

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
CONFERENCE COMMITTEE SUBSTITUTE FOR
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR

SENATE BILL NO. 62

99TH GENERAL ASSEMBLY
2017

0457S.09T

AN ACT

To repeal sections 52.290, 86.207, 104.1091, 104.1205, 105.669, 137.280, 137.345, 140.100, 169.141, 169.324, 169.460, 169.490, 169.560, and 169.715, RSMo, and to enact in lieu thereof fifteen new sections relating to public employee retirement, with penalty provisions and delayed effective dates for certain sections.

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

Section A. Sections 52.290, 86.207, 104.1091, 104.1205, 105.669, 137.280, 137.345, 140.100, 169.141, 169.324, 169.460, 169.490, 169.560, and 169.715, RSMo, are repealed and fifteen new sections enacted in lieu thereof, to be known as sections 52.290, 86.207, 104.1091, 104.1092, 104.1205, 105.669, 137.280, 137.345, 140.100, 169.141, 169.324, 169.460, 169.490, 169.560, and 169.715, to read as follows:

52.290. 1. In all counties except counties having a charter form of government before January 1, 2008, and any city not within a county, the collector shall collect on behalf of the county a fee for the collection of delinquent and back taxes of ~~[seven]~~ **nine** percent on all sums collected to be added to the face of the tax bill and collected from the party paying the tax. ~~[Two-sevenths]~~ **Of the nine percent** of the fees collected pursuant to the provisions of this section, **two-ninths** shall be paid into the county general fund, ~~[two-sevenths of the fees collected pursuant to the provisions of this section]~~ **two-ninths** shall be paid into the tax maintenance fund of the county as required by section 52.312,

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

10 and [three-sevenths of the fees collected pursuant to the provisions of this
11 section] **five-ninths** shall be paid into the county employees' retirement fund
12 created by sections 50.1000 to 50.1200. Notwithstanding provisions of law to the
13 contrary, an authorization for collection of a fee for the collection of delinquent
14 and back taxes in a county's charter, at a rate different than the rate allowed by
15 law, shall control.

16 2. In all counties having a charter form of government, other than any
17 county adopting a charter form of government after January 1, 2008, and any city
18 not within a county, the collector shall collect on behalf of the county and pay into
19 the county general fund a fee for the collection of delinquent and back taxes of
20 two percent on all sums collected to be added to the face of the tax bill and
21 collected from the party paying the tax except that in a county with a charter
22 form of government and with more than two hundred fifty thousand but less than
23 seven hundred thousand inhabitants, the collector shall collect on behalf of the
24 county a fee for the collection of delinquent and back taxes of three percent on all
25 sums collected to be added to the face of the tax bill and collected from the party
26 paying the tax. If a county is required by section 52.312 to establish a tax
27 maintenance fund, one-third of the fees collected under this subsection shall be
28 paid into that fund; otherwise, all fees collected under the provisions of this
29 subsection shall be paid into the county general fund.

30 3. Such county collector may accept credit cards as proper form of
31 payment of outstanding delinquent and back taxes due. No county collector may
32 charge a surcharge for payment by credit card.

86.207. 1. Except as provided herein, all persons who become policemen
2 and all policemen who enter or reenter the service of any city not within a county
3 after the first day of October, 1957, become members **of the system** as a
4 condition of their employment and **during the period of their membership**
5 shall receive no pensions or retirement allowance from any other pension or
6 retirement system supported wholly or in part by the city not within a county or
7 the state of Missouri, nor shall they be required to make contributions under any
8 other pension or retirement system of the city not within a county or the state of
9 Missouri for the same period of service[, anything to the contrary
10 notwithstanding. Any employee of a city not within a county who is earning
11 creditable service in a retirement plan established by said city under section
12 95.540 and subsequently becomes a policeman may elect to remain a member of
13 said retirement plan and shall not be required to become a member of a police

14 retirement system established under section 86.200. However,]. **Officers**
15 **employed by a city not within a county and occupying the position of**
16 **"Airport Police Officer" shall not be required to become members as a**
17 **condition of their employment.** An employee of a city not within a county
18 who is earning creditable service in a retirement plan established by said city
19 under section 95.540 and who subsequently becomes a policeman may elect to
20 transfer [membership and] creditable service to the police retirement system
21 created under [section] **sections 86.200 to 86.366.** Such transfers are subject
22 to the conditions and requirements contained in section 105.691 and are also
23 subject to any existing agreements between the said retirement plans[; provided
24 however, transfers completed prior to January 1, 2016, shall occur without regard
25 to the vesting requirements of the receiving plan contained in section 105.691].
26 As part of the transfer process described herein, the respective retirement plans
27 may require the employee to acknowledge and agree as a condition of transfer
28 that any election made under this section is irrevocable, constitutes a waiver of
29 any right to receive retirement and disability benefits except as provided by the
30 police retirement system, and that plan terms may be modified in the future.

31 2. If any member ceases to be in service for more than one year unless the
32 member has attained the age of fifty-five or has twenty years or more of
33 creditable service, or if the member withdraws the member's accumulated
34 contributions or if the member receives benefits under the retirement system or
35 dies, the member thereupon ceases to be a member; except in the case of a
36 member who has served in the Armed Forces of the United States and has
37 subsequently been reinstated as a policeman. A member who has terminated
38 employment as a police officer, has actually retired and is receiving retirement
39 benefits under the system shall be considered a retired member.

40 3. A reserve officer shall not be considered a member of the system for the
41 purpose of determining creditable service, nor shall any contributions be due. A
42 reserve officer shall not be entitled to any benefits from the system other than
43 those awarded when the reserve officer originally retired under section 86.250,
44 nor shall service as a reserve officer prohibit distribution of those benefits.

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

6 completion of at least ten years of credited service; or the member's attainment
7 of at least age fifty-five with the sum of the member's age and credited service
8 equaling at least ninety; or, in the case of a member who is serving as a
9 uniformed member of the highway patrol and subject to the mandatory retirement
10 provisions of section 104.081, such member's attainment of at least age sixty or
11 the attainment of at least age fifty-five with ten years of credited service;

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

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

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

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

30 5. A member, other than a member who is serving as a uniformed member
31 of the highway patrol and subject to the mandatory retirement provisions of
32 section 104.081, shall be eligible for an early retirement annuity upon the
33 attainment of at least age sixty-two and the completion of at least ten years of
34 credited service. A vested former member shall not be eligible for early
35 retirement.

36 6. The provisions of subsection 6 of section 104.1021 and section 104.344
37 as applied pursuant to subsection 7 of section 104.1021 and section 104.1090 shall
38 not apply to members covered by this section.

39 7. The minimum credited service requirements of five years contained in
40 sections 104.1018, 104.1030, 104.1036, and 104.1051 shall be ten years for
41 members covered by this section. The normal and early retirement eligibility

42 requirements in this section shall apply for purposes of administering section
43 104.1087.

