MISSOURI REVISED STATUTES

AUGUST 28, 2018

Missouri Revised Statutes Chapter 105

Public Officers and Employees--Miscellaneous Provisions

August 28, 2018

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Missouri Revised Statutes Chapter 105 Public Officers and Employees--Miscellaneous Provisions

August 28, 2018

105.145. Political subdivisions to make annual report of financial transactions to state auditor--state auditor to report violations--collection of fines, exemption.

105.145

- 1. The following definitions shall be applied to the terms used in this section:
- (1) "Governing body", the board, body, or persons in which the powers of a political subdivision as a body corporate, or otherwise, are vested;
- (2) "Political subdivision", any agency or unit of this state, except counties and school districts, which now is, or hereafter shall be, authorized to levy taxes or empowered to cause taxes to be levied.
- 2. The governing body of each political subdivision in the state shall cause to be prepared an annual report of the financial transactions of the political subdivision in such summary form as the state auditor shall prescribe by rule, except that the annual report of political subdivisions whose cash receipts for the reporting period are ten thousand dollars or less shall only be required to contain the cash balance at the beginning of the reporting period, a summary of cash receipts, a summary of cash disbursements and the cash balance at the end of the reporting period.
- 3. Within such time following the end of the fiscal year as the state auditor shall prescribe by rule, the governing body of each political subdivision shall cause a copy of the annual financial report to be remitted to the state auditor.
- 4.The state auditor shall immediately on receipt of each financial report acknowledge the receipt of the report.
- 5. In any fiscal year no member of the governing body of any political subdivision of the state shall receive any compensation or payment of expenses after the end of the time within which the financial statement of the political subdivision is required to be filed with the state auditor and until such time as the notice from the state auditor of the filing of the annual financial report for the fiscal year has been received.
- 6.The state auditor shall prepare sample forms for financial reports and shall mail the same to the political subdivisions of the state. Failure of the auditor to supply such forms shall not in any way excuse any person from the performance of any duty imposed by this section.
- 7. All reports or financial statements hereinabove mentioned shall be considered to be public records.
- 8. The provisions of this section apply to the board of directors of every transportation development district organized under sections 238.200 to 238.275.
- 9. Any political subdivision that fails to timely submit a copy of the annual financial statement to the state auditor shall be subject to a fine of five hundred dollars per day.
- 10. The state auditor shall report any violation of subsection 9 of this section to the department of revenue. Upon notification from the state auditor's office that a political subdivision failed to timely submit a copy of the annual financial statement, the department of revenue shall notify such political subdivision by certified mail that the statement has not been received. Such notice shall clearly set forth the following:
- (1) The name of the political subdivision;
- (2) That the political subdivision shall be subject to a fine of five hundred dollars per day if the political subdivision does not submit a copy of the annual financial statement to the state auditor's office within thirty days from the postmarked date stamped on the certified mail envelope;
- (3) That the fine will be enforced and collected as provided under subsection 11 of this section; and
- (4) That the fine will begin accruing on the thirty-first day from the postmarked date stamped on the certified mail envelope and will continue to accrue until the state auditor's office receives a copy of the financial statement.

In the event a copy of the annual financial statement is received within such thirty-day period, no fine shall accrue or be imposed. The state auditor shall report receipt of the financial statement to the department of revenue within ten business days. Failure of the political subdivision to submit the required annual financial statement within such thirty-day period shall cause the fine to be collected as provided under subsection 11 of this section.

- 11. The department of revenue may collect the fine authorized under the provisions of subsection 9 of this section by offsetting any sales or use tax distributions due to the political subdivision. The director of revenue shall retain two percent for the cost of such collection. The remaining revenues collected from such violations shall be distributed annually to the schools of the county in the same manner that proceeds for all penalties, forfeitures, and fines collected for any breach of the penal laws of the state are distributed.
- 12. Any transportation development district organized under sections 238.200 to 238.275 having gross revenues of less than five thousand dollars in the fiscal year for which the annual financial statement was not timely filed shall not be subject to the fine authorized in this section.

(L. 1965 p. 227 §§ 1 to 10, A.L. 1983 S.B. 88, A.L. 2009 H.B. 191, A.L. 2016 H.B. 1418, A.L. 2017 S.B. 112)

Discrimination in hiring based on educational programs prohibited, when.

105.255

- 1. No municipal fire department, municipal police department, state agency, state department, or political subdivision of the state shall discriminate in hiring, placement, treatment, or prerequisite requirements for any employment or services of an individual based on the elementary or secondary education program that the individual is completing or has completed, provided that such elementary or secondary education program is permitted under Missouri law.
- 2. Nothing in this section shall prohibit an employer from requiring an individual to have other abilities or skills applicable to the duties of a position.
- 3. This section shall not apply to any private employer.

(L. 2009 S.B. 232 § 167.043)

Retired teacher, certain districts, may return to teaching without losing retirement benefits--rulemaking authority.

105.269

- 1. Any metropolitan school district may allow retired teachers to teach in said metropolitan school district for up to four years without losing his or her retirement benefits or to teach or be an administrator in a charter school established pursuant to sections 160.400 to 160.420 in said metropolitan school district without losing his or her retirement benefits. Said retired teacher need not be in the teacher's salary scale. Said metropolitan school district shall place an emphasis on hiring retired teachers to teach in areas that include but are not limited to, improving student reading, which may include elementary remedial reading and the "Read to be Ready Program" as established under this act, math, science and special education
- 2. The department of elementary and secondary education shall adopt rules to implement the provisions of this section.
- 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section and section 167.640 shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and section 167.640 and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

(L. 1999 H.B. 889 § 5, subsec. 7, A.L. 2001 H.B. 660)

Leave of absence to perform military duties mandatory--discrimination against militia members a misdemeanor--hours of leave, how computed.

- 1. All officers and employees of this state, or of any department or agency thereof, or of any county, municipality, school district, or other political subdivision, and all other public employees of this state who are or may become members of the national guard or of any reserve component of the armed forces of the United States, shall be entitled to leave of absence from their respective duties, without loss of time, pay, regular leave, impairment of efficiency rating, or of any other rights or benefits, to which otherwise entitled, for all periods of military services during which they are engaged in the performance of duty or training in the service of this state at the call of the governor and as ordered by the adjutant general without regard to length of time, and for all periods of military services during which they are engaged in the performance of duty in the service of the United States under competent orders for a period not to exceed a total of one hundred twenty hours in any federal fiscal year.
- 2. Before any payment of salary is made covering the period of the leave the officer or the employee shall file with the appointing authority or supervising agency an official order from the appropriate military authority as evidence of such

duty for which military leave pay is granted which order shall contain the certification of the officer or employee's commanding officer of performance of duty in accordance with the terms of such order.

- 3. No member of the organized militia shall be discharged from employment by any of the aforementioned agencies because of being a member of the organized militia, nor shall he be hindered or prevented from performing any militia service he may be called upon to perform by proper authority nor otherwise be discriminated against or dissuaded from enlisting or continuing his service in the militia by threat or injury to him in respect to his employment. Any officer or agent of the aforementioned agencies violating any of the provisions of this section is guilty of a misdemeanor.
- 4. Notwithstanding the provisions of any other administrative rule or law to the contrary, any person entitled to military leave pursuant to the provisions of subsection 1 of this section shall only be charged military leave for any hours which that person would otherwise have been required to work had it not been for such military leave. The minimum charge for military leave shall be one hour and additional charges for military leave shall be in multiples of the minimum charge.

(L. 1955 p. 737 §§ 1, 2, A.L. 1975 H.B. 103, A.L. 1977 H.B. 384, A.L. 1982 S.B. 715, A.L. 2002 H.B. 1822)

Employee leave for adoptive parents and stepparents, when--leave-sharing program, donated leave-rulemaking authority.

- 1. A foster or adoptive parent who is employed by the state of Missouri, its departments, agencies, or political subdivisions, may use his or her accrued sick leave, annual leave, or the same leave without pay granted to biological parents to take time off for purposes of arranging for the foster or adopted child's placement or caring for the child after placement. The employer shall not penalize an employee for requesting or obtaining time off according to this section.
- 2. The state of Missouri, its departments, and agencies shall, and political subdivisions may, provide for a leave-sharing program to permit its employees to donate annual leave, overtime, or compensatory time to an employee who is arranging for a foster or adopted child's placement or caring for the child after placement, which has caused or is likely to cause such employee to take leave without pay or to terminate employment. Such donated annual leave, overtime, or compensatory time may be transferable between employees in different departments, agencies, or political subdivisions of the state, with the agreement of the chief administrative officers of such departments, agencies, or political subdivisions.
- 3. Any donated annual leave, overtime, or compensatory time authorized under this section shall only be used by the recipient employee for purposes of arranging for the foster or adopted child's placement or caring for the child after placement. Nothing in this section shall be construed as prohibiting a leave-sharing program for other purposes.
- 4. All forms of paid leave available for use by the recipient employee shall be used prior to using donated annual leave, overtime, or compensatory time.
- 5. All donated annual leave, overtime, or compensatory time shall be given voluntarily. No employee shall be coerced, threatened, intimidated, or financially induced into donating annual leave, overtime, or compensatory time for purposes of the leave-sharing program.
- 6. For purposes of this section, the phrase "foster or adoptive parent" refers to both those pursuing to foster or adopt a child and those who have a foster or adopted child placed in the home. The phrase "for purposes of arranging for the foster or adopted child's placement or caring for the child after placement" includes, but is not limited to:
- (1) Appointments with state officials, child-placing agencies, social workers, health professionals, or attorneys;
- (2) Court proceedings;
- (3) Required travel;
- (4) Training and licensure as a foster parent;
- (5) Any periods of time during which foster or adoptive parents are ordered or required by the state, a child-placing agency, or by a court to take time off from work to care for the foster or adopted child; or
- (6) Any other activities necessary to allow the foster care or adoption to proceed.
- 7. A stepparent, as defined in section 453.015, who is employed by the state of Missouri, its departments, agencies, or political subdivisions, may use his or her accrued sick leave, annual leave or the same leave without pay granted to biological parents to take time off to care for his or her stepchild. The employer shall not penalize an employee for requesting or obtaining time off according to this section.
- 8. The leave authorized by this section may be requested by the employee only if the employee is the person who is primarily responsible for furnishing the care and nurture of the child.

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9. The commissioner of administration may promulgate rules as necessary to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2014, shall be invalid and void.

(L. 1987 H.B. 774 § 1, A.L. 1998 H.B. 1918, A.L. 2014 S.B. 869)

Expenses of officers and employees of state and political subdivisions, procedure--cash advances authorized, when--procedure.

105.272

- 1. As used in this section, the term "governmental entity" shall include the state of Missouri and all political subdivisions of the state of Missouri. The term "employees" shall include all persons employed by a governmental entity and all elected and appointed officials of a governmental entity. The term "expenses" shall refer only to expenses actually and necessarily incurred by an employee in the performance of the official business of the governmental entity.
- 2. If a governmental entity elects to pay expenses incurred by its employees, then prior to May 1, 1995, the governing body of the governmental entity shall provide, by enactment of a statute, rule, order or ordinance, a system whereby all employees of the governmental entity shall submit a voucher of their expenses which has been certified by the employee as being true and correct. The governing body of each governmental entity shall designate one employee of the governmental entity to whom the vouchers of expenses of all employees of the governmental entity shall be submitted. The designated employee shall be responsible for reviewing such vouchers of expenses and for ensuring reimbursement of only those expenses of employees properly incurred.
- 3. Governmental entities may authorize cash advances in particular instances when the projected expenses to be incurred by particular employees would pose a financial burden on such employees. If such an advance is authorized, then the voucher for the expenses actually and necessarily incurred and the balance of the advance remaining after the expenditures shall be submitted to a designated employee as provided in subsection 2 of this section, within ten days after such expenses are actually incurred.

(L. 1993 H.B. 551 & 552 § 3, A.L. 1994 H.B. 1699)

Definitions.

