43 (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C. Section  
44 414(h)(2), shall pick up and pay the contributions that would otherwise be payable by the

45 member under this section. The contributions so picked up shall be treated as employer  
46 contributions for purposes of determining the member's pay that is includable in the member's  
47 gross income for federal income tax purposes;

48 (2) Member contributions picked up by the employer shall be paid from the same source  
49 of funds used for the payment of pay to a member. A deduction shall be made from each  
50 member's pay equal to the amount of the member's contributions picked up by the employer.  
51 This deduction, however, shall not reduce the member's pay for purposes of computing benefits  
52 under the retirement system pursuant to this chapter;

53 (3) Member contributions so picked up shall be credited to a separate account within the  
54 member's individual account so that the amounts contributed pursuant to this section may be  
55 distinguished from the amounts contributed on an after-tax basis;

56 (4) The contributions, although designated as employee contributions, shall be paid by  
57 the employer in lieu of the contributions by the member. The member shall not have the option  
58 of choosing to receive the contributed amounts directly instead of having them paid by the  
59 employer to the retirement system;

60 (5) Interest shall be credited annually on June thirtieth based on the value in the account  
61 as of July first of the immediately preceding year at a rate of four percent. Effective June 30,  
62 2014, and each June thirtieth thereafter, the interest crediting rate shall be equal to the investment  
63 rate that is published by the United States Department of Treasury, or its successor agency, for  
64 fifty-two week treasury bills for the relevant auction that is nearest to the preceding July first, or  
65 a successor treasury bill investment rate as approved by the board if the fifty-two week treasury  
66 bill is no longer issued. Interest credits shall cease upon termination of employment if the  
67 member is not a vested former member. Otherwise, interest credits shall cease upon retirement  
68 or death;

69 (6) A vested former member or a former member who is not vested may request a refund  
70 of his or her contributions and interest credited thereon. If such member is married at the time  
71 of such request, such request shall not be processed without consent from the spouse. Such  
72 member is not eligible to request a refund if such member's retirement benefit is subject to a  
73 division of benefit order pursuant to section 104.1051. Such refund shall be paid by the system  
74 ~~[after]~~ **within an administratively reasonable period, but no sooner than** ninety days from  
75 the date of termination of employment ~~[or the request, whichever is later, and]~~ . **The amount**  
76 **refunded** shall include all **employee** contributions made to any retirement plan administered by  
77 the system and interest credited thereon. A vested former member may not request a refund after  
78 such member becomes eligible for normal retirement. A vested former member or a former  
79 member who is not vested who receives a refund shall forfeit all the member's credited service  
80 and future rights to receive benefits from the system and shall not be eligible to receive any



81 ~~[long-term]~~ disability benefits; provided that any member or vested former member receiving  
82 ~~[long-term]~~ disability benefits shall not be eligible for a refund. If such member subsequently  
83 becomes an employee and works continuously for at least one year, the credited service  
84 previously forfeited shall be restored if the member returns to the system the amount previously  
85 refunded plus interest at a rate established by the board;

86 (7) The beneficiary of any member who made contributions shall receive a refund upon  
87 the member's death equal to the amount, if any, of such contributions and interest credited  
88 thereon less any retirement benefits received by the member unless an annuity is payable to a  
89 survivor or beneficiary as a result of the member's death. In that event, the beneficiary of the  
90 survivor or beneficiary who received the annuity shall receive a refund upon the survivor's or  
91 beneficiary's death equal to the amount, if any, of the member's contributions less any annuity  
92 amounts received by the member and the survivor or beneficiary.

93 9. The employee contribution rate, the benefits provided under the year 2000 plan to  
94 members covered under this section, and any other provision of the year 2000 plan with regard  
95 to members covered under this section may be altered, amended, increased, decreased, or  
96 repealed, but only with respect to services rendered by the member after the effective date of  
97 such alteration, amendment, increase, decrease, or repeal, or, with respect to interest credits, for  
98 periods of time after the effective date of such alteration, amendment, increase, decrease, or  
99 repeal.

100 10. For purposes of members covered by this section, the options under section 104.1027  
101 shall be as follows:

102

103 Option 1.

104 A retiree's life annuity shall be reduced to a certain percent of the annuity otherwise  
105 payable. Such percent shall be eighty-eight and one half percent adjusted as follows: if the  
106 retiree's age on the annuity starting date is younger than sixty-seven years, an increase of  
107 three-tenths of one percent for each year the retiree's age is younger than age sixty-seven years;  
108 and if the beneficiary's age is younger than the retiree's age on the annuity starting date, a  
109 decrease of three-tenths of one percent for each year of age difference; and if the retiree's age is  
110 younger than the beneficiary's age on the annuity starting date, an increase of three-tenths of one  
111 percent for each year of age difference; provided, after all adjustments the option 1 percent  
112 cannot exceed ninety-four and one quarter percent. Upon the retiree's death, fifty percent of the  
113 retiree's reduced annuity shall be paid to such beneficiary who was the retiree's spouse on the  
114 annuity starting date or as otherwise provided by subsection 5 of this section.