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

49 (1) The state of Missouri employer, pursuant to the provisions of 26 U.S.C.
50 Section 414(h)(2), shall pick up and pay the contributions that would otherwise
51 be payable by the member under this section. The contributions so picked up
52 shall be treated as employer contributions for purposes of determining the
53 member's pay that is includable in the member's gross income for federal income
54 tax purposes;

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

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

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

69 (5) Interest shall be credited annually on June thirtieth based on the
70 value in the account as of July first of the immediately preceding year at a rate
71 of four percent. Effective June 30, 2014, and each June thirtieth thereafter, the
72 interest crediting rate shall be equal to the investment rate that is published by
73 the United States Department of Treasury, or its successor agency, for fifty-two
74 week treasury bills for the relevant auction that is nearest to the preceding July
75 first, or a successor treasury bill investment rate as approved by the board if the
76 fifty-two week treasury bill is no longer issued. Interest credits shall cease upon
77 termination of employment if the member is not a vested former

78 member. Otherwise, interest credits shall cease upon retirement or death;

79 (6) A vested former member or a former member who is not vested may
80 request a refund of his or her contributions and interest credited thereon. If such
81 member is married at the time of such request, such request shall not be
82 processed without consent from the spouse. Such member is not eligible to
83 request a refund if such member's retirement benefit is subject to a division of
84 benefit order pursuant to section 104.1051. Such refund shall be paid by the
85 system after ninety days from the date of termination of employment or the
86 request, whichever is later, and shall include all contributions made to any
87 retirement plan administered by the system and interest credited thereon. A
88 vested former member may not request a refund after such member becomes
89 eligible for normal retirement. A vested former member or a former member who
90 is not vested who receives a refund shall forfeit all the member's credited service
91 and future rights to receive benefits from the system and shall not be eligible to
92 receive any long-term disability benefits; provided that any member or vested
93 former member receiving long-term disability benefits shall not be eligible for a
94 refund. If such member subsequently becomes an employee and works
95 continuously for at least one year, the credited service previously forfeited shall
96 be restored if the member returns to the system the amount previously refunded
97 plus interest at a rate established by the board;

98 (7) The beneficiary of any member who made contributions shall receive
99 a refund upon the member's death equal to the amount, if any, of such
100 contributions and interest credited thereon less any retirement benefits received
101 by the member unless an annuity is payable to a survivor or beneficiary as a
102 result of the member's death. In that event, the beneficiary of the survivor or
103 beneficiary who received the annuity shall receive a refund upon the survivor's
104 or beneficiary's death equal to the amount, if any, of the member's contributions
105 less any annuity amounts received by the member and the survivor or beneficiary.

106 9. The employee contribution rate, the benefits provided under the year
107 2000 plan to members covered under this section, and any other provision of the
108 year 2000 plan with regard to members covered under this section may be
109 altered, amended, increased, decreased, or repealed, but only with respect to
110 services rendered by the member after the effective date of such alteration,
111 amendment, increase, decrease, or repeal, or, with respect to interest credits, for
112 periods of time after the effective date of such alteration, amendment, increase,
113 decrease, or repeal.

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

116 Option 1. A retiree's life annuity shall be reduced to a certain percent of
117 the annuity otherwise payable. Such percent shall be eighty-eight and one half
118 percent adjusted as follows: if the retiree's age on the annuity starting date is
119 younger than sixty-seven years, an increase of three-tenths of one percent for
120 each year the retiree's age is younger than age sixty-seven years; and if the
121 beneficiary's age is younger than the retiree's age on the annuity starting date,
122 a decrease of three-tenths of one percent for each year of age difference; and if the
123 retiree's age is younger than the beneficiary's age on the annuity starting date,
124 an increase of three-tenths of one percent for each year of age difference;
125 provided, after all adjustments the option 1 percent cannot exceed ninety-four and
126 one quarter percent. Upon the retiree's death, fifty percent of the retiree's
127 reduced annuity shall be paid to such beneficiary who was the retiree's spouse on
128 the annuity starting date or as otherwise provided by subsection 5 of this section.

129 Option 2. A retiree's life annuity shall be reduced to a certain percent of
130 the annuity otherwise payable. Such percent shall be eighty-one percent adjusted
131 as follows: if the retiree's age on the annuity starting date is younger than sixty-
132 seven years, an increase of four-tenths of one percent for each year the retiree's
133 age is younger than sixty-seven years; and if the beneficiary's age is younger than
134 the retiree's age on the annuity starting date, a decrease of five-tenths of one
135 percent for each year of age difference; and if the retiree's age is younger than the
136 beneficiary's age on the annuity starting date, an increase of five-tenths of one
137 percent for each year of age difference; provided, after all adjustments the option
138 2 percent cannot exceed eighty-seven and three quarter percent. Upon the
139 retiree's death one hundred percent of the retiree's reduced annuity shall be paid
140 to such beneficiary who was the retiree's spouse on the annuity starting date or
141 as otherwise provided by subsection 5 of this section.

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

150 the present value of the remaining annuity payments shall be paid as provided
151 under subsection 3 of section 104.620.

152 Option 4. A retiree's life annuity shall be reduced to eighty-six percent of
153 the annuity otherwise payable. If the retiree dies before having received one
154 hundred eighty monthly payments, the reduced annuity shall be continued for the
155 remainder of the one hundred eighty-month period to the retiree's designated
156 beneficiary provided that if there is no beneficiary surviving the retiree, the
157 present value of the remaining annuity payments shall be paid as provided under
158 subsection 3 of section 104.620. If the beneficiary survives the retiree but dies
159 before receiving the remainder of such one hundred eighty monthly payments, the
160 present value of the remaining annuity payments shall be paid as provided under
161 subsection 3 of section 104.620.

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

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

168 **(1) A member's normal retirement eligibility shall be based on**
169 **the attainment of at least age sixty-seven and the completion of at least**
170 **five years of credited service; or the member's attainment of at least**
171 **age fifty-five with the sum of the member's age and credited service**
172 **equaling at least ninety; or, in the case of a member who is serving as**
173 **a uniformed member of the highway patrol and subject to the**
174 **mandatory retirement provisions of section 104.081, such member's**
175 **attainment of at least age sixty or the attainment of at least age fifty-**
176 **five with five years of credited service;**

177 **(2) A vested former member's normal retirement eligibility shall**
178 **be based on the attainment of at least age sixty-seven and the**
179 **completion of at least five years of credited service;**

180 **(3) A temporary annuity paid under subsection 4 of section**
181 **104.1024 shall be payable if the member has attained at least age fifty-**
182 **five with the sum of the member's age and credited service equaling at**
183 **least ninety; or, in the case of a member who is serving as a uniformed**
184 **member of the highway patrol and subject to the mandatory retirement**
185 **provisions of section 104.081, the temporary annuity shall be payable**

186 if the member has attained at least age sixty, or at least age fifty-five
187 with five years of credited service;

188 (4) A member, other than a member who is serving as a
189 uniformed member of the highway patrol and subject to the mandatory
190 retirement provisions of section 104.081, shall be eligible for an early
191 retirement annuity upon the attainment of at least age sixty-two and
192 the completion of at least five years of credited service. A vested
193 former member shall not be eligible for early retirement;

194 (5) The normal and early retirement eligibility requirements in
195 this subsection shall apply for purposes of administering section
196 104.1087;

197 (6) The survivor annuity payable under section 104.1030 for
198 vested former members covered by this section shall not be payable
199 until the deceased member would have reached his or her normal
200 retirement eligibility under this subsection;

201 (7) The annual cost-of-living adjustment payable under section
202 104.1045 shall not commence until the second anniversary of a vested
203 former member's annuity starting date for members covered by this
204 subsection;

205 (8) The unused sick leave credit granted under subsection 2 of
206 section 104.1021 shall not apply to members covered by this subsection
207 unless the member terminates employment after reaching normal
208 retirement eligibility or becoming eligible for an early retirement
209 annuity under this subsection; and

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

104.1092. 1. In lieu of retirement annuity benefits otherwise
2 payable under the closed plan or year 2000 plan, any member who has
3 terminated employment, is entitled to a deferred annuity, and has not
4 yet reached normal retirement age or eligibility may make a one-time
5 election to receive a lump sum payment equal to a percentage of the
6 present value of such member's deferred annuity should a board choose
7 to establish such a program by board rule pursuant to section 104.1063.

8 2. Any such election under subsection 1 of this section may be
9 made by the member beginning on a date as established by the board
10 under such program but not after May 31, 2018. After May 31, 2018, no

11 such election shall be made and retirement annuity benefits shall only
12 be paid as otherwise provided by law under this chapter.