105.450

As used in sections 105.450 to 105.496 and sections 105.955 to 105.963, unless the context clearly requires otherwise, the following terms mean:

- (1) "Adversary proceeding", any proceeding in which a record of the proceedings may be kept and maintained as a public record at the request of either party by a court reporter, notary public or other person authorized to keep such record by law or by any rule or regulation of the agency conducting the hearing; or from which an appeal may be taken directly or indirectly, or any proceeding from the decision of which any party must be granted, on request, a hearing de novo; or any arbitration proceeding; or a proceeding of a personnel review board of a political subdivision; or an investigative proceeding initiated by an official, department, division, or agency which pertains to matters which, depending on the conclusion of the investigation, could lead to a judicial or administrative proceeding being initiated against the party by the official, department, division or agency;
- (2) "Business entity", a corporation, association, firm, partnership, proprietorship, or business entity of any kind or character;
- (3) "Business with which a person is associated":
- (a) Any sole proprietorship owned by himself or herself, the person's spouse or any dependent child in the person's custody;
- (b) Any partnership or joint venture in which the person or the person's spouse is a partner, other than as a limited partner of a limited partnership, and any corporation or limited partnership in which the person is an officer or director or of which either the person or the person's spouse or dependent child in the person's custody whether singularly or collectively owns in excess of ten percent of the outstanding shares of any class of stock or partnership units; or
- (c) Any trust in which the person is a trustee or settlor or in which the person or the person's spouse or dependent child whether singularly or collectively is a beneficiary or holder of a reversionary interest of ten percent or more of the corpus of the trust;

- (4) "Commission", the Missouri ethics commission established in section 105.955;
- (5) "Confidential information", all information whether transmitted orally or in writing which is of such a nature that it is not, at that time, a matter of public record or public knowledge;
- (6) "Decision-making public servant", an official, appointee or employee of the offices or entities delineated in paragraphs (a) through (h) of this subdivision who exercises supervisory authority over the negotiation of contracts, or has the legal authority to adopt or vote on the adoption of rules and regulations with the force of law or exercises primary supervisory responsibility over purchasing decisions. The following officials or entities shall be responsible for designating a decision-making public servant:
- (a) The governing body of the political subdivision with a general operating budget in excess of one million dollars;
- (b) A department director;
- (c) A judge vested with judicial power by Article V of the Constitution of the state of Missouri;
- (d) Any commission empowered by interstate compact;
- (e) A statewide elected official;
- (f) The speaker of the house of representatives;
- (g) The president pro tem of the senate;
- (h) The president or chancellor of a state institution of higher education;
- (7) "Dependent child" or "dependent child in the person's custody", all children, stepchildren, foster children and wards under the age of eighteen residing in the person's household and who receive in excess of fifty percent of their support from the person;
- (8) "Paid political consultant", a person who is paid for profit to promote the election of a certain candidate or the interest of a committee, as defined in section 130.011, including, but not limited to, planning campaign strategies; coordinating campaign staff; organizing meetings and public events to publicize the candidate or cause; public opinion polling; providing research on issues or opposition background; coordinating or purchasing print or broadcast media; direct mail production; phone solicitation; fund raising; and any other political activities. The term "paid political consultant" shall not include vendors who provide tangible goods that do not promote the election of a candidate or the interest of a committee in the ordinary course of the vendor's business;
- (9) "Political subdivision" shall include any political subdivision of the state, and any special district or subdistrict;
- (10) "Public document", a state tax return or a document or other record maintained for public inspection without limitation on the right of access to it and a document filed in a juvenile court proceeding;
- (11) "Substantial interest", ownership by the individual, the individual's spouse, or the individual's dependent children, whether singularly or collectively, directly or indirectly, of ten percent or more of any business entity, or of an interest having a value of ten thousand dollars or more, or the receipt by an individual, the individual's spouse or the individual's dependent children, whether singularly or collectively, of a salary, gratuity, or other compensation or remuneration of five thousand dollars, or more, per year from any individual, partnership, organization, or association within any calendar year:
- (12) "Substantial personal or private interest in any measure, bill, order or ordinance", any interest in a measure, bill, order or ordinance which results from a substantial interest in a business entity.

(L. 1965 p. 229 \S 1, A.L. 1978 H.B. 1610 \S 2, A.L. 1991 S.B. 262, A.L. 1997 S.B. 16, A.L. 2016 H.B. 1983)

Prohibited acts by elected and appointed public officials and employees.

- 1. No elected or appointed official or employee of the state or any political subdivision thereof shall:
- (1) Act or refrain from acting in any capacity in which he is lawfully empowered to act as such an official or employee by reason of any payment, offer to pay, promise to pay, or receipt of anything of actual pecuniary value paid or payable, or received or receivable, to himself or any third person, including any gift or campaign contribution, made or received in relationship to or as a condition of the performance of an official act, other than compensation to be paid by the state or political subdivision; or

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- (2) Use confidential information obtained in the course of or by reason of his employment or official capacity in any manner with intent to result in financial gain for himself, his spouse, his dependent child in his custody, or any business with which he is associated;
- (3) Disclose confidential information obtained in the course of or by reason of his employment or official capacity in any manner with intent to result in financial gain for himself or any other person;
- (4) Favorably act on any matter that is so specifically designed so as to provide a special monetary benefit to such official or his spouse or dependent children, including but not limited to increases in retirement benefits, whether received from the state of Missouri or any third party by reason of such act. For the purposes of this subdivision, "special monetary benefit" means being materially affected in a substantially different manner or degree than the manner or degree in which the public in general will be affected or, if the matter affects only a special class of persons, then affected in a substantially different manner or degree than the manner or degree in which such class will be affected. In all such matters such officials must recuse themselves from acting and shall not be relieved by reason of the provisions of section 105.460, except that such official may act on increases in compensation subject to the restrictions of section 13 of article VII of the Missouri Constitution; or
- (5) Use his decision-making authority for the purpose of obtaining a financial gain which materially enriches himself, his spouse or dependent children by acting or refraining from acting for the purpose of coercing or extorting from another anything of actual pecuniary value.
- 2. No elected or appointed official or employee of any political subdivision shall offer, promote, or advocate for a political appointment in exchange for anything of value to any political subdivision.

(L. 1978 H.B. 1610 § 3, A.L. 1990 H.B. 948, A.L. 1991 S.B. 262, A.L. 2008 H.B. 2233)

Additional prohibited acts by certain elected and appointed public officials and employees, exceptions.

105,454

- 1. No elected or appointed official or employee of the state or any political subdivision thereof, serving in an executive or administrative capacity, shall:
- (1) Perform any service for any agency of the state, or for any political subdivision thereof in which he or she is an officer or employee or over which he or she has supervisory power for receipt or payment of any compensation, other than of the compensation provided for the performance of his or her official duties, in excess of five hundred dollars per transaction or five thousand dollars per annum, except on transactions made pursuant to an award on a contract let or sale made after public notice and competitive bidding, provided that the bid or offer is the lowest received;
- (2) Sell, rent or lease any property to any agency of the state, or to any political subdivision thereof in which he or she is an officer or employee or over which he or she has supervisory power and received consideration therefor in excess of five hundred dollars per transaction or five thousand dollars per year, unless the transaction is made pursuant to an award on a contract let or sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received;
- (3) Participate in any matter, directly or indirectly, in which he or she attempts to influence any decision of any agency of the state, or political subdivision thereof in which he or she is an officer or employee or over which he or she has supervisory power, when he or she knows the result of such decision may be the acceptance of the performance of a service or the sale, rental, or lease of any property to that agency for consideration in excess of five hundred dollars' value per transaction or five thousand dollars' value per annum to him or her, to his or her spouse, to a dependent child in his or her custody or to any business with which he or she is associated unless the transaction is made pursuant to an award on a contract let or sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received;
- (4) Perform any services during the time of his or her office or employment for any consideration from any person, firm or corporation, other than the compensation provided for the performance of his or her official duties, by which service he or she attempts to influence a decision of any agency of the state, or of any political subdivision in which he or she is an officer or employee or over which he or she has supervisory power;
- (5) Perform any service for consideration, during one year after termination of his or her office or employment, by which performance he or she attempts to influence a decision of any agency of the state, or a decision of any political subdivision in which he or she was an officer or employee or over which he or she had supervisory power, except that this provision shall not be construed to prohibit any person from performing such service and receiving compensation therefor, in any adversary proceeding or in the preparation or filing of any public document or to prohibit an employee of the executive department from being employed by any other department, division or agency of the executive branch of state government. For purposes of this subdivision, within ninety days after assuming office, the governor shall by executive order designate those members of his or her staff who have supervisory authority over each department,

division or agency of state government for purposes of application of this subdivision. The executive order shall be amended within ninety days of any change in the supervisory assignments of the governor's staff. The governor shall designate not less than three staff members pursuant to this subdivision;

- (6) Perform any service for any consideration for any person, firm or corporation after termination of his or her office or employment in relation to any case, decision, proceeding or application with respect to which he or she was directly concerned or in which he or she personally participated during the period of his or her service or employment.
- 2. No elected or appointed official or employee of any school district shall perform a service or sell, rent, or lease any property to the school district for consideration in excess of five hundred dollars' value per transaction or five thousand dollars' value per annum to him or her, to his or her spouse, to a dependent child in his or her custody or to any business with which he or she is associated unless the transaction is made pursuant to an award on a contract let or sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received.

(L. 1978 H.B. 1610 § 4, A.L. 1991 S.B. 262, A.L. 1998 H.B. 1120, A.L. 2004 S.B. 968 and S.B. 969, A.L. 2005 H.B. 577 merged with S.B. 307, A.L. 2014 S.B. 719)

Prohibited acts by members of governing bodies of political subdivisions, exceptions.

105.458

- 1. No member of any legislative or governing body of any political subdivision of the state shall:
- (1) Perform any service for such political subdivision or any agency of the political subdivision for any consideration other than the compensation provided for the performance of his or her official duties, except as otherwise provided in this section; or
- (2) Sell, rent or lease any property to the political subdivision or any agency of the political subdivision for consideration in excess of five hundred dollars per transaction or five thousand dollars per annum, or in the case of a school board five thousand dollars per annum, unless the transaction is made pursuant to an award on a contract let or a sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received; or
- (3) Attempt, for any compensation other than the compensation provided for the performance of his or her official duties, to influence the decision of any agency of the political subdivision on any matter; except that, this provision shall not be construed to prohibit such person from participating for compensation in any adversary proceeding or in the preparation or filing of any public document or conference thereon.
- 2. No sole proprietorship, partnership, joint venture, or corporation in which any member of any legislative body of any political subdivision is the sole proprietor, a partner having more than a ten percent partnership interest, or a coparticipant or owner of in excess of ten percent of the outstanding shares of any class of stock, shall:
- (1) Perform any service for the political subdivision or any agency of the political subdivision for any consideration in excess of five hundred dollars per transaction or five thousand dollars per annum, or in the case of a school board five thousand dollars per annum, unless the transaction is made pursuant to an award on a contract let after public notice and competitive bidding, provided that the bid or offer accepted is the lowest received;
- (2) Sell, rent or lease any property to the political subdivision or any agency of the political subdivision where the consideration is in excess of five hundred dollars per transaction or five thousand dollars per annum, or in the case of a school board five thousand dollars per annum, unless the transaction is made pursuant to an award on a contract let or a sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received.

(L. 1978 H.B. 1610 § 6, A.L. 1985 H.B. 193, A.L. 1998 H.B. 1120, A.L. 2005 H.B. 577 merged with S.B. 306 merged with S.B. 307)

Interest in measure, bill, or ordinance to be recorded--financial interest statement.

105.461

1. The governor, lieutenant governor, any member of the general assembly, or any member of the governing body of a political subdivision who has a substantial personal or private interest in any measure, bill, order or ordinance proposed or pending before the general assembly or such governing body, shall, before such official passes on the measure, bill, order or ordinance, file a written report of the nature of the interest with the chief clerk of the house of representatives or the secretary of the senate or clerk of such governing body and such statement shall be recorded in the appropriate journal or other record of proceedings of the governing body. The governor shall make the governor's written report

along with the governor's approval or disapproval of any bill or act of the general assembly describing the nature of the interest and such report shall be recorded in the journal of the house of representatives or of the senate.

2. The governor, lieutenant governor, any member of the general assembly, or any member of the governing body of a political subdivision shall be deemed to have complied with the requirements of this section if such official has filed, at any time before the official passes on such measure, bill, order or ordinance, a financial interest statement pursuant to sections 105.483 to 105.492 which discloses the basis for the official's substantial personal or private interest or interests that the official may have therein. Any such person may amend the person's financial interest statement to disclose any subsequently acquired substantial interest at any time before the person passes on any measure, bill, order or ordinance, and shall be relieved of the provisions of subsection 1 of this section.

(L. 1991 S.B. 262 § 105.460, A.L. 1997 S.B. 16)

Prohibited acts by persons with rulemaking authority--appearances --exceptions.

105.462

- 1. No member of any agency of the state or any political subdivision thereof who is empowered to adopt a rule or regulation, other than rules and regulations governing the internal affairs of the agency, or who is empowered to fix any rate, adopt zoning or land use planning regulations or plans, or who participates in or votes on the adoption of any such rule, regulation, rate or plan shall:
- (1) Attempt to influence the decision or participate, directly or indirectly, in the decision of the agency in which he or she is a member when he or she knows the result of such decision may be the adoption of rates or zoning plans by the agency which may result in a direct financial gain or loss to him or her, to his or her spouse or a dependent child in his or her custody or to any business with which he or she is associated;
- (2) Perform any service, during the time of his or her employment, for any person, firm or corporation for compensation other than the compensation provided for the performance of his or her official duties, if by the performance of the service he or she attempts to influence the decision of the agency of the state or political subdivision in which he or she is a member;
- (3) Perform for one year after termination of his or her employment any service for compensation for any person, firm or corporation to influence the decision or action of the agency with which he or she served as a member; provided, however, that he or she may, after termination of his or her office or employment, perform such service for consideration in any adversary proceeding or in the preparation or filing of any public document or conference thereon unless he or she participated directly in that matter or in the receipt or analysis of that document while he or she was serving as a member.
- 2. No such member or any business with which such member is associated shall knowingly perform any service for, or sell, rent or lease any property to any person, firm or corporation which has participated in any proceeding in which the member adopted, participated in the adoption or voted on the adoption of any rate or zoning plan or the granting or revocation of any license during the preceding year and received therefor in excess of five hundred dollars per transaction or one thousand five hundred dollars per annum except on transactions pursuant to an award on contract let or of sale made after public notice and in the case of property other than real property, competitive bidding, provided that the bid or offer accepted is the lowest received.

(L. 1978 H.B. 1610 § 7, A.L. 1998 H.B. 1120)

Exceptions to applicability of sections 105.450 to 105.458, 105.462 to 105.468, and 105.472 to 105.482.

- 1. No provision of sections 105.450 to 105.458, 105.462 to 105.468, and 105.472 to 105.482 shall be construed to prohibit any person from performing any ministerial act or any act required by order of a court or by law to be performed.
- 2. No provision of sections 105.450 to 105.458, 105.462 to 105.468, and 105.472 to 105.482 shall be construed to prohibit any person from communicating with the office of the attorney general or any prosecuting attorney or any attorney for any political subdivision concerning any prospective claim or complaint then under consideration not otherwise prohibited by law.
- 3. No provision of sections 105.450 to 105.458, 105.462 to 105.468, and 105.472 to 105.482 shall be construed to prohibit any person, firm or corporation from receiving compensation for property taken by the state or any political subdivision thereof under the power of eminent domain in accordance with the provisions of the constitution and the laws of the state.