115

116 Option 2.

117 A retiree's life annuity shall be reduced to a certain percent of the annuity otherwise  
118 payable. Such percent shall be eighty-one percent adjusted as follows: if the retiree's age on the  
119 annuity starting date is younger than sixty-seven years, an increase of four-tenths of one percent  
120 for each year the retiree's age is younger than sixty-seven years; and if the beneficiary's age is  
121 younger than the retiree's age on the annuity starting date, a decrease of five-tenths of one percent  
122 for each year of age difference; and if the retiree's age is younger than the beneficiary's age on  
123 the annuity starting date, an increase of five-tenths of one percent for each year of age difference;  
124 provided, after all adjustments the option 2 percent cannot exceed eighty-seven and three quarter  
125 percent. Upon the retiree's death one hundred percent of the retiree's reduced annuity shall be  
126 paid to such beneficiary who was the retiree's spouse on the annuity starting date or as otherwise  
127 provided by subsection 5 of this section.

128

129 Option 3.

130 A retiree's life annuity shall be reduced to ninety-three percent of the annuity otherwise  
131 payable. If the retiree dies before having received one hundred twenty monthly payments, the  
132 reduced annuity shall be continued for the remainder of the one hundred twenty-month period  
133 to the retiree's designated beneficiary provided that if there is no beneficiary surviving the retiree,  
134 the present value of the remaining annuity payments shall be paid as provided under subsection  
135 3 of section 104.620. If the beneficiary survives the retiree but dies before receiving the  
136 remainder of such one hundred twenty monthly payments, the present value of the remaining  
137 annuity payments shall be paid as provided under subsection 3 of section 104.620.

138

139 Option 4.

140 A retiree's life annuity shall be reduced to eighty-six percent of the annuity otherwise  
141 payable. If the retiree dies before having received one hundred eighty monthly payments, the  
142 reduced annuity shall be continued for the remainder of the one hundred eighty-month period to  
143 the retiree's designated beneficiary provided that if there is no beneficiary surviving the retiree,  
144 the present value of the remaining annuity payments shall be paid as provided under subsection  
145 3 of section 104.620. If the beneficiary survives the retiree but dies before receiving the  
146 remainder of such one hundred eighty monthly payments, the present value of the remaining  
147 annuity payments shall be paid as provided under subsection 3 of section 104.620.

148 11. The provisions of subsection 6 of section 104.1024 shall not apply to members  
149 covered by this section.

150 12. Effective January 1, 2018, a member who is not a statewide elected official or a  
151 member of the general assembly shall be eligible for retirement under this subsection subject to  
152 the following conditions:

153 (1) A member's normal retirement eligibility shall be based on the attainment of at least  
154 age sixty-seven and the completion of at least five years of credited service; or the member's  
155 attainment of at least age fifty-five with the sum of the member's age and credited service  
156 equaling at least ninety; or in the case of a member who is serving as a uniformed member of the  
157 highway patrol and subject to the mandatory retirement provisions of section 104.081, such  
158 member's attainment of at least age sixty or the attainment of at least age fifty-five with five  
159 years of credited service;

160 (2) A vested former member's normal retirement eligibility shall be based on the  
161 attainment of at least age sixty-seven and the completion of at least five years of credited service;  
162 **except that, a vested former member who terminates employment after the attainment of**  
163 **normal retirement eligibility as defined in subdivision (1) of this subsection shall be**  
164 **covered under such subdivision;**

165 (3) A temporary annuity paid under subsection 4 of section 104.1024 shall be payable  
166 if the member has attained at least age fifty-five with the sum of the member's age and credited  
167 service equaling at least ninety; or in the case of a member who is serving as a uniformed  
168 member of the highway patrol and subject to the mandatory retirement provisions of section  
169 104.081, the temporary annuity shall be payable if the member has attained at least age sixty, or  
170 at least age fifty-five with five years of credited service;

171 (4) A member, other than a member who is serving as a uniformed member of the  
172 highway patrol and subject to the mandatory retirement provisions of section 104.081, shall be  
173 eligible for an early retirement annuity upon the attainment of at least age sixty-two and the  
174 completion of at least five years of credited service. A vested former member **who terminated**  
175 **employment prior to the attainment of early retirement eligibility** shall not be eligible for  
176 early retirement;