13 **3. Any such member making such election under subsection 1 of**
14 **this section shall forfeit all such member's creditable or credited**
15 **service and future rights to receive retirement annuity benefits from**
16 **the system under this chapter and shall not be eligible to receive any**
17 **long-term disability benefits. If such member subsequently becomes an**
18 **employee, such member shall be considered a new employee with no**
19 **prior credited service and shall be subject to the provisions of section**
20 **104.1091.**

104.1205. The board of trustees of the Missouri state employees'
2 retirement system shall:

3 (1) Establish a defined contribution plan for outside employees which,
4 among other things, provides for immediate vesting;

5 (2) Select a third-party administrator to provide such services as the
6 board determines to be necessary for the proper administration of the defined
7 contribution plan;

8 (3) Select the investment products which shall be made available to the
9 participants in the defined contribution plan;

10 (4) Annually establish the contribution rate used for purposes of
11 subsection 3 of section 104.1066 for employees of institutions who are other than
12 outside employees, which shall be done by considering all such employees to be
13 part of the general employee population within the Missouri state employees'
14 retirement system;

15 (5) Establish the contribution rate for outside employees which shall be
16 equal to [one] six percent of payroll [less than the normal cost contribution rate
17 established pursuant to subdivision (4) of this section; and];

18 **(6) Require outside employees hired on or after July 1, 2018, to**
19 **contribute two percent of the employee's pay to the defined**
20 **contribution plan which shall be credited to a separate account within**
21 **the outside employee's individual account. The employing institution,**
22 **pursuant to the provisions of 26 U.S.C. Section 414(h)(2), shall pick up**
23 **and pay such contributions. The contributions so picked up shall be**
24 **treated as employer contributions for purposes of determining the**
25 **outside employee's pay that is includable in the outside employee's**
26 **gross income for federal income tax purposes. The outside employee's**

27 contributions picked up by the employing institution shall be:

28 (a) Paid from the same source of funds used for the payment of
29 pay to an outside employee. A deduction shall be made from each
30 outside employee's pay equal to the amount of the outside employee's
31 contributions picked up by the employing institution; and

32 (b) Paid by the employing institution in lieu of the contributions
33 by the outside employee, although designated as employee
34 contributions. The outside employee shall not have the option of
35 choosing to receive the contributed amounts directly instead of having
36 them paid by the employing institution to the defined contribution
37 plan;

38 (7) Establish such rules and regulations as may be necessary to carry out
39 the purposes of this section; and

40 (8) Allow outside employees to contribute to a supplemental
41 account established by the employer. Such employees may elect to
42 change the contribution rate in accordance with the terms of the
43 supplemental account.

105.669. 1. Any participant of a plan who is [found guilty] **convicted** of
2 a felony offense listed in subsection 3 of this section, which is committed in direct
3 connection with or directly related to the participant's duties as an employee on
4 or after August 28, 2014, shall not be eligible to receive any retirement benefits
5 from the respective plan based on service rendered on or after August 28, 2014,
6 except a participant may still request from the respective retirement system a
7 refund of the participant's plan contributions, including interest credited to the
8 participant's account.

9 2. [Upon a finding of guilt, the court shall forward a notice of the court's
10 finding to] **The employer of any participant who is charged or convicted**
11 **of a felony offense listed in subsection 3 of this section, which is**
12 **committed in direct connection with or directly related to the**
13 **participant's duties as an employee on or after August 28, 2014, shall**
14 **notify** the appropriate retirement system in which the offender was a
15 participant[. The court shall also make a determination on the value of the
16 money, property, or services involved in committing the offense] **and provide**
17 **information in connection with such charge or conviction.** The plans
18 shall take all actions necessary to implement the provisions of this section.

19 3. [The finding of guilt for] **A felony conviction based on any of the**

20 following offenses or a substantially similar offense provided under federal law
 21 shall result in the ineligibility of retirement benefits as provided in subsection 1
 22 of this section:

23 (1) The offense of felony stealing under section 570.030 when such offense
 24 involved money, property, or services valued at five thousand dollars or more [as
 25 determined by the court];

26 (2) The offense of felony receiving stolen property under section 570.080,
 27 **as it existed before January 1, 2017**, when such offense involved money,
 28 property, or services valued at five thousand dollars or more [as determined by
 29 the court];

30 (3) The offense of forgery under section 570.090;

31 (4) The offense of felony counterfeiting under section 570.103;

32 (5) The offense of bribery of a public servant under section 576.010; or

33 (6) The offense of acceding to corruption under section 576.020.

137.280. 1. Taxpayers' personal property lists, except those of merchants
 2 and manufacturers, and except those of railroads, public utilities, pipeline
 3 companies or any other person or corporation subject to special statutory
 4 requirements, such as chapter 151, who shall return and file their assessments
 5 on locally assessed property no later than April first, shall be delivered to the
 6 office of the assessor of the county between the first day of January and the first
 7 day of March each year and shall be signed and certified by the taxpayer as being
 8 a true and complete list or statement of all the taxable tangible personal
 9 property. If any person shall fail to deliver the required list to the assessor by
 10 the first day of March, the owner of the property which ought to have been listed
 11 shall be assessed a penalty added to the tax bill, based on the assessed value of
 12 the property that was not reported, as follows:

13	Assessed Valuation			Penalty
14	0	-	\$1,000	[\$10.00] \$15.00
15	\$1,001	-	\$2,000	[\$20.00] \$25.00
16	\$2,001	-	\$3,000	[\$30.00] \$35.00
17	\$3,001	-	\$4,000	[\$40.00] \$45.00
18	\$4,001	-	\$5,000	[\$50.00] \$55.00
19	\$5,001	-	\$6,000	[\$60.00] \$65.00
20	\$6,001	-	\$7,000	[\$70.00] \$75.00
21	\$7,001	-	\$8,000	[\$80.00] \$85.00
22	\$8,001	-	\$9,000	[\$90.00] \$95.00

23 \$9,001 and above [~~\$100.00~~] **\$105.00**

24 The assessor in any county of the first classification without a charter form of
25 government with a population of one hundred thousand or more inhabitants
26 which contains all or part of a city with a population of three hundred fifty
27 thousand or more inhabitants shall omit assessing the penalty in any case where
28 he **or she** is satisfied the neglect is unavoidable and not willful or falls into one
29 of the following categories. The assessor in all other political subdivisions shall
30 omit assessing the penalty in any case where he **or she** is satisfied the neglect
31 falls into at least one of the following categories:

- 32 (1) The taxpayer is in military service and is outside the state;
33 (2) The taxpayer filed timely, but in the wrong county;
34 (3) There was a loss of records due to fire or flood;
35 (4) The taxpayer can show the list was mailed timely as evidenced by the
36 date of postmark; [or]
37 (5) The assessor determines that no form for listing personal property was
38 mailed to the taxpayer for that tax year; or
39 (6) The neglect occurred as a direct result of the actions or inactions of the
40 county or its employees or contractors.

41 2. Between March first and April first, the assessor shall send to each
42 taxpayer who was sent an assessment list for the current tax year, and said list
43 was not returned to the assessor, a second notice that statutes require the
44 assessment list be returned immediately. In the event the taxpayer returns the
45 assessment list to the assessor before May first, the penalty described in
46 subsection 1 of this section shall not apply. If said assessment list is not
47 returned before May first by the taxpayer, the penalty shall apply.

48 3. It shall be the duty of the county commission and assessor to place on
49 the assessment rolls for the year all personal property discovered in the calendar
50 year which was taxable on January first of that year.