Discharge and discrimination prohibited, reasons--reinstatement.

105.467

- 1. A governmental body, state agency or appointing authority shall not discharge, threaten, or otherwise discriminate against a person or state employee acting on behalf of a person regarding compensation, terms, conditions, location, or privileges of employment because:
- (1) The person or state employee acting on behalf of the person reports or is about to report, verbally or in writing, a violation or a suspected violation of sections 105.450 to 105.498; or
- (2) A person or state employee acting on behalf of the person is requested by the commission to participate in an investigation, hearing, or inquiry held by the commission or any related court action.

This subsection shall not apply to a person or state employee acting on behalf of a person who knowingly or recklessly makes a false report.

- 2. A person or state employee acting on behalf of a person who alleges a violation of subsection 1 of this section may bring a civil action for appropriate injunctive relief, or actual damages, or both.
- 3. A court, in rendering a judgment in an action brought pursuant to this section, shall order, as the court considers appropriate, reinstatement of the person or state employee acting on behalf of the person, the payment of back wages, full reinstatement of fringe benefits and seniority rights, actual damages, or any combination of these remedies. A court may also award such person all or a portion of the costs of litigation, including reasonable attorney's fees and witness fees, if the court determines that the award is appropriate.

(L. 1991 S.B. 262)

Definitions, retirement benefit changes.

105.660

The following words and phrases as used in sections 105.660 to 105.685, unless a different meaning is plainly required by the context, shall mean:

- (1) "Actuarial valuation", a mathematical process which determines plan financial condition and plan benefit cost;
- (2) "Actuary", an actuary:
- (a) Who is a member of the American Academy of Actuaries or who is an enrolled actuary under the Employee Retirement Income Security Act of 1974; and
- (b) Who is experienced in retirement plan financing;
- (3) "Board", the governing board or decision-making body of a plan that is authorized by law to administer the plan;
- (4) "Defined benefit plan", a plan providing a definite benefit formula for calculating retirement benefit amounts;
- (5) "Defined contribution plan", a plan in which the contributions are made to an individual retirement account for each employee;
- (6) "Funded ratio", the ratio of the actuarial value of assets over its actuarial accrued liability;
- (7) "Lump sum benefit plan", payment within one taxable year of the entire balance to the participant from a plan;
- (8) "Plan", any retirement system established by the state of Missouri or any political subdivision or instrumentality of the state for the purpose of providing plan benefits for elected or appointed public officials or employees of the state of Missouri or any political subdivision or instrumentality of the state;
- (9) "Plan benefit", the benefit amount payable from a plan together with any supplemental payments from public funds;
- (10) "Substantial proposed change", a proposed change in future plan benefits which would increase or decrease the total contribution percent by at least one-quarter of one percent of active employee payroll, or would increase or decrease a plan benefit by five percent or more, or would materially affect the actuarial soundness of the plan. In testing for such one-quarter of one percent of payroll contribution increase, the proposed change in plan benefits shall be added to all actual changes in plan benefits since the last date that an actuarial valuation was prepared. The closing or freezing of a current defined benefit plan is considered a substantial proposed change only for the purposes of sections 105.665, 105.670, 105.675, and 105.685.

All retirement plans to prepare financial report, content audit by state auditor and joint committee on public employee retirement--rules submitted to joint committee on public employee retirement, when--report required.

105.661

- 1. Each plan shall annually prepare and have available as public information a comprehensive annual financial report showing the financial condition of the plan as of the end of the plan's fiscal year. The report shall contain, but not be limited to, detailed financial statements prepared in accordance with generally accepted accounting principles for public employee retirement systems including an independent auditors report thereon, prepared by a certified public accountant or a firm of certified public accountants, a detailed summary of the plan's most recent actuarial valuation including a certification letter from the actuary and a summary of actuarial assumptions and methods used in such valuation, a detailed listing of the investments, showing both cost and market value, held by the plan as of the date of the report together with a detailed statement of the annual rates of investment return from all assets and from each type of investment, a detailed list of investments acquired and disposed of during the fiscal year, a listing of the plan's board of trustees or responsible administrative body and administrative staff, a detailed list of administrative expenses of the plan including all fees paid for professional services, a detailed list of brokerage commissions paid, a summary plan description, and such other data as the plan shall deem necessary or desirable for a proper understanding of the condition of the plan. In the event a plan is unable to comply with any of the disclosure requirements outlined above, a detailed statement must be included in the report as to the reason for such noncompliance.
- 2. Any rule or portion of rule promulgated by any plan pursuant to the authority of chapter 536, or of any other provision of law, shall be submitted to the joint committee on public employee retirement prior to or concurrent with the filing of a notice of proposed rulemaking with the secretary of state's office pursuant to section 536.021. The requirement of this subsection is intended solely for the purpose of notifying the joint committee on public employee retirement with respect to a plan's proposed rulemaking so that the joint committee on public employee retirement has ample opportunity to submit comments with respect to such proposed rulemaking in accordance with the normal process. Any plan not required to file a notice of proposed rulemaking with the secretary of state's office shall submit any proposed rule or portion of a rule to the joint committee on public employee retirement within ten days of its promulgation.
- 3. A copy of the comprehensive annual financial report as outlined in subsection 1 of this section shall be forwarded within six months of the end of the plan's fiscal year to the state auditor and the joint committee on public employee retirement.
- 4. Each defined benefit plan shall submit a quarterly report regarding the plan's investment performance to the joint committee on public employee retirement in the form and manner requested by the committee. If the plan fails to submit this report, the committee may subpoen witnesses, take testimony under oath, and compel the production of records regarding this information, pursuant to its authority under section 21.561.

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(L. 1987 H.B. 713, A.L. 2002 H.B. 1674, A.L. 2011 H.B. 282)
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Public pension funds not to be commingled--trusteeship.

105.662

The assets of public pension funds represent the deferred wages and future economic security of plan participants and shall not be commingled with any other funds of the political jurisdiction. All funds of the plan shall be placed in a trusteeship, and adequate reporting and disclosure requirements shall be established.

Retirement plan may appoint attorney as legal advisor.

105.663

Notwithstanding any other provision of law to the contrary, each public retirement plan as defined in section 105.660, through its board of trustees or other responsible administrative body, is authorized to appoint an attorney at law or firm of attorneys at law to be the legal advisor and to represent the plan and the board of trustees or other responsible administrative body in all legal proceedings.

Actuarial valuation performed at least biennially--forwarded to joint committee on public employee retirement, when.

- 1. Each plan shall at least biennially prepare and have available as public information an actuarial valuation performed in compliance with applicable standards and guidelines as set forth by the governmental accounting standards board. Any plan currently performing valuations on a biennial basis making a substantial proposed change in benefits as defined in section 105.660 shall have a new actuarial valuation performed using the same methods and assumptions for the most recent periodic actuarial valuation.
- 2. An actuarial valuation performed in compliance with applicable governmental accounting standards board pronouncements shall be forwarded to the joint committee on public employee retirement no later than sixty calendar days after completion or adoption of such valuation.

(L. 2002 H.B. 1455, A.L. 2014 H.B. 1882)

Cost statement of proposed changes prepared by actuary--contents.

- 1. The legislative body or committee thereof which determines the amount and type of plan benefits to be paid shall, before taking final action on any substantial proposed change in plan benefits, cause to be prepared a statement regarding the cost of such change.
- 2. The cost statement shall be prepared by an actuary using the methods used in preparing the most recent periodic actuarial valuation for the plan and shall, without limitation by enumeration, include the following:
- (1) The level normal cost of plan benefits currently in effect, which cost is expressed both in estimated annual dollars and as a percent of active employee payroll;
- (2) The contribution for unfunded accrued liabilities currently payable by the plan, which cost is expressed both in estimated annual dollars and as a percent of active employee payroll and shall be over a period not to exceed thirty years;
- (3) The total contribution rate expressed both in estimated annual dollars and as a percent of active employee payroll, which contribution rate shall be the total of the normal cost percent plus the contribution percent for unfunded accrued liabilities;
- (4) A statement as to whether the legislative body is currently paying the total contribution rate as defined in subdivision (3) of this subsection;
- (5) The plan's actuarial value of assets, market value of assets, actuarial accrued liability, and funded ratio as defined in section 105.660 as of the most recent actuarial valuation;
- (6) The total post-change contribution rate expressed both in estimated annual dollars and as a percent of active employee payroll;
- (7) A projection of at least ten years of the current plan provisions compared to the proposed change from the proposed effective date of such change including the total annual contribution requirements expressed both in estimated annual dollars and as a percent of active employee payroll, the actuarial value of assets, the market value of assets, the actuarial accrued liability, and the funded ratio as defined in section 105.660 except that such projection shall not apply to employers within the retirement system established in sections 70.600 to 70.755, but in lieu thereof shall include a prospective schedule of at least ten years containing current provision-estimated employer contributions as a percent of payroll and estimated annual dollars, proposed provision-estimated employer contributions as a percent of payroll and estimated annual dollars, and the resulting difference. Such schedule shall also contain the estimated difference between the actuarial accrued liability and actuarial value of assets for each scenario;
- (8) A statement as to whether such additional contributions are mandated by the proposed change;
- (9) A statement as to whether or not the proposed change would in any way impair the ability of the plan to meet the obligations thereof in effect at the time the proposal is made;
- (10) All assumptions relied upon to evaluate the present financial condition of the plan and all assumptions relied upon to evaluate the impact of the proposed change upon the financial condition of the plan, which shall be those assumptions used in preparing the most recent periodic actuarial valuation for the plan, unless the nature of the proposed change is such that alternative assumptions are clearly warranted, and shall be made and stated with respect to at least the following:
- (a) Investment return;
- (b) Pay increase;
- (c) Mortality of employees and officials, and other persons who may receive benefits under the plan;
- (d) Withdrawal (turnover);

- (e) Disability;
- (f) Retirement ages;
- (g) Change in active employee group size;
- (11) The actuary shall certify that in the actuary's opinion the assumptions used for the valuation produce results which, in the aggregate, are reasonable;
- (12) A description of the actuarial funding method used in preparing the valuation including a description of the method used and period applied in amortizing unfunded actuarial accrued liabilities.

(L. 1979 H.B. 130 § 2, A.L. 1996 H.B. 1355, A.L. 2007 S.B. 406, A.L. 2014 H.B. 1882)

Board member education program required, curriculum, requirements--annual pension benefit statement required.

105.666

- 1. Each plan shall, in conjunction with its staff and advisors, establish a board member education program, which shall be in effect on or after January 1, 2008. The curriculum shall include, at a minimum, education in the areas of duties and responsibilities of board members as trustees, ethics, governance process and procedures, pension plan design and administration of benefits, investments including but not limited to the fiduciary duties as defined under section 105.688, legal liability and risks associated with the administration of a plan, sunshine law requirements under chapter 610, actuarial principles and methods related to plan administration, and the role of staff and consultants in plan administration. Board members appointed or elected on a board on or after January 1, 2008, shall complete a board member education program of at least six hours designated to orient new board members in the areas described in this section within ninety days of becoming a new board member. Board members who have served one or more years shall attend at least a total of two hours of continuing education programs each year in the areas described in this section.
- 2. Routine annual presentation by outside plan service providers shall not be used to satisfy board member education or continuing education program requirements contained in subsection 1 of this section. Such service providers may be utilized to perform education programs with such programs being separate and apart from routine annual presentations.
- 3. Plan governing body or staff shall maintain a record of board member education including, but not limited to, date, time length, location, education material, and any facilitator utilized. The record shall be signed and attested to by the attending board member or board chairperson or designee. Such information shall be maintained for public record and disclosure for at least three years or until the expiration of such board member's term, whichever occurs first.
- 4. A board member who is knowingly not participating in the required education programs under this section may be removed from such board by a majority of the board members which shall result in a vacancy to be filled in accordance with plan provisions except that ex officio board members shall not be removed under this subsection.
- 5. Each plan shall, upon the request of any individual participant, provide an annual pension benefit statement which shall be written in a manner calculated to be understood by the average plan participant and may be delivered in written, electronic, or other appropriate form to the extent such form is reasonably accessible to each participant or beneficiary. Such pension benefit statement shall include, but not be limited to, accrued participant contributions to the plan, total benefits accrued, date first eligible for a normal retirement benefit, and projected benefit at normal retirement. Any plan failing to do so shall submit in writing to the joint committee on public employee retirement as to why the information may not be provided as requested.

(L. 2007 S.B. 406, A.L. 2014 H.B. 1882, A.L. 2018 S.B. 870)

Gain or profit from funds or transactions of plan, prohibited when.

105.667

- 1. Any appointing authority, board member, or employee shall be prohibited from receiving any gain or profit from any funds or transaction of the plan, except benefits from interest in investments common to all members of the plan, if entitled thereto.
- 2. Any appointing authority, board member, or employee accepting any political contribution, gratuity, or compensation for the purpose of influencing his or her action with respect to the investment of the funds of the system shall thereby forfeit his or her office and in addition thereto be subject to the penalties prescribed for bribery.
- 3. Any trustee, employee, or participant of a plan who pleads guilty to or is found guilty of a plan-related felony after August 28, 2007, that is determined by a court of law to have been directly committed in connection with the member's duties as either a trustee, employee, or participant of a plan shall not be eligible to receive any retirement benefits from the respective plan.