177 (5) The normal and early retirement eligibility requirements in this subsection shall apply  
178 for purposes of administering section 104.1087;

179 (6) The survivor annuity payable under section 104.1030 for vested former members  
180 **who terminated employment prior to the attainment of early retirement eligibility and who**  
181 **are** covered by this section shall not be payable until the deceased member would have reached  
182 his or her normal retirement eligibility under this subsection;

183 (7) The annual cost-of-living adjustment payable under section 104.1045 shall not  
184 commence until the second anniversary of [~~a vested former member's~~] the annuity starting date  
185 for **vested former members who terminated employment prior to the attainment of early**  
186 **retirement eligibility and who are** covered by this subsection;

187 (8) The unused sick leave credit granted under subsection 2 of section 104.1021 shall  
188 not apply to members covered by this subsection unless the member terminates employment after

189 reaching normal retirement eligibility or becoming eligible for an early retirement annuity under  
190 this subsection; and

191 (9) The minimum credited service requirements of five years contained in sections  
192 104.1018, 104.1030, 104.1036, and 104.1051 shall be five years for members covered by this  
193 subsection.

476.521. 1. Notwithstanding any provision of chapter 476 to the contrary, each person  
2 who first becomes a judge on or after January 1, 2011, and continues to be a judge may receive  
3 benefits as provided in sections 476.445 to 476.688 subject to the provisions of this section.

4 2. Any person who is at least sixty-seven years of age, has served in this state an  
5 aggregate of at least twelve years, continuously or otherwise, as a judge, and ceases to hold office  
6 by reason of the expiration of the judge's term, voluntary resignation, or retirement pursuant to  
7 the provisions of Subsection 2 of Section 24 of Article V of the Constitution of Missouri may  
8 receive benefits as provided in sections 476.515 to 476.565. The twelve-year requirement of this  
9 subsection may be fulfilled by service as judge in any of the courts covered, or by service in any  
10 combination as judge of such courts, totaling an aggregate of twelve years. Any judge who is  
11 at least sixty-seven years of age and who has served less than twelve years and is otherwise  
12 qualified under sections 476.515 to 476.565 may retire after reaching age sixty-seven, or  
13 thereafter, at a reduced retirement compensation in a sum equal to the proportion of the  
14 retirement compensation provided in section 476.530 that his or her period of judicial service  
15 bears to twelve years.

16 3. Any person who is at least sixty-two years of age or older, has served in this state an  
17 aggregate of at least twenty years, continuously or otherwise, as a judge, and ceases to hold office  
18 by reason of the expiration of the judge's term, voluntary resignation, or retirement pursuant to  
19 the provisions of Subsection 2 of Section 24 of Article V of the Constitution of Missouri may  
20 receive benefits as provided in sections 476.515 to 476.565. The twenty-year requirement of this  
21 subsection may be fulfilled by service as a judge in any of the courts covered, or by service in  
22 any combination as judge of such courts, totaling an aggregate of twenty years. Any judge who  
23 is at least sixty-two years of age and who has served less than twenty years and is otherwise  
24 qualified under sections 476.515 to 476.565 may retire after reaching age sixty-two, at a reduced  
25 retirement compensation in a sum equal to the proportion of the retirement compensation  
26 provided in section 476.530 that his or her period of judicial service bears to twenty years.

27 4. All judges under this section required by the provisions of Section 26 of Article V of  
28 the Constitution of Missouri to retire at the age of seventy years shall retire upon reaching that  
29 age.

30 5. The provisions of sections 104.344, 476.524, and 476.690 shall not apply to judges  
31 covered by this section.

32           6. A judge shall be required to contribute four percent of the judge's compensation to the  
33 retirement system, which shall stand to the judge's credit in his or her individual account with  
34 the system, together with investment credits thereon, for purposes of funding retirement benefits  
35 payable as provided in sections 476.515 to 476.565, subject to the following provisions:

36           (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C. Section  
37 414(h)(2), shall pick up and pay the contributions that would otherwise be payable by the judge  
38 under this section. The contributions so picked up shall be treated as employer contributions for  
39 purposes of determining the judge's compensation that is includable in the judge's gross income  
40 for federal income tax purposes;

41           (2) Judge contributions picked up by the employer shall be paid from the same source  
42 of funds used for the payment of compensation to a judge. A deduction shall be made from each  
43 judge's compensation equal to the amount of the judge's contributions picked up by the employer.  
44 This deduction, however, shall not reduce the judge's compensation for purposes of computing  
45 benefits under the retirement system pursuant to this chapter;