51 **4. If annual waivers exceed forty percent then by February first**
52 **of each year, the assessor shall transmit to the county employees'**
53 **retirement fund an electronic or paper copy of the log maintained**
54 **under subsection 3 of section 50.1020 for the prior calendar year.**

137.345. 1. If any person, corporation, partnership or association neglects
2 or refuses to deliver an itemized statement or list of all the taxable tangible
3 personal property signed and certified by the taxpayer, as required by section
4 137.340, by the first day of March, [they] **the taxpayer** shall be assessed a

5 penalty added to the tax bill, based on the assessed value of the property that
6 was not reported, as follows:

7	Assessed Valuation			Penalty
8	0	-	\$1,000	[\$10.00] \$15.00
9	\$1,001	-	\$2,000	[\$20.00] \$25.00
10	\$2,001	-	\$3,000	[\$30.00] \$35.00
11	\$3,001	-	\$4,000	[\$40.00] \$45.00
12	\$4,001	-	\$5,000	[\$50.00] \$55.00
13	\$5,001	-	\$6,000	[\$60.00] \$65.00
14	\$6,001	-	\$7,000	[\$70.00] \$75.00
15	\$7,001	-	\$8,000	[\$80.00] \$85.00
16	\$8,001	-	\$9,000	[\$90.00] \$95.00
17	\$9,001		and above	[\$100.00] \$105.00

18 The assessor in any county of the first classification without a charter form of
19 government with a population of one hundred thousand or more inhabitants
20 which contains all or part of a city with a population of three hundred fifty
21 thousand or more inhabitants shall omit assessing the penalty in any case where
22 he **or she** is satisfied the neglect is unavoidable and not willful or falls into one
23 of the following categories. The assessor in all other political subdivisions shall
24 omit assessing the penalty in any case where he **or she** is satisfied the neglect
25 falls into at least one of the following categories:

- 26 (1) The taxpayer is in military service and is outside the state;
27 (2) The taxpayer filed timely, but in the wrong county;
28 (3) There was a loss of records due to fire, theft, fraud or flood;
29 (4) The taxpayer can show the list was mailed timely as evidenced by the
30 date of postmark; [or]
31 (5) The assessor determines that no form for listing personal property was
32 mailed to the taxpayer for that tax year; or
33 (6) The neglect occurred as a direct result of the actions or inactions of the
34 county or its employees or contractors.

35 2. It shall be the duty of the county commission and assessor to place on
36 the assessment rolls for the year all property discovered in the calendar year
37 which was taxable on January first of that year.

38 3. Between March first and April first, the assessor shall send to each
39 taxpayer who was sent an assessment list for the current tax year, and said list
40 was not returned to the assessor, a second notice that statutes require that the

41 assessment list be returned immediately. In the event the taxpayer returns the
42 assessment list to the assessor before May first, the penalty described in
43 subsection 1 of this section shall not apply. If said assessment list is not
44 returned before May first by the taxpayer, the penalty shall apply.

45 4. The assessor, in the absence of the owner failing to deliver a required
46 list of property is not required to furnish to the owner a duplicate of the
47 assessment as made.

48 5. In every instance where a taxpayer has appealed to the board of
49 equalization or the state tax commission the assessment of the taxpayer's
50 property, real or personal, and that appeal has been successful, then in the next
51 following and all subsequent years the basis upon which the assessor must base
52 future assessments of the subject property shall be the basis established by the
53 successful appeal and any increases must be established from that basis.

140.100. 1. Each tract of land in the back tax book, in addition to the
2 amount of tax delinquent, shall be charged with a penalty of eighteen percent of
3 each year's delinquency except that the penalty on lands redeemed prior to sale
4 shall not exceed two percent per month or fractional part thereof.

5 2. For making and recording the delinquent land lists, the collector and
6 the clerk shall receive ten cents per tract or lot and the clerk shall receive five
7 cents per tract or lot for comparing and authenticating such list.

8 **3. In all counties except counties having a charter form of**
9 **government before January 1, 2008, and any city not within a county,**
10 **in addition to the amount collected in subsection 2 of this section, for**
11 **making and recording the delinquent land lists, the collector and the**
12 **clerk shall each receive five dollars per tract or lot. The ten dollars**
13 **shall be paid into the county employees' retirement fund established**
14 **pursuant to section 50.1010.**

169.141. 1. Any person receiving a retirement allowance under sections
2 169.010 to 169.140, and who elected a reduced retirement allowance under
3 subsection 3 of section 169.070 with his **or her** spouse as the nominated
4 beneficiary, may nominate a successor beneficiary under either of the following
5 circumstances:

6 (1) If the nominated beneficiary precedes the retired person in death, the
7 retired person may, upon remarriage, nominate the new spouse under the same
8 option elected in the application for retirement;

9 (2) If the marriage of the retired person and the nominated beneficiary is

10 dissolved, and if the dissolution decree provides for sole retention by the retired
11 person of all rights in the retirement allowance, the retired person may, upon
12 remarriage, nominate the new spouse under the same option elected in the
13 application for retirement.

14 2. Any nomination of a successor beneficiary under subdivision (1) or (2)
15 of subsection 1 of this section must be made in accordance with procedures
16 established by the board of trustees, and must be filed within ninety days of May
17 6, 1993, or within [ninety days] **one year** of the remarriage, whichever later
18 occurs. Upon receipt of a successor nomination filed in accordance with those
19 procedures, the board shall adjust the retirement allowance to reflect actuarial
20 considerations of that nomination as well as previous beneficiary and successor
21 beneficiary nominations.

22 **3. Any person receiving a retirement allowance under sections**
23 **169.010 to 169.140 who elected a reduced retirement allowance under**
24 **subsection 3 of section 169.070 with his or her spouse as the nominated**
25 **beneficiary may have the retirement allowance increased to the amount**
26 **the retired member would be receiving had the retired member elected**
27 **option 1 if:**

28 **(1) The marriage of the retired person and the nominated spouse**
29 **is dissolved on or after September 1, 2017;**

30 **(2) The dissolution decree provides for sole retention by the**
31 **retired person of all rights in the retirement allowance; and**

32 **(3) The person receives a retirement allowance under subsection**
33 **3 of section 169.070.**

34 **Any such increase in the retirement allowance shall be effective upon**
35 **the receipt of an application for such increase and a certified copy of**
36 **the decree of dissolution that meets the requirements of this section.**

169.324. 1. The annual service retirement allowance payable pursuant
2 to section 169.320 shall be the retirant's number of years of creditable service
3 multiplied by a percentage of the retirant's average final compensation,
4 determined as follows:

5 (1) A retirant whose last employment as a regular employee ended prior
6 to June 30, 1999, shall receive an annual service retirement allowance payable
7 pursuant to section 169.320 in equal monthly installments for life equal to the
8 retirant's number of years of creditable service multiplied by one and three-
9 fourths percent of the person's average final compensation, subject to a maximum

10 of sixty percent of the person's average final compensation;

11 (2) A retirant whose number of years of creditable service is greater than
12 thirty-four and one-quarter on August 28, 1993, shall receive an annual service
13 retirement allowance payable pursuant to section 169.320 in equal monthly
14 installments for life equal to the retirant's number of years of creditable service
15 as of August 28, 1993, multiplied by one and three-fourths percent of the person's
16 average final compensation but shall not receive a greater annual service
17 retirement allowance based on additional years of creditable service after August
18 28, 1993;

19 (3) A retirant who was an active member of the retirement system at any
20 time on or after June 30, 1999, and who either retires before January 1, 2014, or
21 is a member of the retirement system on December 31, 2013, and remains a
22 member continuously to retirement shall receive an annual service retirement
23 allowance payable pursuant to section 169.320 in equal monthly installments for
24 life equal to the retirant's number of years of creditable service multiplied by two
25 percent of the person's average final compensation, subject to a maximum of sixty
26 percent of the person's final compensation;

27 (4) A retirant who becomes a member of the retirement system on or after
28 January 1, 2014, including any retirant who was a member of the retirement
29 system before January 1, 2014, but ceased to be a member for any reason other
30 than retirement, shall receive an annual service retirement allowance payable
31 pursuant to section 169.320 in equal monthly installments for life equal to the
32 retirant's number of years of creditable service multiplied by one and three-
33 fourths percent of the person's average final compensation, subject to a maximum
34 of sixty percent of the person's average final compensation;

35 (5) Notwithstanding the provisions of subdivisions (1) to (4) of this
36 subsection, effective January 1, 1996, any retirant who retired on, before or after
37 January 1, 1996, with at least twenty years of creditable service shall receive at
38 least three hundred dollars each month as a retirement allowance, or the
39 actuarial equivalent thereof if the retirant elected any of the options available
40 under section 169.326. Any retirant who retired with at least ten years of
41 creditable service shall receive at least one hundred fifty dollars each month as
42 a retirement allowance, plus fifteen dollars for each additional full year of
43 creditable service greater than ten years but less than twenty years (or the
44 actuarial equivalent thereof if the retirant elected any of the options available
45 under section 169.326). Any beneficiary of a deceased retirant who retired with

46 at least ten years of creditable service and elected one of the options available
47 under section 169.326 shall also be entitled to the actuarial equivalent of the
48 minimum benefit provided by this subsection, determined from the option chosen.