(L. 2007 S.B. 406)

Felony conviction, ineligible for benefits, when--employer to notify of offenses, when--list of offenses.

105.669

- 1. Any participant of a plan who is convicted of a felony offense listed in subsection 3 of this section, which is committed in direct connection with or directly related to the participant's duties as an employee on or after August 28, 2014, shall not be eligible to receive any retirement benefits from the respective plan based on service rendered on or after August 28, 2014, except a participant may still request from the respective retirement system a refund of the participant's plan contributions, including interest credited to the participant's account.
- 2. The employer of any participant who is charged or convicted of a felony offense listed in subsection 3 of this section, which is committed in direct connection with or directly related to the participant's duties as an employee on or after August 28, 2014, shall notify the appropriate retirement system in which the offender was a participant and provide information in connection with such charge or conviction. The plans shall take all actions necessary to implement the provisions of this section.
- 3. A felony conviction based on any of the following offenses or a substantially similar offense provided under federal law shall result in the ineligibility of retirement benefits as provided in subsection 1 of this section:
- (1) The offense of felony stealing under section 570.030 when such offense involved money, property, or services valued at five thousand dollars or more;
- (2) The offense of felony receiving stolen property under section 570.080, as it existed before January 1, 2017, when such offense involved money, property, or services valued at five thousand dollars or more;
- (3) The offense of forgery under section 570.090;
- (4) The offense of felony counterfeiting under section 570.103;
- (5) The offense of bribery of a public servant under section 576.010; or
- (6) The offense of acceding to corruption under section 576.020.

(L. 2014 H.B. 1217, A.L. 2017 S.B. 34 merged with S.B. 62)

*Section 570.080 was repealed by S.B. 491, 2014, effective 1-01-17.

Cost statement available for inspection--effect of changes (general assembly).

105 670

When the general assembly is the legislative body responsible for authorizing a substantial proposed change in plan benefits, a prepared statement regarding the cost of such change shall be made available for its consideration prior to taking final action. Such statement of cost shall be prepared in accordance with section 105.665 and shall be available as public information for at least five legislative days before third reading and passage by either the house of representatives or the senate. The speaker or president pro tem may refer such bill for reconsideration upon receipt of the actuary statement to the committee to which the bill was originally referred. The bill shall retain its place on the calendar as though it had not been recalled. The committee shall report the bill to the house or senate, respectively, within seven calendar days with its recommendations. If any additional substantial proposed change, as defined in subdivision (10) of section 105.660, in cost or benefits is made by either the house of representatives or the senate or committee thereof, the actuary making the original cost statement shall amend the statement to reflect the additional features prior to the proposal being truly agreed to and finally passed. The plan shall make available to the actuary such information as is necessary to prepare such actuarial statement. The statement of cost shall be filed with the chief clerk of the Missouri house of representatives, the secretary of the senate, and with the joint committee on public employee retirement.

(L. 1979 H.B. 130 § 3, A.L. 1985 H.B. 695, A.L. 1987 H.B. 713, A.L. 1989 H.B. 674, A.L. 1996 H.B. 1355, A.L. 2014 H.B. 1882)

Cost statement available for inspection (political subdivisions).

105.675

When a political subdivision or instrumentality of the state is the legislative body responsible for making a substantial proposed change in benefits, a prepared statement regarding the cost of such change shall be prepared in accordance with section 105.665 and shall be made available for its consideration. Such statement of cost shall be available as public information for at least forty-five calendar days before the legislative body can take final action to adopt the substantial proposed change in benefits. The statement of cost required by this section shall be filed in the office of the clerk, secretary or other individual responsible for keeping the official records of the legislative body, and with the joint committee on public employee retirement.

Contact information for retired members to be provided, when (St. Louis City).

105.679

Notwithstanding the provisions of sections 610.010 to 610.035 to the contrary, any retirement plan as defined in section 105.660, located in a city not within a county, providing retirement benefits for general employees shall provide, upon request by any retiree organization, sufficient information enabling such organization to contact retired members.

(L. 2001 S.B. 290 § 1, A.L. 2003 H.B. 131) *Transferred 2003; formerly 70.795

Expenses for cost statements, how paid.

105.680

- 1. For any proposed change in plan benefits, the expense of having the cost statement prepared shall be assured before the legislative body may take final action to approve a proposed substantial change in plan benefits.
- 2. The expense of having the cost statement prepared shall be paid by the plan if the substantial proposed change is initiated or approved by the plan's governing board.
- 3. When the general assembly is the legislative body considering a proposed change in plan benefits, the joint committee on public employee retirement, upon approval by a majority of the statutory number of senators serving on the committee and approval of a majority of the statutory number of representatives serving on the committee, may assume the expense of preparing a cost statement required by sections 105.660 to 105.685 by employing or contracting with an actuary or actuaries who possess the qualifications required by the provisions of sections 105.660 to 105.685 upon such terms as may be agreed upon and within the limits of appropriations made therefor, or may order the plan to provide such statement.
- 4. If the expense of preparing the cost statement is not assured by reason of subsection 2 or 3 above, the expense shall be paid by the individual, group of individuals, department or agency seeking such proposed change.

(L. 1979 H.B. 130 § 5, A.L. 1985 H.B. 695)

Plan deemed delinquent, when, effect of.

105.683

Any plan, other than a plan created under sections 169.010 to 169.141 or sections 169.600 to 169.715, whose actuary determines that the plan has a funded ratio below sixty percent and the political subdivision has failed to make one hundred percent of the actuarially required contribution payment for five successive plan years with a descending funded ratio for five successive plan years, shall be deemed delinquent in the contribution payment and such delinquency in the contribution payment shall constitute a first lien on the funds of the political subdivision, and the board as defined under section 105.660 is authorized to compel payment by application for a writ of mandamus; and in addition, such delinquency in the contribution payment shall be certified by the board to the state treasurer and director of the department of revenue. Until such delinquency in the contribution payment, together with regular interest, is satisfied, the state treasurer and director of the department of revenue shall withhold twenty-five percent of the certified contribution deficiency from the total moneys due the political subdivision from the state.

(L. 2007 S.B. 406, A.L. 2014 H.B. 1882)

Benefit increases prohibited, when--amortization of unfunded actuarial accrued liabilities--accelerated contribution schedule required, when.

- 1. Notwithstanding any law to the contrary, no plan shall adopt or implement any additional benefit increase, supplement, enhancement, lump sum benefit payments to participants, or cost-of-living adjustment beyond current plan provisions in effect prior to August 28, 2007, which would, in aggregate with any other proposed plan provisions, increase the plan's actuarial accrued liability when valued by an actuary using the same methods and assumptions as used in the most recent periodic valuation, unless the plan's actuary determines that the funded ratio of the most recent periodic actuarial valuation and prior to such adoption or implementation is at least eighty percent and will not be less than seventy-five percent after such adoption or implementation. Methods and assumptions used in valuing such proposed change may be modified if the nature is such that alternative assumptions are clearly warranted.
- 2. The unfunded actuarial accrued liabilities associated with benefit changes described in this section shall be amortized over a period not to exceed twenty years for purposes of determining the contributions associated with the adoption or implementation of any such benefit increase, supplement, or enhancement.

- 3. Any plan with a funded ratio below sixty percent shall have the actuary prepare an accelerated contribution schedule based on a descending amortization period for inclusion in the actuarial valuation.
- 4. Nothing in this section shall apply to any plan established under chapter 70 or chapter 476.
- 5. Nothing in this section shall prevent a plan from adopting and implementing any provision necessary to maintain a plan's status as a qualified trust pursuant to 26 U.S.C. Section 401(a).

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(L. 2007 S.B. 406, A.L. 2013 H.B. 233, A.L. 2014 H.B. 1882)
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Effective date of changes.

105.685

A substantial proposed change in plan benefits shall not become effective until such time as the provisions of sections 105.660 to 105.685 are complied with.

Definitions.

105.687

As used in sections 105.687 to 105.689, the following terms mean:

- (1) "Equity interests", limited partnership interests and other interests in which the liability of the investor is limited to the amount of the investment, but does not include general partnership interests or other interests involving general liability of the investor;
- (2) "Invest" or "investment", utilization of money in the expectation of future returns in the form of income or capital gain;
- (3) "Investment fiduciary", a person who either exercises any discretionary authority or control in the investment of a public employee retirement system's assets or who renders for a fee advice for a public employment retirement system;
- (4) "Small business", an independently owned and operated business as defined in Title 15 U.S.C. Section 632A and as described by Title 13 CFR Part 121*;
- (5) "Small business investment company", an incorporated body or a limited partnership under Section 301 of Title III of the Small Business Investment Act of 1958, 15 U.S.C. 681;
- (6) "System", a public employee retirement system established by the state or any political subdivision of the state;
- (7) "Venture capital firm", a corporation, partnership, proprietorship, or other entity, the principal businesses of which is the making of investments in small businesses, either directly or indirectly by investing in entities the principal business of which is the making of investments in small businesses.

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(L. 1987 S.B. 20 § 1)
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*Original rolls contain "21", an apparent typographical error.

Investment fiduciaries, duties.

105.688

The assets of a system may be invested, reinvested and managed by an investment fiduciary subject to the terms, conditions and limitations provided in sections 105.687 to 105.689. An investment fiduciary shall discharge his or her duties in the interest of the participants in the system and their beneficiaries and shall:

- (1) Act with the same care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a similar capacity and familiar with those matters would use in the conduct of a similar enterprise with similar aims;
- (2) Act with due regard for the management, reputation, and stability of the issuer and the character of the particular investments being considered;
- (3) Make investments for the purposes of providing benefits to participants and participants' beneficiaries, and of defraying reasonable expenses of investing the assets of the system;
- (4) Give appropriate consideration to those facts and circumstances that the investment fiduciary knows or should know are relevant to the particular investment or investment course of action involved, including the role of the investment or investment course of action plays in that portion of the system's investments for which the investment fiduciary has

responsibility. For purposes of this subdivision, "appropriate consideration" shall include, but is not necessarily limited to a determination by the investment fiduciary that a particular investment or investment course of action is reasonably designed, as part of the investments of the system, to further the purposes of the system, taking into consideration the risk of loss and the opportunity for gain or other return associated with the investment or investment course of action; and consideration of the following factors as they relate to the investment or investment course of action:

- (a) The diversification of the investments of the system;
- (b) The liquidity and current return of the investments of the system relative to the anticipated cash flow requirements of the system; and
- (c) The projected return of the investments of the system relative to the funding objectives of the system;
- (5) Give appropriate consideration to investments which would enhance the general welfare of this state and its citizens if those investments offer the safety and rate of return comparable to other investments available to the investment fiduciary at the time the investment decision is made.

Investment fiduciary may make investments in certain countries.

105,689

Nothing in sections 105.687 to 105.689 shall prevent any investment fiduciary from making investments in any company which does business in any country with which the United States maintains diplomatic relations.

Selection of fiduciaries, preference to Missouri firms.

105.690

When selection is made of a venture capital firm, a consultant or a fiduciary, preference must be given to a Missouri based company.

Definitions--agreements to transfer service between plans--election to transfer--transfer of service, determination of value--amount due, payment period--effect of transfer--transfer not to result in receipt of benefits under more than one plan.

- 1. As used in this section, unless a different meaning is plainly required by the context, the following terms mean:
- (1) "Accumulated contributions", the sum of all amounts deducted from the compensation of an individual and credited to the person's individual account in the applicable plan, together with interest allowed thereon by the plan;
- (2) "Creditable service", the service of an individual, whether rendered while a member of a plan or not, which is recognized by a plan in determining the individual's eligibility for and the amount of the individual's benefits under the plan;
- (3) "Plan" or "retirement plan", any retirement system established by the state of Missouri or any political subdivision or instrumentality of the state for the purpose of providing plan benefits for elected or appointed public officials or employees of the state of Missouri or any political subdivision or instrumentality of the state;
- (4) "Receiving plan", a plan which pursuant to this section is receiving funds from another plan or an individual to provide creditable service for that individual;
- (5) "Transferring plan", a plan which pursuant to this section is transferring funds to another plan for the purpose of providing creditable service for an individual;
- (6) "Vested", having the right to receive the payment of a benefit from the plan, whether at present or at a future time. For the purpose of determining eligibility for transferring service credit, all plans shall be deemed to have five-year vesting.
- 2. Any retirement plan as defined in this section may enter into cooperative agreements to transfer creditable service from one retirement plan to another when a member who has been employed in a position covered by one plan is employed in a position covered by another plan. If any two plans already have in place on August 28, 1992, a cooperative agreement for transferring service between those plans, the existing agreement may remain in force upon agreement of both plans.