46           (3) Judge contributions so picked up shall be credited to a separate account within the  
47 judge's individual account so that the amounts contributed pursuant to this section may be  
48 distinguished from the amounts contributed on an after-tax basis;

49           (4) The contributions, although designated as employee contributions, are being paid by  
50 the employer in lieu of the contributions by the judge. The judge shall not have the option of  
51 choosing to receive the contributed amounts directly instead of having them paid by the employer  
52 to the retirement system;

53           (5) Interest shall be credited annually on June thirtieth based on the value in the account  
54 as of July first of the immediately preceding year at a rate of four percent. **Effective June 30,**  
55 **2022, and each June thirtieth thereafter, the interest crediting rate shall be equal to the**  
56 **investment rate that is published by the United States Department of the Treasury, or its**  
57 **successor agency, for fifty-two-week treasury bills for the relevant auction that is nearest**  
58 **to the preceding July first, or a successor treasury bill investment rate as approved by the**  
59 **board if the fifty-two-week treasury bill is no longer issued.** Interest credits shall cease upon  
60 retirement **or death** of the judge;

61           (6) A judge whose employment is terminated may request a refund of his or her  
62 contributions and interest credited thereon. If such judge is married at the time of such request,  
63 such request shall not be processed without consent from the spouse. A judge is not eligible to  
64 request a refund if the judge's retirement benefit is subject to a division of benefit order pursuant  
65 to section 104.312. Such refund shall be paid by the system after ninety days from the date of  
66 termination of employment or the request, whichever is later and shall include all contributions  
67 made to any retirement plan administered by the system and interest credited thereon. A judge

68 may not request a refund after such judge becomes eligible for retirement benefits under sections  
69 476.515 to 476.565. A judge who receives a refund shall forfeit all the judge's service and future  
70 rights to receive benefits from the system and shall not be eligible to receive any long-term  
71 disability benefits; provided that any judge or former judge receiving long-term disability  
72 benefits shall not be eligible for a refund. If such judge subsequently becomes a judge and works  
73 continuously for at least one year, the service previously forfeited shall be restored if the judge  
74 returns to the system the amount previously refunded plus interest at a rate established by the  
75 board;

76 (7) The beneficiary of any judge who made contributions shall receive a refund upon the  
77 judge's death equal to the amount, if any, of such contributions **and any interest credited**  
78 **thereon**, less any retirement benefits received by the judge unless an annuity is payable to a  
79 survivor or beneficiary as a result of the judge's death. In that event, the beneficiary of the  
80 survivor or beneficiary who received the annuity shall receive a refund upon the survivor's or  
81 beneficiary's death equal to the amount, if any, of the judge's contributions less any annuity  
82 amounts received by the judge and the survivor or beneficiary.

83 7. The employee contribution rate, the benefits provided under sections 476.515 to  
84 476.565 to judges covered under this section, and any other provision of sections 476.515 to  
85 476.565 with regard to judges covered under this section may be altered, amended, increased,  
86 decreased, or repealed, but only with respect to services rendered by the judge after the effective  
87 date of such alteration, amendment, increase, decrease, or repeal, or, with respect to interest  
88 credits, for periods of time after the effective date of such alteration, amendment, increase,  
89 decrease, or repeal.

90 8. Any judge who is receiving retirement compensation under section 476.529 or  
91 476.530 who becomes employed as an employee eligible to participate in the closed plan or in  
92 the year 2000 plan under chapter 104, shall not receive such retirement compensation for any  
93 calendar month in which the retired judge is so employed. Any judge who is receiving  
94 retirement compensation under section 476.529 or section 476.530 who subsequently serves as  
95 a judge as defined pursuant to subdivision (4) of subsection 1 of section 476.515 shall not  
96 receive such retirement compensation for any calendar month in which the retired judge is  
97 serving as a judge; except that upon retirement such judge's annuity shall be recalculated to  
98 include any additional service or salary accrued based on the judge's subsequent service. A judge  
99 who is receiving compensation under section 476.529 or 476.530 may continue to receive such  
100 retirement compensation while serving as a senior judge or senior commissioner and shall  
101 receive additional credit and salary for such service pursuant to section 476.682.

~~2 [104.130. Upon the death of a retired member, the board shall pay to such~~  
~~3 member's designated beneficiaries or to his estate a death benefit equal to the~~  
~~excess, if any, of the accumulated contributions of the member at retirement over~~

4 ~~the total amount of retirement benefits received by such member prior to his~~  
5 ~~death.]~~

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