49 2. Except as otherwise provided in sections 169.331[, 169.580] and
50 169.585, payment of a retirant's retirement allowance will be suspended for any
51 month for which such person receives remuneration from the person's employer
52 or from any other employer in the retirement system established by section
53 169.280 for the performance of services except any such person other than a
54 person receiving a disability retirement allowance under section 169.322 may
55 serve as a nonregular substitute, part-time or temporary employee for not more
56 than six hundred hours in any school year without becoming a member and
57 without having the person's retirement allowance discontinued, provided that
58 through such substitute, part-time, or temporary employment, the person may
59 earn no more than fifty percent of the annual salary or wages the person was last
60 paid by the employer before the person retired and commenced receiving a
61 retirement allowance, adjusted for inflation. If a person exceeds such hours limit
62 or such compensation limit, payment of the person's retirement allowance shall
63 be suspended for the month in which such limit was exceeded and each
64 subsequent month in the school year for which the person receives remuneration
65 from any employer in the retirement system. **In addition to the conditions**
66 **set forth above, the restrictions of this subsection shall also apply to**
67 **any person retired and currently receiving a retirement allowance**
68 **under sections 169.270 to 169.400, other than for disability, who is**
69 **employed by a third party or is performing work as an independent**
70 **contractor if the services performed by such person are provided to or**
71 **for the benefit of any employer in the retirement system established**
72 **under section 169.280. The retirement system may require the**
73 **employer receiving such services, the third-party employer, the**
74 **independent contractor, and the retirant subject to this subsection to**
75 **provide documentation showing compliance with this subsection. If**
76 **such documentation is not provided, the retirement system may deem**
77 **the retirant to have exceeded the limitations provided for in this**
78 **subsection.** If a retirant is reemployed by any employer in any capacity,
79 whether pursuant to this section, or section 169.331[, 169.580,] or 169.585, or as
80 a regular employee, the amount of such person's retirement allowance
81 attributable to service prior to the person's first retirement date shall not be

82 changed by the reemployment. If the person again becomes an active member
83 and earns additional creditable service, upon the person's second retirement the
84 person's retirement allowance shall be the sum of:

85 (1) The retirement allowance the person was receiving at the time the
86 person's retirement allowance was suspended, pursuant to the payment option
87 elected as of the first retirement date, plus the amount of any increase in such
88 retirement allowance the person would have received pursuant to subsection 3 of
89 this section had payments not been suspended during the person's reemployment;
90 and

91 (2) An additional retirement allowance computed using the benefit
92 formula in effect on the person's second retirement date, the person's creditable
93 service following reemployment, and the person's average final annual
94 compensation as of the second retirement date. The sum calculated pursuant to
95 this subsection shall not exceed the greater of sixty percent of the person's
96 average final compensation as of the second retirement date or the amount
97 determined pursuant to subdivision (1) of this subsection. Compensation earned
98 prior to the person's first retirement date shall be considered in determining the
99 person's average final compensation as of the second retirement date if such
100 compensation would otherwise be included in determining the person's average
101 final compensation.

102 3. The board of trustees shall determine annually whether the investment
103 return on funds of the system can provide for an increase in benefits for retirants
104 eligible for such increase. A retirant shall and will be eligible for an increase
105 awarded pursuant to this section as of the second January following the date the
106 retirant commenced receiving retirement benefits. Any such increase shall also
107 apply to any monthly joint and survivor retirement allowance payable to such
108 retirant's beneficiaries, regardless of age. The board shall make such
109 determination as follows:

110 (1) After determination by the actuary of the investment return for the
111 preceding year as of December thirty-first (the "valuation year"), the actuary shall
112 recommend to the board of trustees what portion of the investment return is
113 available to provide such benefits increase, if any, and shall recommend the
114 amount of such benefits increase, if any, to be implemented as of the first day of
115 the thirteenth month following the end of the valuation year, and first payable
116 on or about the first day of the fourteenth month following the end of the
117 valuation year. The actuary shall make such recommendations so as not to affect

118 the financial soundness of the retirement system, recognizing the following
119 safeguards:

120 (a) The retirement system's funded ratio as of January first of the year
121 preceding the year of a proposed increase shall be at least one hundred percent
122 after adjusting for the effect of the proposed increase. The funded ratio is the
123 ratio of assets to the pension benefit obligation;

124 (b) The actuarially required contribution rate, after adjusting for the
125 effect of the proposed increase, may not exceed the then applicable employer and
126 member contribution rate as determined under subsection 4 of section 169.350;

127 (c) The actuary shall certify to the board of trustees that the proposed
128 increase will not impair the actuarial soundness of the retirement system;

129 (d) A benefit increase, under this section, once awarded, cannot be
130 reduced in succeeding years;

131 (2) The board of trustees shall review the actuary's recommendation and
132 report and shall, in their discretion, determine if any increase is prudent and, if
133 so, shall determine the amount of increase to be awarded.

134 4. This section does not guarantee an annual increase to any retirant.

135 5. If an inactive member becomes an active member after June 30, 2001,
136 and after a break in service, unless the person earns at least four additional
137 years of creditable service without another break in service, upon retirement the
138 person's retirement allowance shall be calculated separately for each separate
139 period of service ending in a break in service. The retirement allowance shall be
140 the sum of the separate retirement allowances computed for each such period of
141 service using the benefit formula in effect, the person's average final
142 compensation as of the last day of such period of service and the creditable
143 service the person earned during such period of service; provided, however, if the
144 person earns at least four additional years of creditable service without another
145 break in service, all of the person's creditable service prior to and including such
146 service shall be aggregated and, upon retirement, the retirement allowance shall
147 be computed using the benefit formula in effect and the person's average final
148 compensation as of the last day of such period of four or more years and all of the
149 creditable service the person earned prior to and during such period.

150 6. Notwithstanding anything contained in this section to the contrary, the
151 amount of the annual service retirement allowance payable to any retirant
152 pursuant to the provisions of sections 169.270 to 169.400, including any
153 adjustments made pursuant to subsection 3 of this section, shall at all times

154 comply with the provisions and limitations of Section 415 of the Internal Revenue
155 Code of 1986, as amended, and the regulations thereunder, the terms of which are
156 specifically incorporated herein by reference.

157 7. All retirement systems established by the laws of the state of Missouri
158 shall develop a procurement action plan for utilization of minority and women
159 money managers, brokers and investment counselors. Such retirement systems
160 shall report their progress annually to the joint committee on public employee
161 retirement and the governor's minority advocacy commission.