- 3. Any individual who has not yet retired and has earned creditable service under the provisions of a retirement plan which has entered into a cooperative agreement as specified in subsection 2 of this section, and who is vested in any plan may elect in writing to transfer the individual's creditable service from one plan to another plan upon employment and vesting in a position covered by the receiving plan. Within sixty days of such election the plan from which the individual is transferring shall transfer on the individual's behalf to the receiving plan an amount equal to the employee's pension benefit obligation at the time of transfer using the same assumption used in performing the last regular actuarial valuation of the transferring plan; except that in no event shall the transferred amount be less than the employee's accumulated contributions on deposit with the transferring plan.
- 4. The receiving plan shall determine, using accepted actuarial methods, the value of transferred service in the receiving plan. The amount of creditable service which shall be recognized in the receiving plan shall be determined by the actuarial value of the funds transferred, but in no event shall such creditable service exceed the actual number of years of creditable service from the transferring plan. If the actuarial value of the funds transferred to the receiving plan is less than that required to fund the liability created by the actual number of years of creditable service in the transferring plan, the employee may purchase additional creditable service in the receiving plan up to the actual number of years of creditable service in the transferring plan by paying the amount required by the receiving plan.
- 5. Any individual having earned creditable service under the provisions of any of the retirement plans identified in this section who is not vested in such plans and who becomes employed and vested in a position covered by another retirement plan identified in this section shall be permitted to purchase creditable service in the plan in which the individual is vested up to the actual number of years of creditable service the individual has in the other plans. The cost shall be determined using accepted actuarial methods by the receiving plan.
- 6. Payment in full of an amount due by an individual electing to transfer or purchase creditable service pursuant to this section shall be made over a period not to exceed two years, measured from the date of election, or prior to the effective date of retirement benefit payments to that individual by the receiving plan, whichever is earlier, and with interest compounded annually at the actuarially assumed interest rate of the plan receiving the payments. If payment in full is not made within this prescribed time period, any partial payments made by the individual because of the election shall be refunded, and no creditable service shall be allowable in the receiving plan as a result of the partial payments.
- 7. Any individual employed in nonfederal public employment in Missouri but not covered by a retirement plan who becomes employed and vested in a position covered by a retirement plan identified in this section shall be permitted to purchase creditable service in the plan up to the actual number of years of public service in an uncovered position. The cost and creditable service allowed shall be determined using accepted actuarial methods by the receiving plan.
- 8. When an individual elects to transfer creditable service from one plan to another plan, the individual thereby forfeits any claim to any benefit based on such service under the provisions of the retirement plan from which the creditable service is transferred.
- 9. In no event shall any individual receive credit or benefits for the same period of service or employment under more than one retirement plan as a consequence of transfer or purchase pursuant to the provisions of this section. Benefits paid on the basis of creditable service transferred or purchased pursuant to the provisions of this section shall be calculated using the formula applicable to the receiving plan.

(L. 1992 S.B. 499, et al., A.L. 1993 H.B. 733 merged with S.B. 363, A.L. 1997 H.B. 356, A.L. 1999 S.B. 196) *Transferred 1994; formerly 105.985

CROSS REFERENCE: Purchase or transfer of prior creditable service authorized for certain persons covered by retirement plans identified in chapter 104, 287 or 476, 104.335

Minority and women money managers, brokers, and investment counselors, procurement action plan required--annual report.

105,702

All retirement plans defined under section 105.660 shall develop a procurement action plan for utilization of minority and women money managers, brokers, and investment counselors. Such retirement systems shall report their progress annually to the joint committee on public employee retirement and the governor's minority advocacy commission.

(L. 2014 H.B. 1882)

Employee defined--limitations--tax exempt, when.

105.900

1. As herein provided, "employee" means any person*, including elected or appointed officials, receiving compensation from the state, city, county, or other political subdivision for services rendered, including salaried persons. In no event

shall the total of the amount of deferred compensation to be set aside under a deferred compensation program and the employee's nondeferred income for any year exceed the total annual salary or compensation under the existing salary schedule or classification plan applicable to such employee in such year.

2. The deferred compensation program established by sections 105.900 to 105.925, shall exist and serve in addition to retirement, pension and benefit systems established by the state or political subdivision. Any income deferred under such a plan shall continue to be included as regular compensation for the purpose of computing the retirement and pension benefits earned by any employee. However, any sum deferred under the deferred compensation program shall be exempt from taxation by this state to the same extent as it is exempt from income tax imposed by the United States.

(L. 1974 H.B. 1112 § 1) *Word "persons" appears in original rolls.

Participation in plans requires written agreement--funding--other plans not precluded.

105.925

- 1. As provided in sections 105.900 to 105.925, any city, county, institution of the state of Missouri, or other political subdivision may establish for its employees a deferred compensation program. Participation shall be by written agreement between such employees and the legislative authority of the city, county, institution, or other political subdivision providing for the deferral of such compensation and the subsequent investment and administration of such funds.
- 2. For purposes of funding such agreements between the city, county, institution, or other such political subdivision and the participating employees, the agency or department as designated by the legislative authority to establish and administer such plans may invest such funds, with the consent of the participating employee, in such investments deemed appropriate by said agency or department, including, but not limited to, life insurance or annuity contracts. Such payments shall not be construed to be a prohibited use of the general assets of the political subdivision.
- 3. Notwithstanding any provision of sections 105.900 to 105.925 of the Missouri revised statutes to the contrary, this section does not limit the power or authority of any city, county, municipal corporation, political subdivision, or any institution supported in whole or in part by public funds to establish and administer any other such deferred compensation plans as might be deemed appropriate by the officials of such subdivisions or institutions. Providing, however, that in no case may any insurance or investment as authorized under such a plan be offered by other than a duly licensed resident agent representing a company duly licensed and authorized by the state of Missouri and other applicable federal regulatory agencies to offer such insurance or investment programs in compliance with all provisions of this code.

(L. 1974 H.B. 1112 § 6)

Cities, counties and other political subdivisions may establish for employees a voluntary life insurance plan.

105.1015

Any city, county, institution of the state of Missouri, or other political subdivision may establish for its employees a voluntary life insurance plan. Participation shall be by written agreement between such employees and the governing body of the city, county, institution, or other political subdivision providing for the payroll deduction and the subsequent administration of such funds.

(L. 1993 H.B. 882 § 5 subsec. 1)

Funds to be deposited with consent of participating employees and as designated by governing body with approved life insurance company.

105,1017

For purposes of funding such agreements between the city, county, institution, or other such political subdivision and the participating employees, the agency or department as designated by the governing body to establish and administer such plans may deposit such funds, with the consent of the participating employee, with the approved life insurance company deemed appropriate by such governing body.

(L. 1993 H.B. 882 § 5 subsec. 2)

Political subdivisions may establish and administer other life insurance plans.

105 1020

Notwithstanding any provision of law to the contrary, this section and sections 105.1015 and 105.1017 do not limit the power or authority of any city, county, municipal corporation, political subdivision, or any institution supported in whole

or in part by public funds to establish and administer any other such life insurance plans as might be deemed appropriate by the officials of such political subdivisions or institutions.

(L. 1993 H.B. 882 § 5 subsec. 3)

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August 28, 2018

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Missouri Revised Statutes PSRSSTL Sections 169.410 – 169.540 and Applicable Sections from Sections 169.560 – 169.597 Teacher and School Employee Retirement Systems

August 28, 2018

Definitions.

169.410

The following words and phrases as used in sections 169.410 to 169.540, unless a different meaning is plainly required by the context, shall have the following meanings:

- (1) "Accumulated contributions", the sum of all amounts deducted from the compensation of a member and credited to the member's individual account together with interest allowed on such an account;
- (2) "Actuarial equivalent", a benefit of equal value when computed upon the basis of interest and such mortality tables as shall be adopted by the board of trustees;
- (3) "Average final compensation", the highest average annual compensation of the member received for any three consecutive years of credited service of the member's last ten years of credited service or if the member has had less than three years of such credited service, during the member's entire period of credited service;
- (4) "Beneficiary", any person other than a retired member receiving a pension benefit, optional pension benefit or other benefit;
- (5) "Board of education", the board of education or corresponding board having charge of the public schools of the school district other than those public schools which are operated by the board of regents;
- (6) "Board of regents", the board of regents or corresponding board having charge of a public city teacher training school within the school district which was operated by its board of education prior to September 1, 1978;
- (7) "Board of trustees", the board which administers the retirement system;
- (8) "Charter school", any charter school established pursuant to sections 160.400 to 160.420 and located, at the time it is established, within the school district;
- (9) "Compensation", the regular compensation which a member has earned as an employee during any period, excluding, however, any compensation earned by a person who became a member after December 31, 1995, which is in excess of the limitation set forth in Section 401(a)(17) of the Internal Revenue Code;
- (10) "Consumer price index", the Consumer Price Index for All Urban Consumers for the United States, or its successor index, as approved by the board of trustees, as such index is defined and officially reported by the United States Department of Labor, or its successor agency;
- (11) "Credited service", prior service plus membership service plus service purchased pursuant to applicable Missouri statute;
- (12) "Employee", any person regularly employed by (a) the board of education, or (b) the board of trustees, or (c) the board of regents who was employed at a public teacher training school within the school district prior to September 1, 1978, and who did not become a member of the Missouri state employees' retirement system pursuant to section 104.342, RSMo, or (d) a charter school. In case of doubt as to whether any person is an employee, the decision of the board of education, or the board of trustees, or the board of regents shall be final and conclusive;
- (13) "Employer", the board of education, the board of trustees, the board of regents or a charter school;
- (14) "Medical board", the board of physicians;
- (15) "Member", a member of the retirement system defined as an:
- (a) "Active member", a person who is an employee;
- (b) "Inactive member", a former active member who has accumulated contributions with the retirement system; or
- (c) "Retired member", a former active member who has retired and is receiving benefits;
- (16) "Membership service", service rendered as an employee for which the employee received compensation. For the purpose of computing creditable service at retirement, membership service shall include a member's accumulated and

unused days of sick leave. The decision of the employing board as to the number of accumulated and unused days of sick leave held by a member shall be final and conclusive;

- (17) "Pension benefit" or "pension", monthly payments for life to a retired member or to such beneficiary as is entitled to the payments;
- (18) "Prior service", service prior to the date the system became operative which is credited;
- (19) "Public school", any school for elementary, secondary or higher education, open and public, which is supported and maintained from public funds and which is operated by the board of education of the school district, by the board of regents, or as a charter school as defined pursuant to sections 160.400 to 160.420, RSMo;
- (20) "Retired member", a member receiving a retirement benefit or other benefit;
- (21) "Retirement system", the public school retirement system of a school district;
- (22) "School administrator", an employee whose job classification is included on the school administrators' position schedule of the employing board;
- (23) "School district", any metropolitan school district as defined pursuant to section 160.011;
- (24) "Teacher", any teacher, substitute teacher, supervisor, principal, supervising principal, superintendent or assistant superintendent, who shall teach or be employed on a full-time basis in the public schools of a school district or charter school, except those teachers electing to become members of the Missouri state employees' retirement system pursuant to section 104.342, RSMo. In case of doubt as to whether any person is a teacher, the decision of the board of education, or the board of regents with respect to individuals within its charge, shall be final and conclusive.

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(L. 1943 p. 805 § 1, A.L. 1949 p. 532, A.L. 1951 p. 513, A.L. 1953 pp. 438, 496, A.L. 1957 p. 462, A.L. 1961 p. 384, A.L. 1965 p. 293, A.L. 1967 p. 263, A.L. 1978 S.B. 542, A.L. 1979 S.B. 392, A.L. 1981 H.B. 33, et al., A.L. 1987 H.B. 558, et al. merged with H.B. 713, A.L. 1989 S.B. 146, A.L. 1995 S.B. 378, A.L. 1996 S.B. 860, A.L. 2001 H.B. 660)
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Retirement system--how managed.

169.420

In all metropolitan school districts of this state, there are hereby created and established retirement systems for the purpose of providing retirement benefits for employees of said school districts. Each such system shall be a body corporate, and shall be under the management of a board of trustees herein described, and shall be known as "The Public School Retirement System of (name of school district)". Such system shall, by and in such name, sue and be sued, transact all of its business, invest all of its funds and hold all of its cash, securities and other property; provided, however, that such securities and other property may be held on behalf of the retirement system in the name of a nominee in order to facilitate the expeditious transfer of such securities or other property.

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(L. 1943 p. 805 § 2, A.L. 1978 S.B. 542, A.L. 2001 H.B. 660)
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Who shall be members.

169.430

All persons who shall hereafter become employees shall become members as a condition of their employment and shall receive no pension or retirement benefit from any pension or retirement system other than the retirement system established pursuant to sections 169.410 to 169.540 because of credited years of service in the school district, nor shall they be required to make contributions under any other pension or retirement system of any school district or state because of such years, except that this section does not prohibit the extension of the benefits and liabilities of Title II of the Social Security Act of the United States (42 U.S.C.A. Section 401 et seq.) to the employees of the school district for the purpose of supplementing the benefits provided by this law, through agreement by the district and the state pursuant to sections 105.300 to 105.440.

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(L. 1943 p. 805 § 3, A.L. 1953 pp. 438, 496, A.L. 1955 p. 546, A.L. 1957 p. 462, A.L. 1961 p. 384, A.L. 1981 H.B. 33, et al., A.L. 2001 H.B. 660)
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Revocation of election of coverage made on or ninety days after October 13, 1961, procedure, effect on creditable service.

169.435

Any member, who elected on October 13, 1961, or within ninety days thereafter to continue contributions and receive benefits as provided by the law theretofore, may revoke such election by written application to the board of trustees and, upon making the payment of such amount, including interest, as is required to make his total accumulated contributions

equal to what they would have been had he not made such prior election but instead had made contributions to the retirement system established by sections 169.410 to 169.540, shall receive credit in such system for equivalent service.

(L. 1961 p. 384 § 169.431, A.L. 1972 H.B. 1266, A.L. 1973 S.B. 256 Revision, A.L. 1981 H.B. 33, et al., A.L. 1987 H.B. 558, et al.)

Effective 6-19-87

Years of service, how determined--purchase of credit for service, limitations and conditions.