169.460. 1. Any member may retire and receive a normal pension upon
2 his **or her** written application to the board of trustees setting forth at what time
3 not less than fifteen days nor more than one hundred eighty days subsequent to
4 the execution and filing of such application he **or she** desires to be retired;
5 provided, that the member at the time so specified for his **or her** retirement
6 either (a) shall have attained age sixty-five or (b) shall have attained an age
7 which when added to the number of years of credited service of such member
8 shall total a sum not less than [eighty-five] **eighty**. For purposes of computing
9 any member's age under this section, the board shall, if necessary, add to his **or**
10 **her** actual age any accumulated and unused days of sick leave included in his **or**
11 **her** credited service.

12 2. Upon retirement [pursuant to] **under** subsection 1 of this section, a
13 member shall receive an annual pension payable in monthly installments **in the**
14 **following manner:**

15 **(1) A member hired prior to January 1, 2018, shall receive an**
16 **annual pension payable in monthly installments** equal to his **or her**
17 number of years of credited service multiplied by two percent of his **or her**
18 average final compensation subject to a maximum pension of sixty percent of his
19 **or her** average final compensation; **or**

20 **(2) A member hired for the first time on or after January 1, 2018,**
21 **shall receive an annual pension payable in monthly installments equal**
22 **to his or her number of years of credited service multiplied by one and**
23 **three-fourths percent of such member's average final compensation**
24 **subject to a maximum pension of sixty percent of the member's average**
25 **final compensation.**

26 3. A member who is not eligible for normal pension pursuant to subsection
27 1 of this section but who has attained age sixty and has five or more years of
28 credited service may make application in the same manner as pursuant to

29 subsection 1 of this section for an early pension. His **or her** early pension shall
30 be computed pursuant to subsection 2 of this section, but shall be reduced by five-
31 ninths of one percent for each month such member's early retirement date
32 precedes the earliest date he **or she** could have received a normal pension
33 pursuant to subsection 1 of this section had his **or her** service continued.

34 4. Upon the written application of the member or of the employing board,
35 any active member who has five or more years of credited service with such board
36 and does not qualify for a normal pension pursuant to subsection 1 of this section
37 may be retired by the board of trustees, not less than fifteen days and not more
38 than one hundred eighty days next following the date of filing such application,
39 and receive a disability pension, provided, that the medical board after a medical
40 examination of such member or such member's medical records shall certify that
41 such member is unable to further perform his **or her** duties due to mental or
42 physical incapacity, and that such incapacity is likely to be permanent and that
43 such member should be retired; or, provided the member furnishes evidence of the
44 receipt of disability benefits under the federal Old Age, Survivors and Disability
45 Insurance System of the Social Security Act. The determination of the board of
46 trustees in the matter shall be final and conclusive. A member being retired
47 pursuant to this subsection who has accumulated unused vacation and sick leave
48 may elect to have the commencement of his **or her** disability pension deferred for
49 more than one hundred eighty days during the period he **or she** is entitled to
50 vacation and sick pay.

51 5. Upon retirement for disability, a member shall receive a disability
52 pension until such time as he **or she** meets the requirements for a normal
53 pension pursuant to subsection 1 of this section, at which time his **or her**
54 disability pension will be deemed to be a normal pension. The member's
55 disability pension shall be the larger of:

56 (1) A normal pension based on his **or her** credited service to the date of
57 his **or her** retirement for disability and calculated as if he **or she** were age sixty-
58 five; or

59 (2) One-fourth of his **or her** average final compensation; except that such
60 benefit shall not exceed the normal pension which he **or she** would have received
61 upon retirement if his **or her** service had continued and he **or she** had satisfied
62 the eligibility requirements of subsection 1 of this section and had his **or her**
63 final average compensation been unchanged.

64 6. Once each year during the first five years following retirement for

65 disability and once in every three-year period thereafter while receiving a
66 disability pension, the board of trustees may, and shall, require any member
67 receiving a disability pension who has not yet become eligible for a normal
68 pension pursuant to subsection 1 of this section to undergo a medical examination
69 at a place designated by the medical board or by a physician or physicians
70 designated by such board. If any such member receiving a disability pension
71 refuses to submit to such medical examination, his **or her** benefit may be
72 discontinued until his **or her** withdrawal of such refusal, and if his **or her**
73 refusal continues for one year, all rights in and to his **or her** pension may be
74 revoked by the board of trustees.

75 7. If the board of trustees finds that any member receiving a disability
76 pension is engaged in or is able to engage in a gainful occupation paying more
77 than the difference between his **or her** disability pension plus benefits, if any,
78 to which he **or she** and his **or her** family are eligible under the federal Old Age,
79 Survivors and Disability Insurance System of the Social Security Act and the
80 current rate of monthly compensation for the position he **or she** held at
81 retirement, then the amount of his **or her** disability pension shall be reduced to
82 an amount which together with the amount earnable by him **or her** shall equal
83 such current rate of monthly compensation. The decisions of the board of trustees
84 in regard to such modification of disability benefits shall be final and conclusive.

85 8. If any member receiving a disability pension is restored to service as
86 an employee, he **or she** shall again become an active member of the retirement
87 system and contribute thereunder. His **or her** credited service at the time of his
88 **or her** retirement for disability shall be restored and the excess of his **or her**
89 accumulated contributions at his **or her** retirement for disability over the total
90 disability pension payments which he **or she** received shall be credited to his **or**
91 **her** account.

92 9. If a member with fewer than five years credited service ceases to be an
93 employee, except by death, he **or she** shall be paid the amount of his **or her**
94 accumulated contributions in accordance with applicable provisions of the
95 Internal Revenue Code.

96 10. If a member with five years or more credited service ceases to be an
97 employee, except by death or retirement, he **or she** shall be paid on demand the
98 amount of his **or her** accumulated contributions, or he **or she** may leave his **or**
99 **her** accumulated contributions with the retirement system and be an inactive
100 member and claim a retirement benefit at any time after he **or she** reaches the

101 minimum age for retirement, except that if such a member's accumulated
102 contributions do not exceed the involuntary distribution limits under provisions
103 of the Internal Revenue Code, the member must elect to become an inactive
104 member within thirty days of employment separation to avoid application of the
105 involuntary distribution provisions of the Internal Revenue Code. When an
106 inactive member presents his **or her** valid claim to the board of trustees, he **or**
107 **she** shall be granted a benefit at such time and for such amount as is available
108 pursuant to subsection 2 or 3 of this section in accordance with the provisions of
109 law in effect at the time his **or her** active membership ceased. The accumulated
110 contributions of an inactive member may be withdrawn at any time upon ninety
111 days' notice or such shorter notice as is approved by the board of trustees. If an
112 inactive member dies before retirement, his **or her** accumulated contributions
113 shall be paid to his **or her** designated beneficiary, if living, otherwise to the
114 estate of the member. A member's accumulated contributions shall not be paid
115 to him **or her** so long as he **or she** remains in service as an employee.

116 11. Any member upon retirement shall receive his **or her** pension payable
117 throughout life subject to the provision that if his **or her** death occurs before he
118 **or she** has received total benefits at least as large as his **or her** accumulated
119 contributions at retirement, the difference shall be paid in one sum to his **or her**
120 designated beneficiary, if living, otherwise to the estate of the retired member.

121 12. Prior to the date of retirement pursuant to subsection 2, 3, or 4 of this
122 section, a member may elect to receive the actuarial equivalent of his **or her**
123 pension in a lesser amount, payable throughout life under one of the following
124 options with the provision that:

125 Option 1. Upon his **or her** death, his **or her** pension shall be continued
126 throughout the life of and paid to his **or her** beneficiary, or

127 Option 2. Upon his **or her** death, one-half of his **or her** pension shall be
128 continued throughout the life of and paid to his **or her** beneficiary, or

129 Option 3. Upon his **or her** death, his **or her** pension shall be continued
130 throughout the life of and paid to his **or her** beneficiary, provided that in the
131 event his **or her** designated beneficiary predeceases him **or her**, then his **or her**
132 pension shall be adjusted effective the first day of the month following the month
133 in which his **or her** designated beneficiary died to the amount determined
134 pursuant to subsection 2 or 3 of this section at the time of his **or her** retirement,
135 or

136 Option 4. Upon his **or her** death, one-half of his **or her** pension shall be

137 continued throughout the life of and paid to his **or her** beneficiary, provided that
138 in the event his **or her** designated beneficiary predeceases him **or her**, then his
139 **or her** pension shall be adjusted effective the first day of the month following the
140 month in which his **or her** designated beneficiary died to the amount determined
141 pursuant to subsection 2 or 3 of this section at the time of his **or her** retirement.

142 Option 5. Prior to age sixty-two the member will receive an increased
143 pension, where the total pension prior to age sixty-two is approximately equal to
144 the pension after age sixty-two plus the member's estimated federal Social
145 Security benefit, provided that the reduced pension after age sixty-two is not less
146 than one-half the pension the member could have received had no option been
147 elected. A member may elect a combination of Option 1 and Option 5, or Option
148 2 and Option 5. The survivor benefits payable to a beneficiary, other than the
149 spouse of the retired member, under any of the foregoing options shall in no event
150 exceed fifty percent of the actuarial equivalent of the pension determined
151 pursuant to subsection 2 or 3 of this section at the time of retirement.

152 13. If an option has been elected pursuant to subsection 12 of this section,
153 and both the retired member and beneficiary die before receiving total benefits
154 as large as the member's accumulated contributions at retirement, the difference
155 shall be paid to the designated beneficiary of the person last entitled to benefits,
156 if living, otherwise to the estate of the person last entitled to benefits.

157 14. If an active member dies while an employee and with five or more
158 years of credited service and a dependent of the member is designated as
159 beneficiary to receive his **or her** accumulated contributions, such beneficiary
160 may, in lieu thereof, request that benefits be paid under option 1, subsection 12
161 of this section, as if the member had attained age sixty, if the member was less
162 than sixty years of age at the time of his **or her** death, and had retired under
163 such option as of the date of death, provided that under the same circumstances
164 a member may provide by written designation that benefits must be paid
165 pursuant to option 1 to such beneficiary. In addition to benefits received under
166 option 1, subsection 12 of this section, a surviving spouse receiving benefits under
167 this subsection shall receive sixty dollars per month for each unmarried
168 dependent child of the deceased member who is under twenty-two years of age
169 and is in the care of the surviving spouse; provided, that if there are more than
170 three such unmarried dependent children one hundred eighty dollars shall be
171 divided equally among them. A "dependent beneficiary" for the purpose of this
172 subsection only shall mean either the surviving spouse or a person who at the

173 time of the death of the member was receiving at least one-half of his **or her**
174 support from the member, and the determination of the board of trustees as to
175 whether a person is a dependent shall be final.

176 15. In lieu of accepting the payment of the accumulated contributions of
177 a member who dies after having at least eighteen months of credited service and
178 while an employee, an eligible beneficiary or, if no surviving eligible beneficiary,
179 the unmarried dependent children of the member under twenty-two years of age
180 may elect to receive the benefits pursuant to subdivision (1), (2), (3), or (4) of this
181 subsection. An "eligible beneficiary" is the surviving spouse, unmarried
182 dependent children under twenty-two years of age or dependent parents of the
183 member, if designated as beneficiary. A "dependent" is one receiving at least one-
184 half of his **or her** support from the member at his **or her** death.

185 (1) A surviving spouse who is sixty-two years of age at the death of the
186 member or upon becoming such age thereafter, and who was married to the
187 member at least one year, may receive sixty dollars per month for life. A spouse
188 may receive this benefit after receiving benefits pursuant to subdivision (2) of this
189 subsection;

190 (2) A surviving spouse who has in his or her care an unmarried dependent
191 child of the deceased member under twenty-two years of age may receive sixty
192 dollars per month plus sixty dollars per month for each child under twenty-two
193 years of age but not more than a total of two hundred forty dollars per month;

194 (3) If no benefits are payable pursuant to subdivision (2) of this
195 subsection, unmarried dependent children under the age of twenty-two may
196 receive sixty dollars each per month; provided that if there are more than three
197 such children one hundred eighty dollars per month shall be divided equally
198 among them;

199 (4) A dependent parent upon attaining sixty-two years of age may receive
200 sixty dollars per month as long as not remarried provided no benefits are payable
201 at any time pursuant to subdivision (1), (2), or (3) of this subsection. If there are
202 two dependent parents entitled to benefits, sixty dollars per month shall be
203 divided equally between them;

204 (5) If the benefits pursuant to this subsection are elected and the total
205 amount paid is less than an amount equal to the accumulated contributions of a
206 member at his **or her** death, the difference shall be payable to the beneficiary or
207 the estate of the beneficiary last entitled to benefits.

208 16. If a member receiving a normal pension again becomes an active

209 member, his **or her** pension benefit payments shall cease during such
210 membership and shall be resumed upon subsequent retirement together with
211 such pension benefit as shall accrue by reason of his **or her** latest period of
212 membership. Except as otherwise provided in section 105.269, a retired member
213 may not receive a pension benefit for any month for which he **or she** receives
214 compensation from an employing board, except he **or she** may serve as a part-
215 time or temporary employee for not to exceed sixty days in any calendar year
216 without becoming a member and without having his **or her** pension benefit
217 discontinued. A retired member may also serve as a member of the board of
218 trustees and receive any reimbursement for expenses allowed him **or her** because
219 of such service without becoming an active member and without having his **or**
220 **her** pension benefit discontinued or reduced.

221 17. Upon approval of the board of trustees, any member may make
222 contributions in addition to those required. Any additional contributions shall
223 be accumulated at interest and paid in addition to the benefits provided
224 hereunder. The board of trustees shall make such rules and regulations as it
225 deems appropriate in connection with additional contributions including
226 limitations on amounts of contributions and methods of payment of benefits.

227 18. Notwithstanding any other provisions of this section, any member
228 retiring on or after age sixty-five who has five or more years of credited service
229 shall be entitled to an annual pension of the lesser of (a) an amount equal to his
230 **or her** number of years of credited service multiplied by one hundred twenty
231 dollars, or (b) one thousand eight hundred dollars. Upon the death of such
232 member, any benefits payable to the beneficiary of such member shall be
233 computed as otherwise provided.

169.490. 1. All the assets of the retirement system shall be held as one
2 fund.

3 **[1.] 2. (1) For any member hired before January 1, 2018, the**
4 employing board shall cause to be deducted from the compensation of each
5 member at every payroll period five percent of his **or her** compensation[, and].

6 **(2) Beginning January 1, 2018, the percentage in subdivision (1)**
7 **of this subsection shall increase one-half of one percent annually until**
8 **such time as the percentage equals nine percent.**

9 **(3) For any member hired for the first time on or after January**
10 **1, 2018, the employing board shall cause to be deducted from the**
11 **compensation of each member at every payroll period nine percent of**

12 such member's compensation.

13 **(4)** The amounts so deducted shall be transferred to the board of trustees
14 and credited to the individual account of each member from whose compensation
15 the deduction was made. In determining the amount earnable by a member in
16 any payroll period, the board of trustees may consider the rate of earnable
17 compensation payable to such member on the first day of the payroll period as
18 continuing throughout such payroll period; it may omit deduction from
19 compensation for any period less than a full payroll period if the employee was
20 not a member on the first day of the payroll period; and to facilitate the making
21 of the deductions, it may modify the deduction required of any member by such
22 amount as shall not exceed one-tenth of one percent of the compensation upon the
23 basis of which such deduction was made.