169,440

- 1. In no case shall more than one year of service be credited for all service in one calendar year.
- 2. The board of trustees shall include an employee's accumulated and unused days of sick leave, if any, in computing the employee's credited service upon the employee's retirement.
- 3. Any member inducted into the armed forces of the United States while an employee, and discharged or separated from such service by other than dishonorable discharge, shall be credited with such period or periods of time, not exceeding a total of four years, spent in such service during time of war or national emergency, and any additional period or periods of involuntary service as if such member had been for all effects and purposes in active service as an employee during such period or periods of time. Periods of national emergency, as that term is used in this section, shall be prescribed by rule of the board of trustees, giving due regard to the acts and resolutions of Congress and the proclamations and orders of the President.
- 4. Any member who is granted a leave of absence with reduced pay may authorize deduction of contributions based on full compensation, the same as if not on leave, and in such case the full compensation shall be used as annual compensation in determining the final average compensation for calculation of benefits.
- 5. A member may elect to purchase and receive credit for service in accordance with the following conditions and limitations:
- (1) The member must have a minimum of five years of continuous credited membership service in this retirement system prior to the member's election to purchase;
- (2) The member must have one year of credited service in this retirement system for each year to be credited;
- (3) The member must purchase the entire amount of credited service the member is eligible to purchase in a given category;
- (4) Eligible categories of credited service that can be purchased are:
- (a) Service rendered in a public school district in the state of Missouri, or outside the state of Missouri;
- (b) Service as an employee which at the time was not classified as membership service nor were contributions paid but which would be classified as membership service under later law and regulations;
- (c) The period during which an employee's membership was terminated during the years 1944 to 1947, inclusive, pursuant to a rule of the board of education prohibiting the employment of married women teachers, provided the member was reemployed on or before January 1, 1950, and was a member as of October 13, 1969;
- (d) A period of up to five years during which a member was involuntarily laid off in a staff reduction by the board of education after 1980, provided the member was restored to full-time employment and the member did not receive a refund of the member's accumulated contributions for credited service rendered prior to the layoff;
- (e) Service for which the member received a refund of the member's accumulated contributions;
- (f) Up to three years of service rendered in a school, which is not part of the public school system of this state and which charged tuition for the rendering of elementary and secondary educational services, as a full-time employee who was duly certified under the law governing the certification of teachers during all of such years of employment;
- (5) The member must pay for the purchase of service the amount required by the rules and regulations established by the board of trustees of the retirement system;
- (6) The retirement system may accept a transfer of funds from a plan qualified under Section 401(a) or 403(b) of the Internal Revenue Code in full or partial payment of the amount required to purchase the credited service;
- (7) A member shall receive credit at retirement for only such service as has met the conditions of this subsection. If the member has paid for any service which has not been credited, the member shall receive a refund of the excess payment. If the member has not completed such member's payment at time of retirement, the first benefits from the retirement system shall be applied to pay the balance of the amount due and thereafter the full benefits shall be payable.

(L. 1943 p. 805 § 4, A.L. 1949 p. 532, A.L. 1953 p. 438, A.L. 1957 p. 462, A.L. 1961 p. 384, A.L. 1969 p. 282, A.L. 1972 H.B. 1266, A.L. 1973 S.B. 256, A.L. 1978 S.B. 542, A.L. 1979 S.B. 392, A.L. 1981 H.B. 33, et al., A.L. 1983 S.B. 3, A.L. 1996 S.B. 860, A.L. 1997 H.B. 612 merged with S.B. 309, A.L. 2001 H.B. 660)

Trustees--selection, qualifications, powers and duties--circuit court's jurisdiction over board--board's authority to make rules for administering assets of system.

169.450

- 1. The general administration and responsibility for the proper operation of the retirement system and for making effective the provisions of sections 169.410 to 169.540 are hereby vested in a board of trustees of eleven persons, as follows:
- (1) Four trustees to be appointed for terms of four years by the board of education; provided, however, that their terms shall be fixed so the terms of one of the trustees so appointed shall expire each year. The members of such board of trustees appointed by the board of education may be members of the board of education or other individuals deemed qualified to hold such positions by the board of education;
- (2) Four trustees to be elected for terms of four years by and from the active members of the retirement system who shall hold office as trustees only while active members; provided, however, that their terms shall be fixed so that the terms of one of the trustees so elected shall expire each year; and provided further, that not more than two of such persons shall be teachers and two shall be nonteachers. For the purposes of this subsection, a school administrator shall not be eligible for the positions established pursuant to this subdivision and shall be eligible for the position established pursuant to subdivision (4) of this subsection;
- (3) Two trustees, who shall be retired members, to be elected for terms of four years by and from the retired members of the retirement system; provided, however, that the terms of office of the first two trustees so elected shall begin immediately upon their election and shall expire two and four years from the date of their election, respectively; and provided further, that not more than one of such persons shall be a teacher and one shall be a nonteacher;
- (4) One member, who shall be a school administrator, to be elected for a term of four years by and from the active members of the retirement system who shall hold office as a trustee only while an active member; except that, the initial term of office of such trustee shall expire on December 31, 1999.
- 2. If a vacancy occurs in the office of trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled. No vacancy or vacancies on the board of trustees shall impair the power of the remaining trustees to administer the retirement system pending the filling of such vacancies.
- 3. In the event of a lapse of a school district's corporate organization as described in subsections 1 and 4 of section 162.081, or for any other reason, the general administration and the responsibility for the proper operation of the retirement system shall continue to be fully vested in the trustees then currently serving and such trustees shall continue to serve and be elected in the same manner as set forth in this statute as if no lapse had occurred, except that in the event of vacancies occurring in the office of trustees appointed by the board of education prior to the lapse, the board of trustees shall appoint a qualified person or persons to fill such vacancy or vacancies for terms of up to four years.
- 4. Trustees shall serve without compensation, and any trustee shall be reimbursed from the expense fund for all necessary expenses which the trustee may incur through service on the board of trustees.
- 5. Each trustee shall, within ten days after such trustee's appointment or election, take an oath of office before the clerk of the circuit court of the judicial circuit in which the school district is located that, so far as it devolves upon the trustee, the trustee will diligently and honestly administer the affairs of the board of trustees and that the trustee will not knowingly violate or willingly permit to be violated any of the provisions of the law applicable to the retirement system. Such oath shall be subscribed to by the trustee making it and filed in the office of the clerk of the circuit court.
- 6. The circuit court of the judicial circuit in which the school district is located shall have jurisdiction over the members of the board of trustees to require them to account for their official conduct in the management and disposition of the funds and property committed to their charge; to order, decree and compel payment by them to the public school retirement system of their school district of all sums of money, and of the value of all property which may have been improperly retained by them, or transferred to others, or which may have been lost or wasted by any violation of their duties or abuse of their powers as such members of such board; to remove any such member upon proof that the trustee has abused the trustee's trust or has violated the duties of the trustee's office; to restrain and prevent any alienation or disposition of property of such public school retirement system by the members, in cases where it may be threatened, or there is good reason to apprehend that it is intended to be made in fraud of the rights and interests of such public school retirement system. The jurisdiction conferred by sections 169.410 to 169.540 shall be exercised as in ordinary cases upon petition, filed by the board of education of such school district, or by any two members of the board of trustees. Such petition shall be heard in a summary manner after ten days' notice in writing to the member complained of, and an

appeal shall lie from the judgment of the circuit court as in other causes and be speedily determined, but such appeal shall not operate under any condition as a supersedeas of a judgment of removal from office.

- 7. Each trustee shall be entitled to one vote in the board of trustees. Six votes shall be necessary for a decision by the trustees at any meeting of the board of trustees.
- 8. Subject to the limitations of sections 169.410 to 169.540, the board of trustees shall, from time to time, establish rules and regulations for the administration of the retirement system, for eligibility for and determination of benefits under the retirement system, for the investment of retirement system assets, and for the transaction of the retirement system's business
- 9. The board of trustees shall elect from its membership a chairman and shall, by majority vote of its members, appoint a secretary, who may be, but need not be, one of its members. It shall engage such actuarial and other services as shall be required to transact the business of the retirement system. It shall also engage an investment counselor who shall be experienced in the investment of moneys to advise the trustees on investments of the retirement system. The compensation of all persons engaged by the board of trustees and all other expenses of the board necessary for the operation of the retirement system shall be paid at such rates and in such amounts as the board of trustees shall approve.
- 10. The board of trustees shall keep in convenient form such data as shall be necessary for actuarial valuations of the assets of the retirement system and for checking the experience of the system.
- 11. The board of trustees shall keep a record of all its proceedings which shall be open to public inspection. It shall prepare annually and send to the board of education and to each member of the retirement system a report showing the fiscal transactions of the retirement system for the preceding fiscal year, a detailed listing of all salaries and expenditures incurred by the trustees for its operation, the amount of the accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities of the retirement system. The board of trustees shall also prepare or cause to be prepared an annual report concerning the operation of the retirement system herein provided for, which report shall be sent by the chairman of the board of trustees to the board of education.
- 12. The board of trustees shall arrange for necessary legal advice for the operation of the retirement system.
- 13. The board of trustees shall designate a medical board to be composed of three physicians, none of whom shall be eligible for benefits pursuant to sections 169.410 to 169.540, who shall arrange for and pass upon all medical examinations required pursuant to the provisions of sections 169.410 to 169.540, shall investigate all essential statements and certificates made by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the board of trustees its conclusions and recommendations upon all matters referred to it.
- 14. The actuary shall be the technical adviser of the board of trustees on matters regarding the operation of the system created by sections 169.410 to 169.540 and shall perform such other duties as are required in connection therewith. Such person shall be qualified as an actuary by membership as a fellow in the Society of Actuaries or by objective standards which are no less stringent than those established by the Society of Actuaries.
- 15. At least once in each five-year period the actuary shall make an investigation into the actuarial experience of the retirement system, and taking into account the results of such investigation of the experience, the board of trustees shall adopt for the retirement system such actuarial assumptions as shall be deemed necessary.
- 16. On the basis of such actuarial assumptions as the board of trustees shall adopt, the actuary shall make an annual valuation of the assets and liabilities of the funds of the retirement system.
- 17. On the basis of the valuation the board of trustees shall certify the rates of contribution payable by the board of education.

(L. 1943 p. 805 § 5, A.L. 1953 pp. 438, 496, A.L. 1957 p. 462, A.L. 1961 p. 384, A.L. 1967 p. 263, A.L. 1978 S.B. 542, A.L. 1981 H.B. 33, et al., A.L. 1987 H.B. 558, et al., A.L. 1996 S.B. 860, A.L. 1999 H.B. 979, A.L. 2001 H.B. 660)

Retirement, when--pensions, how computed--early retirement, when, pensions, how computed--disability retirement, when, pensions, how computed--death before retirement, effect of--beneficiary defined, benefits, how computed--retirants may become active, how--minimum benefits, when.

169.460

1. Any member may retire and receive a normal pension upon his or her written application to the board of trustees setting forth at what time not less than fifteen days nor more than one hundred eighty days subsequent to the execution and filing of such application he or she desires to be retired; provided, that the member at the time so specified for his or her retirement either (a) shall have attained age sixty-five or (b) shall have attained an age which when added to the number of years of credited service of such member shall total a sum not less than eighty. For purposes of computing

any member's age under this section, the board shall, if necessary, add to his or her actual age any accumulated and unused days of sick leave included in his or her credited service.

- 2. Upon retirement under subsection 1 of this section, a member shall receive an annual pension payable in monthly installments in the following manner:
- (1) A member hired prior to January 1, 2018, shall receive an annual pension payable in monthly installments equal to his or her number of years of credited service multiplied by two percent of his or her average final compensation subject to a maximum pension of sixty percent of his or her average final compensation; or
- (2) A member hired for the first time on or after January 1, 2018, shall receive an annual pension payable in monthly installments equal to his or her number of years of credited service multiplied by one and three-fourths percent of such member's average final compensation subject to a maximum pension of sixty percent of the member's average final compensation.
- 3. A member who is not eligible for normal pension pursuant to subsection 1 of this section but who has attained age sixty and has five or more years of credited service may make application in the same manner as pursuant to subsection 1 of this section for an early pension. His or her early pension shall be computed pursuant to subsection 2 of this section, but shall be reduced by five-ninths of one percent for each month such member's early retirement date precedes the earliest date he or she could have received a normal pension pursuant to subsection 1 of this section had his or her service continued.
- 4. Upon the written application of the member or of the employing board, any active member who has five or more years of credited service with such board and does not qualify for a normal pension pursuant to subsection 1 of this section may be retired by the board of trustees, not less than fifteen days and not more than one hundred eighty days next following the date of filing such application, and receive a disability pension, provided, that the medical board after a medical examination of such member or such member's medical records shall certify that such member is unable to further perform his or her duties due to mental or physical incapacity, and that such incapacity is likely to be permanent and that such member should be retired; or, provided the member furnishes evidence of the receipt of disability benefits under the federal Old Age, Survivors and Disability Insurance System of the Social Security Act. The determination of the board of trustees in the matter shall be final and conclusive. A member being retired pursuant to this subsection who has accumulated unused vacation and sick leave may elect to have the commencement of his or her disability pension deferred for more than one hundred eighty days during the period he or she is entitled to vacation and sick pay.
- 5. Upon retirement for disability, a member shall receive a disability pension until such time as he or she meets the requirements for a normal pension pursuant to subsection 1 of this section, at which time his or her disability pension will be deemed to be a normal pension. The member's disability pension shall be the larger of:
- (1) A normal pension based on his or her credited service to the date of his or her retirement for disability and calculated as if he or she were age sixty-five; or
- (2) One-fourth of his or her average final compensation; except that such benefit shall not exceed the normal pension which he or she would have received upon retirement if his or her service had continued and he or she had satisfied the eligibility requirements of subsection 1 of this section and had his or her final average compensation been unchanged.
- 6. Once each year during the first five years following retirement for disability and once in every three-year period thereafter while receiving a disability pension, the board of trustees may, and shall, require any member receiving a disability pension who has not yet become eligible for a normal pension pursuant to subsection 1 of this section to undergo a medical examination at a place designated by the medical board or by a physician or physicians designated by such board. If any such member receiving a disability pension refuses to submit to such medical examination, his or her benefit may be discontinued until his or her withdrawal of such refusal, and if his or her refusal continues for one year, all rights in and to his or her pension may be revoked by the board of trustees.
- 7. If the board of trustees finds that any member receiving a disability pension is engaged in or is able to engage in a gainful occupation paying more than the difference between his or her disability pension plus benefits, if any, to which he or she and his or her family are eligible under the federal Old Age, Survivors and Disability Insurance System of the Social Security Act and the current rate of monthly compensation for the position he or she held at retirement, then the amount of his or her disability pension shall be reduced to an amount which together with the amount earnable by him or her shall equal such current rate of monthly compensation. The decisions of the board of trustees in regard to such modification of disability benefits shall be final and conclusive.
- 8. If any member receiving a disability pension is restored to service as an employee, he or she shall again become an active member of the retirement system and contribute thereunder. His or her credited service at the time of his or her retirement for disability shall be restored and the excess of his or her accumulated contributions at his or her retirement for disability over the total disability pension payments which he or she received shall be credited to his or her account.

- 9. If a member with fewer than five years credited service ceases to be an employee, except by death, he or she shall be paid the amount of his or her accumulated contributions in accordance with applicable provisions of the Internal Revenue Code.
- 10. If a member with five years or more credited service ceases to be an employee, except by death or retirement, he or she shall be paid on demand the amount of his or her accumulated contributions, or he or she may leave his or her accumulated contributions with the retirement system and be an inactive member and claim a retirement benefit at any time after he or she reaches the minimum age for retirement, except that if such a member's accumulated contributions do not exceed the involuntary distribution limits under provisions of the Internal Revenue Code, the member must elect to become an inactive member within thirty days of employment separation to avoid application of the involuntary distribution provisions of the Internal Revenue Code. When an inactive member presents his or her valid claim to the board of trustees, he or she shall be granted a benefit at such time and for such amount as is available pursuant to subsection 2 or 3 of this section in accordance with the provisions of law in effect at the time his or her active membership ceased. The accumulated contributions of an inactive member may be withdrawn at any time upon ninety days' notice or such shorter notice as is approved by the board of trustees. If an inactive member dies before retirement, his or her accumulated contributions shall be paid to his or her designated beneficiary, if living, otherwise to the estate of the member. A member's accumulated contributions shall not be paid to him or her so long as he or she remains in service as an employee.
- 11. Any member upon retirement shall receive his or her pension payable throughout life subject to the provision that if his or her death occurs before he or she has received total benefits at least as large as his or her accumulated contributions at retirement, the difference shall be paid in one sum to his or her designated beneficiary, if living, otherwise to the estate of the retired member.
- 12. Prior to the date of retirement pursuant to subsection 2, 3, or 4 of this section, a member may elect to receive the actuarial equivalent of his or her pension in a lesser amount, payable throughout life under one of the following options with the provision that:
- Option 1. Upon his or her death, his or her pension shall be continued throughout the life of and paid to his or her beneficiary, or
- Option 2. Upon his or her death, one-half of his or her pension shall be continued throughout the life of and paid to his or her beneficiary, or
- Option 3. Upon his or her death, his or her pension shall be continued throughout the life of and paid to his or her beneficiary, provided that in the event his or her designated beneficiary predeceases him or her, then his or her pension shall be adjusted effective the first day of the month following the month in which his or her designated beneficiary died to the amount determined pursuant to subsection 2 or 3 of this section at the time of his or her retirement, or
- Option 4. Upon his or her death, one-half of his or her pension shall be continued throughout the life of and paid to his or her beneficiary, provided that in the event his or her designated beneficiary predeceases him or her, then his or her pension shall be adjusted effective the first day of the month following the month in which his or her designated beneficiary died to the amount determined pursuant to subsection 2 or 3 of this section at the time of his or her retirement.
- Option 5. Prior to age sixty-two the member will receive an increased pension, where the total pension prior to age sixty-two is approximately equal to the pension after age sixty-two plus the member's estimated federal Social Security benefit, provided that the reduced pension after age sixty-two is not less than one-half the pension the member could have received had no option been elected.
- A member may elect a combination of option l and option 5, or option 2 and option 5. The survivor benefits payable to a beneficiary, other than the spouse of the retired member, under any of the foregoing options shall in no event exceed fifty percent of the actuarial equivalent of the pension determined pursuant to subsection 2 or 3 of this section at the time of retirement.
- 13. If an option has been elected pursuant to subsection 12 of this section, and both the retired member and beneficiary die before receiving total benefits as large as the member's accumulated contributions at retirement, the difference shall be paid to the designated beneficiary of the person last entitled to benefits, if living, otherwise to the estate of the person last entitled to benefits.
- 14. If an active member dies while an employee and with five or more years of credited service and a dependent of the member is designated as beneficiary to receive his or her accumulated contributions, such beneficiary may, in lieu thereof, request that benefits be paid under option 1, subsection 12 of this section, as if the member had attained age sixty, if the member was less than sixty years of age at the time of his or her death, and had retired under such option as of the date of death, provided that under the same circumstances a member may provide by written designation that benefits must be paid pursuant to option 1 to such beneficiary. In addition to benefits received under option 1,

subsection 12 of this section, a surviving spouse receiving benefits under this subsection shall receive sixty dollars per month for each unmarried dependent child of the deceased member who is under twenty-two years of age and is in the care of the surviving spouse; provided, that if there are more than three such unmarried dependent children one hundred eighty dollars shall be divided equally among them. A "dependent beneficiary" for the purpose of this subsection only shall mean either the surviving spouse or a person who at the time of the death of the member was receiving at least one-half of his or her support from the member, and the determination of the board of trustees as to whether a person is a dependent shall be final.

- 15. In lieu of accepting the payment of the accumulated contributions of a member who dies after having at least eighteen months of credited service and while an employee, an eligible beneficiary or, if no surviving eligible beneficiary, the unmarried dependent children of the member under twenty-two years of age may elect to receive the benefits pursuant to subdivision (1), (2), (3), or (4) of this subsection. An "eligible beneficiary" is the surviving spouse, unmarried dependent children under twenty-two years of age or dependent parents of the member, if designated as beneficiary. A "dependent" is one receiving at least one-half of his or her support from the member at his or her death.
- (1) A surviving spouse who is sixty-two years of age at the death of the member or upon becoming such age thereafter, and who was married to the member at least one year, may receive sixty dollars per month for life. A spouse may receive this benefit after receiving benefits pursuant to subdivision (2) of this subsection.
- (2) A surviving spouse who has in his or her care an unmarried dependent child of the deceased member under twenty-two years of age may receive sixty dollars per month plus sixty dollars per month for each child under twenty-two years of age but not more than a total of two hundred forty dollars per month.
- (3) If no benefits are payable pursuant to subdivision (2) of this subsection, unmarried dependent children under the age of twenty-two may receive sixty dollars each per month; provided that if there are more than three such children one hundred eighty dollars per month shall be divided equally among them.
- (4) A dependent parent upon attaining sixty-two years of age may receive sixty dollars per month as long as not remarried provided no benefits are payable at any time pursuant to subdivision (1), (2), or (3) of this subsection. If there are two dependent parents entitled to benefits, sixty dollars per month shall be divided equally between them.
- (5) If the benefits pursuant to this subsection are elected and the total amount paid is less than an amount equal to the accumulated contributions of a member at his or her death, the difference shall be payable to the beneficiary or the estate of the beneficiary last entitled to benefits.
- 16. If a member receiving a normal pension again becomes an active member, his or her pension benefit payments shall cease during such membership and shall be resumed upon subsequent retirement together with such pension benefit as shall accrue by reason of his or her latest period of membership. Except as otherwise provided in section 105.269, a retired member may not receive a pension benefit for any month for which he or she receives compensation from an employing board, except he or she may serve as a part-time or temporary employee for not to exceed sixty days in any calendar year without becoming a member and without having his or her pension benefit discontinued. A retired member may also serve as a member of the board of trustees and receive any reimbursement for expenses allowed him or her because of such service without becoming an active member and without having his or her pension benefit discontinued or reduced.
- 17. Upon approval of the board of trustees, any member may make contributions in addition to those required. Any additional contributions shall be accumulated at interest and paid in addition to the benefits provided hereunder. The board of trustees shall make such rules and regulations as it deems appropriate in connection with additional contributions including limitations on amounts of contributions and methods of payment of benefits.
- 18. Notwithstanding any other provisions of this section, any member retiring on or after age sixty-five who has five or more years of credited service shall be entitled to an annual pension of the lesser of (a) an amount equal to his or her number of years of credited service multiplied by one hundred twenty dollars, or (b) one thousand eight hundred dollars. Upon the death of such member, any benefits payable to the beneficiary of such member shall be computed as otherwise provided.

(L. 1943 p. 805 § 6, A.L. 1949 p. 532, A.L. 1953 p. 438, A.L. 1957 p. 462, A.L. 1961 p. 384, A.L. 1965 p. 293, A.L. 1967 p. 263, A.L. 1972 H.B. 1266, A.L. 1973 S.B. 256, A.L. 1978 S.B. 542, A.L. 1979 S.B. 392, A.L. 1981 H.B. 33, et al., A.L. 1983 S.B. 3, A.L. 1986 H.B. 1216, A.L. 1987 H.B. 558, et al. merged with H.B. 384 Revision, A.L. 1988 H.B. 1100, et al., A.L. 1989 S.B. 146, A.L. 1990 H.B. 1347, et al., A.L. 2001 H.B. 660, A.L. 2017 S.B. 62)

Annual pension increase, when.

169,466

- 1. Any retired member with fifteen or more years of creditable service at retirement receiving retirement benefits on August 28, 1997, shall receive on January first of each year, commencing on January 1, 1998, an increase in the amount of benefits received by the retired member pursuant to sections 169.410 to 169.540 during the preceding year of one hundred percent of the increase in the consumer price index calculated in the manner provided in this section; except that, no such increase in retirement benefits shall be paid for any year if such increase in the consumer price index is less than one percent. Such annual retirement benefit increase, however, shall not exceed three percent. A retired member qualified to receive an annual retirement benefit increase pursuant to this section shall not be eligible to receive an additional benefit until the January first after the first anniversary of the date on which he or she commenced receiving retirement benefits pursuant to sections 169.410 to 169.540. Benefits shall not be decreased in the case of a decrease in the consumer price index for any year.
- 2. For the purpose of this section, any increase in the consumer price index shall be determined by the board of trustees in November of each year based on the consumer price index for the twelve-month period ended on September thirtieth of such year over the consumer price index for the twelve-month period ended on September thirtieth of the year immediately prior thereto. Any increase so determined shall be applied by the board of trustees in calculating increases in retirement benefits that become payable pursuant to this section for the twelve-month period beginning on the January first immediately following such determination.
- 3. An annual increase in retirement benefits, if any, shall be payable monthly with monthly installments of other retirement benefits pursuant to sections 169.410 to 169.540.

(L. 1996 S.B. 860, A.L. 1997 H.B. 612 merged with S.B. 309, A.L. 2001 H.B. 660, A.L. 2007 S.B. 406)

Board of education authorized to increase pensions, adopt and implement additional plans.

169.471

- 1. The board of education is authorized from time to time, in its discretion, to increase the retirement benefits now or hereafter provided pursuant to sections 169.410 to 169.540 and to adopt and implement additional retirement benefits and plans, including without limitation early retirement plans, deferred retirement option plans and cost-of-living adjustments, but excluding compensation to retired members pursuant to section 169.475, and for such purpose the contribution rate of members of the retirement system may be increased to provide part of the cost thereof, subject to the following conditions:
- (1) Any such increase in retirement benefits and additional retirement benefits and plans shall be approved by the board of trustees;
- (2) The board of trustees shall have presented to the board of education the projected increases in rates of contribution which will be required to be made by members and the board of education to the retirement system to pay the cost of such increases in retirement benefits and additional retirement benefits and plans; and
- (3) Any increase in the contribution rate of members of the retirement system shall be approved by the board of trustees and shall be deducted from the compensation of each member by the employing board and transferred and credited to the individual account of each member from whose compensation the deduction was made, and shall be administered in accordance with sections 169.410 to 169.540; provided that, any such increase in the members' contribution rate shall not exceed one-half of one percent of compensation in any year for such increases to retirement benefits and additional retirement benefits and plans adopted during such year by the board of education pursuant to this section, and all such increases in the members' contribution rate shall, in the aggregate, not exceed two percent of compensation.
- 2. The board of trustees is authorized from time to time, in its discretion, to increase the retirement benefits, now or hereinafter provided under sections 169.410 to 169.540, and to adopt and implement additional retirement benefits for persons who have retired, including cost-of-living adjustments, provided that the board of trustees finds the additional benefit will not require an increase in the contribution rate required by the members, will not increase the contribution required from the board of education, and is actuarially sound. In the event the board of trustees authorizes an increase under this section, it shall certify in writing to the board of education the findings, including but not limited to all actuarial assumptions, upon which the board of trustees determined that the increase in benefits would result in no increase in contributions by members or the board of education.