24 **[(2)] (5)** The deductions provided for herein are declared to be a part of
25 the salary of the member and the making of such deductions shall constitute
26 payments by the member out of his **or her** salary or earnings and such
27 deductions shall be made notwithstanding that the minimum compensation
28 provided by law for any member shall be reduced thereby. Every member shall
29 be deemed to consent to the deductions made and provided for herein, and shall
30 receipt for his **or her** full salary or compensation, and the making of said
31 deductions and the payment of salary or compensation less said deduction shall
32 be a full and complete discharge and acquittance of all claims and demands
33 whatsoever for services rendered during the period covered by the payment except
34 as to benefits provided by sections 169.410 to 169.540.

35 **[(3)] (6)** The employing board may elect to pay member contributions
36 required by this section as an employer pick up of employee contributions under
37 Section 414(h)(2) of the Internal Revenue Code of 1986, as amended, and such
38 contributions picked up by the employing board shall be treated as contributions
39 made by members for all purposes of sections 169.410 to 169.540.

40 **[2.] 3.** If a retired member receiving a pension pursuant to sections
41 169.410 to 169.540 is restored to active service and again becomes an active
42 member of the retirement system, there shall be credited to his **or her** individual
43 account an amount equal to the excess, if any, of his **or her** accumulated
44 contributions at retirement over the total pension benefits paid to him **or her**.

45 **[3.] 4.** Annually, the actuary for the retirement system shall calculate
46 each employer's contribution as an amount equal to a certain percentage of the
47 total compensation of all members employed by that employer. The percentage

48 shall be fixed on the basis of the liabilities of the retirement system as shown by
49 the annual actuarial valuation. The annual actuarial valuation shall be made on
50 the basis of such actuarial assumptions and the actuarial cost method adopted by
51 the board of trustees, provided that the actuarial cost method adopted shall be
52 in accordance with generally accepted actuarial standards and that the unfunded
53 actuarial accrued liability, if any, shall be amortized by level annual payments
54 over a period not to exceed thirty years. **The provisions of this subsection**
55 **shall expire on December 31, 2017; thereafter subsection 5 of this**
56 **section shall apply.**

57 **5. For calendar year 2018, the rate of contribution payable by**
58 **each employer shall equal sixteen percent of the total compensation of**
59 **all members employed by that employer. For each calendar year**
60 **thereafter, the percentage rate of contribution payable by each**
61 **employer of the total compensation of all members employed by that**
62 **employer shall decrease one-half of one percent annually until calendar**
63 **year 2032 when the rate of contribution payable by each employer shall**
64 **equal nine percent of the total compensation of all members employed**
65 **by that employer. For subsequent calendar years after 2032, the rate**
66 **of contribution payable by each employer shall equal nine percent of**
67 **the total compensation of all members employed by that employer.**

68 [4.] **6.** The expense and contingency reserve shall be a reserve for
69 investment contingencies and estimated expenses of administration of the
70 retirement system as determined annually by the board of trustees.

71 [5.] **7.** Gifts, devises, bequests and legacies may be accepted by the board
72 of trustees to be held and invested as a part of the assets of the retirement
73 system and shall not be separately accounted for except where specific direction
74 for the use of a gift is made by a donor.

169.560. Any person retired and currently receiving a retirement
2 allowance pursuant to sections 169.010 to 169.141, other than for disability, may
3 be employed in any capacity in a district included in the retirement system
4 created by those sections on either a part-time or temporary-substitute basis not
5 to exceed a total of five hundred fifty hours in any one school year, and through
6 such employment may earn up to fifty percent of the annual compensation
7 payable under the [employing] district's salary schedule for the position or
8 positions filled by the retiree, given such person's level of experience and
9 education, without a discontinuance of the person's retirement allowance. If the

10 [employing] school district does not utilize a salary schedule, or if the position in
11 question is not subject to the [employing] district's salary schedule, a retiree
12 employed in accordance with the provisions of this section may earn up to fifty
13 percent of the annual compensation paid to the person or persons who last held
14 such position or positions. If the position or positions did not previously exist,
15 the compensation limit shall be determined in accordance with rules duly adopted
16 by the board of trustees of the retirement system; provided that, it shall not
17 exceed fifty percent of the annual compensation payable for the position in the
18 [employing] school district that is most comparable to the position filled by the
19 retiree. In any case where a retiree fills more than one position during the school
20 year, the fifty-percent limit on permitted earning shall be based solely on the
21 annual compensation of the highest paid position occupied by the retiree for at
22 least one-fifth of the total hours worked during the year. Such a person shall not
23 contribute to the retirement system or to the public education employee
24 retirement system established by sections 169.600 to 169.715 because of earnings
25 during such period of employment. If such a person is employed in any capacity
26 by such a district [on a regular, full-time basis,] **in excess of the limitations**
27 **set forth in this section**, the person shall not be eligible to receive the person's
28 retirement allowance for any month during which the person is so employed. **In**
29 **addition, such person [and] shall contribute to the retirement system if the**
30 **person satisfies the retirement system's membership eligibility**
31 **requirements. In addition to the conditions set forth above, this section**
32 **shall apply to any person retired and currently receiving a retirement**
33 **allowance under sections 169.010 to 169.141, other than for disability,**
34 **who is employed by a third party or is performing work as an**
35 **independent contractor, if such person is performing work in a district**
36 **included in the retirement system as a temporary or long-term**
37 **substitute teacher or in any other position that would normally require**
38 **that person to be duly certificated under the laws governing the**
39 **certification of teachers in Missouri if such person was employed by the**
40 **district. The retirement system may require the district, the third-party**
41 **employer, the independent contractor, and the retiree subject to this**
42 **section to provide documentation showing compliance with this section.**
43 **If such documentation is not provided, the retirement system may deem**
44 **the retiree to have exceeded the limitations provided in this section.**

169.715. 1. Any person receiving a retirement allowance under sections

2 169.600 to 169.712, and who elected a reduced retirement allowance under
3 subsection 4 of section 169.670 with his **or her** spouse as the nominated
4 beneficiary, may nominate a successor beneficiary under either of the following
5 circumstances:

6 (1) If the nominated beneficiary precedes the retired person in death, the
7 retired person may, upon remarriage, nominate the new spouse under the same
8 option elected in the application for retirement;

9 (2) If the marriage of the retired person and the nominated beneficiary is
10 dissolved, and if the dissolution decree provides for sole retention by the retired
11 person of all rights in the retirement allowance, the retired person may, upon
12 remarriage, nominate the new spouse under the same option elected in the
13 application for retirement.

14 2. Any nomination of a successor beneficiary under subdivision (1) or (2)
15 of subsection 1 of this section must be made in accordance with procedures
16 established by the board of trustees, and must be filed within ninety days of May
17 6, 1993, or within [ninety days] **one year** of the remarriage, whichever later
18 occurs. Upon receipt of a successor nomination filed in accordance with those
19 procedures, the board shall adjust the retirement allowance to reflect actuarial
20 considerations of that nomination as well as previous beneficiary and successor
21 beneficiary nominations.

22 **3. Any person receiving a retirement allowance under sections**
23 **169.600 to 169.715 who elected a reduced retirement allowance under**
24 **subsection 4 of section 169.670 with his or her spouse as the nominated**
25 **beneficiary may have the retirement allowance increased to the amount**
26 **the retired member would be receiving had the retired member elected**
27 **option 1 if:**

28 (1) **The marriage of the retired person and the nominated spouse**
29 **is dissolved on or after September 1, 2017;**

30 (2) **The dissolution decree provides for sole retention by the**
31 **retired person of all rights in the retirement allowance; and**

32 (3) **The person receives a retirement allowance under subsection**
33 **4 of section 169.670.**

34 **Any such increase in the retirement allowance shall be effective upon**
35 **the receipt of an application for such increase and a certified copy of**
36 **the decree of dissolution that meets the requirements of this section.**

Section B. The repeal and reenactment of section 104.1205 of section A of

2 this act shall become effective July 1, 2018.

Section C. The repeal and reenactment of sections 52.290, 137.280,
2 137.345, and 140.100 of section A of this act shall become effective January 1,
3 2018.

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Bill

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