(L. 1996 S.B. 860, A.L. 2001 H.B. 660, A.L. 2007 S.B. 406)

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Retired member, employment as special advisor, duties, compensation--district to reimburse system, when. 169.475

- 1. Any retired member now receiving pension benefits, who served five years or more as an employee of the school district and who retired after June 30, 1957, and prior to January 1, 1971, shall, upon application to the retirement system, be employed by that retirement system as a special school advisor and supervisor. Any person so employed shall perform such duties as the board of trustees directs, and shall receive a salary of five dollars per month for each year of service not to exceed seventy-five dollars per month, payable by the retirement system as part of its administrative costs, but the payment to the retired person for such services, together with the pension benefits the person receives, shall not exceed one hundred fifty dollars per month. The employment provided for by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section.
- 2. Any retired member now receiving pension benefits, who served ten years or more as an employee of the school district and who retired prior to January 1, 1955, shall, upon application to the retirement system be employed by that retirement system as a special school advisor and supervisor. Any person so employed shall perform such duties as the board of trustees directs, and shall receive a salary of two hundred fifty dollars per month payable by the retirement system as part of its administrative costs, but payment to the retired person for such services shall be reduced by the pension benefits the person receives. The employment provided for by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section, subject to the limitation set forth in subsection 3 of this section.
- 3. Any retired member now receiving pension benefits who retired prior to January 1, 1976, shall, upon application to the retirement system, be employed by that retirement system as a school consultant. Any person so employed shall perform such duties as the board of trustees directs, and shall receive a salary equal to four dollars per month for each year (or major portion of a year) between the date of the person's retirement and December 31, 1981, plus two dollars per month for each year (or major portion of a year) between January 1, 1982, and December 31, 1984, and, in addition, shall be entitled to receive the insurance benefits provided retired members pursuant to section 169.476 payable by the retirement system as part of its administrative costs. The employment provided for by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section, provided that total salaries payable to any retired member pursuant to subsections 2 and 3 of this section shall not exceed two hundred fifty dollars per month.
- 4. Any retired member now receiving pension benefits who retired on or after January 1, 1976, and prior to December 31, 1984, shall, upon application to the retirement system, be employed by the retirement system as a school consultant. Any person so employed shall perform such duties as the board of trustees directs and shall receive a salary equal to four dollars per month for each year (or major portion of a year) between the date of the person's retirement and December 31, 1984, and, in addition, shall be entitled to receive the insurance benefits provided retired members pursuant to section 169.476 payable by the retirement system as part of its administrative costs. The employment provided for by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section.
- 5. Any retired member now receiving pension benefits or who retires prior to December 31, 1986, shall, after application to the retirement system, be employed by the retirement system as a school consultant. Any person so employed shall perform such duties as the board of trustees directs and shall receive a salary equal to two dollars per month for each year (or major portion of a year) between the date of the person's retirement and December 31, 1986, payable by the retirement system as part of its administrative costs. The employment provided for by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section.
- 6. Any retired member now receiving pension benefits or who retires prior to December 31, 1988, shall, after application to the retirement system, be employed by the retirement system as a school consultant. Any person so employed shall perform such duties as the board of trustees directs and shall receive a salary equal to two dollars per month for each year (or major portion of a year) between the date of the person's retirement and December 31, 1988, payable by the retirement system as part of its administrative costs. The employment provided for by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section.
- 7. Any retired member now receiving pension benefits or who retires prior to December 31, 1990, shall, after application to the retirement system, be employed by the retirement system as a school consultant. Any person so employed shall perform such duties as the board of trustees directs and shall receive a salary equal to two dollars per month for each year (or major portion of a year) between the date of the person's retirement and December 31, 1990, not to exceed ten years, payable by the retirement system as part of its administrative costs. The employment provided for by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section.

- 8. Any retired member now receiving pension benefits or who retires prior to December 31, 1993, shall, after application to the retirement system, be employed by the retirement system as a school consultant. Any person so employed shall perform such duties as the board of trustees directs and shall receive a salary equal to three dollars per month for each year (or major portion of a year) between the date of the person's retirement and December 31, 1993, payable by the retirement system as part of its administrative costs. The employment provided by this subsection shall in no way affect any person's eligibility for pension benefits or for employment pursuant to other subsections of this section.
- 9. Any retired member now receiving pension benefits with fifteen years or more creditable service at retirement, shall, after application to the retirement system, be employed by the retirement system as a consultant. Any person so employed shall, upon the request of the board of trustees, give the board, orally or in writing, a short detailed statement of the problems of retirement under the current monthly benefits. As compensation for the obligation to perform the extra duty imposed by this subsection, each consultant who meets the qualification prescribed in subsection 7 of this section, shall receive, in addition to all other compensation payable pursuant to this section, an increase in compensation each year computed on the total amount which such consultant receives pursuant to this section of one hundred percent of the increase in the consumer price index calculated and payable in the manner specified in section 169.466. A consultant otherwise qualified to receive compensation pursuant to this subsection shall not be eligible to receive such compensation until the January first after he or she has been retired for at least twelve months. Any such annual increase in compensation, however, shall not exceed three percent, and the total increase in compensation pursuant to this subsection shall not exceed ten percent of the total compensation such consultant was receiving pursuant to this section on August 28, 1996. Additional compensation payable pursuant to this subsection shall be payable by the retirement system as part of its administrative costs. The employment provided for in this subsections of this section.
- 10. Annually, immediately after the close of the fiscal year of the retirement system, the actuary for the system shall determine if the payments made pursuant to the provisions of this section have impaired the actuarial soundness of the plan, and upon the actuary's certification that the soundness has been so impaired, the system shall bill the school district which last employed the retired person on a full-time basis for reimbursement of the amount paid to that person during the preceding fiscal year. The school district shall forthwith accordingly reimburse the retirement system.
- 11. Effective January 1, 2002, all payments made pursuant to this section shall be paid as cost-of-living benefits rather than as expenses of the retirement system.

(L. 1979 S.B. 392, A.L. 1981 H.B. 33, et al., A.L. 1983 S.B. 3, A.L. 1984 S.B. 407, A.L. 1986 H.B. 1216, A.L. 1988 H.B. 1100, et al., A.L. 1990 H.B. 1347, et al., A.L. 1993 S.B. 148, A.L. 1996 S.B. 860, A.L. 2001 H.B. 660)

Insurance for retired members may be provided--rules and regulations.

169.476

The retirement system may contribute toward an insurance plan for the benefit of retired members which may provide dental, hospital, surgical, medical, life, accident, and similar insurance benefits as approved by the board of trustees. Such contributions shall be a part of the administrative costs of the retirement system. The board of trustees shall make such rules and regulations as it deems appropriate in connection with such plan.

(L. 1981 H.B. 33, et al., A.L. 2001 H.B. 660)

Board to be trustees of funds--investment--income credited--payments, how made--current funds kept--duties of trustees.

169.480

- 1. The board of trustees shall be the trustees of all the funds of the system and shall have full power to invest and reinvest such funds, and such trustees shall have full power to hold, purchase, sell, assign, transfer or dispose of any of the securities and investments in which such funds shall have been invested, as well as of the proceeds of such investments and any moneys belonging to such funds.
- 2. The board of trustees shall annually credit each member's individual account with interest on the largest balance remaining in each account for the entire year and at the rate determined by the board.
- 3. The board of trustees may employ a bank having fiduciary powers for the provision of such custodial or clerical services as the board may deem appropriate. Disbursement of funds of the retirement system shall be under the general supervision of the board of trustees and shall be in accordance with procedures established or approved by the board of trustees with the concurrence of the system's auditors.
- 4. For the purpose of meeting disbursements for pensions and other payments, there may be kept available cash on deposit in one or more banks or trust companies in the school district, organized under the laws of the state of Missouri, or of the United States; provided, that the amount on deposit in any one bank or trust company shall not exceed twenty-five percent of the paid-up capital and surplus of such bank or trust company, and for all deposits the board of trustees shall require of the banks or trust companies as security for the safekeeping and payment of the deposits securities of a

like kind and character as may be required by law for the safekeeping and payment of deposits made by the state treasurer.

- 5. Except as herein provided, no trustee, member of the board of education or employee of either the board of trustees or the board of education shall have any direct interest in the gains or profits of any investment made by the board of trustees. Nor shall any of them directly or indirectly for himself or as an agent in any manner use the assets of the retirement system except to make such current and necessary payments as are authorized by the board of trustees, nor shall any of said persons become an endorser or surety or become in any manner an obligor for moneys loaned by or borrowed from the board of trustees.
- 6. No member of the board of education shall be interested in any contract with or claim against the public school retirement system in his school district. If at any time after the election of any member of the board he becomes interested in any contract or claim against said retirement system, either directly or indirectly, or as agent or employee of any individual, firm or corporation, which is so interested, he shall thereupon be disqualified to continue as a member of the board.

(L. 1943 p. 805 § 8, A.L. 1953 p. 438, A.L. 1961 p. 384, A.L. 1981 H.B. 33, et al., A.L. 1987 H.B. 558, et al., A.L. 2001 H.B. 660)

CROSS REFERENCE: Multinational banks, securities and obligations of, investment in, when, 409.950

Assets of system to be held as one fund--contribution, rate, how collected--employer's contribution rate to be calculated annually.

169.490

- 1. All the assets of the retirement system shall be held as one fund.
- 2. (1) For any member hired before January 1, 2018, the employing board shall cause to be deducted from the compensation of each member at every payroll period five percent of his or her compensation.
- (2) Beginning January 1, 2018, the percentage in subdivision (1) of this subsection shall increase one-half of one percent annually until such time as the percentage equals nine percent.
- (3) For any member hired for the first time on or after January 1, 2018, the employing board shall cause to be deducted from the compensation of each member at every payroll period nine percent of such member's compensation.
- (4) The amounts so deducted shall be transferred to the board of trustees and credited to the individual account of each member from whose compensation the deduction was made. In determining the amount earnable by a member in any payroll period, the board of trustees may consider the rate of earnable compensation payable to such member on the first day of the payroll period as continuing throughout such payroll period; it may omit deduction from compensation for any period less than a full payroll period if the employee was not a member on the first day of the payroll period; and to facilitate the making of the deductions, it may modify the deduction required of any member by such amount as shall not exceed one-tenth of one percent of the compensation upon the basis of which such deduction was made.
- (5) The deductions provided for herein are declared to be a part of the salary of the member and the making of such deductions shall constitute payments by the member out of his or her salary or earnings and such deductions shall be made notwithstanding that the minimum compensation provided by law for any member shall be reduced thereby. Every member shall be deemed to consent to the deductions made and provided for herein, and shall receipt for his or her full salary or compensation, and the making of said deductions and the payment of salary or compensation less said deduction shall be a full and complete discharge and acquittance of all claims and demands whatsoever for services rendered during the period covered by the payment except as to benefits provided by sections 169.410 to 169.540.
- (6) The employing board may elect to pay member contributions required by this section as an employer pick up of employee contributions under Section 414(h)(2) of the Internal Revenue Code of 1986, as amended, and such contributions picked up by the employing board shall be treated as contributions made by members for all purposes of sections 169.410 to 169.540.
- 3. If a retired member receiving a pension pursuant to sections 169.410 to 169.540 is restored to active service and again becomes an active member of the retirement system, there shall be credited to his or her individual account an amount equal to the excess, if any, of his or her accumulated contributions at retirement over the total pension benefits paid to him or her.
- *4. Annually, the actuary for the retirement system shall calculate each employer's contribution as an amount equal to a certain percentage of the total compensation of all members employed by that employer. The percentage shall be fixed on the basis of the liabilities of the retirement system as shown by the annual actuarial valuation. The annual actuarial valuation shall be made on the basis of such actuarial assumptions and the actuarial cost method adopted by the board of trustees, provided that the actuarial cost method adopted shall be in accordance with generally accepted actuarial standards and that the unfunded actuarial accrued liability, if any, shall be amortized by level annual payments over a

period not to exceed thirty years. The provisions of this subsection shall expire on December 31, 2017; thereafter subsection 5 of this section shall apply.

- 5. For calendar year 2018, the rate of contribution payable by each employer shall equal sixteen percent of the total compensation of all members employed by that employer. For each calendar year thereafter, the percentage rate of contribution payable by each employer of the total compensation of all members employed by that employer shall decrease one-half of one percent annually until calendar year 2032 when the rate of contribution payable by each employer shall equal nine percent of the total compensation of all members employed by that employer. For subsequent calendar years after 2032, the rate of contribution payable by each employer shall equal nine percent of the total compensation of all members employed by that employer.
- 6. The expense and contingency reserve shall be a reserve for investment contingencies and estimated expenses of administration of the retirement system as determined annually by the board of trustees.
- 7. Gifts, devises, bequests and legacies may be accepted by the board of trustees to be held and invested as a part of the assets of the retirement system and shall not be separately accounted for except where specific direction for the use of a gift is made by a donor.

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(L. 1943 p. 805 § 9, A.L. 1951 p. 513, A.L. 1953 pp. 438, 496, A.L. 1957 p. 462, A.L. 1961 p. 384, A.L. 1967 p. 263, A.L. 1978 S.B. 542, A.L. 1981 H.B. 33, et al., A.L. 1987 H.B. 558, et al., A.L. 1989 S.B. 146, A.L. 2001 H.B. 660, A.L. 2017 S.B. 62)
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* Subsection 4 expires 12-31-17.

Certification of amount to be paid to retirement system, inclusion in annual budget estimates. 169.500

On or before the first day of January of each year the board of trustees shall certify to the board of education, the board of trustees and the board of regents, and to the state of Missouri with respect to the contribution for members employed by these employers, the amount which will be paid to the retirement system on or before December thirty-first of that year. On or before the first day of January of each year the board of trustees shall certify to charter schools and to the state of Missouri with respect to the contribution of members employed by these employers, the amount which will be paid to the retirement system on a monthly basis beginning January first of that year. The amount so certified shall be included by the employers in their annual budget estimates.

(L. 1943 p. 805 § 10, A.L. 1953 p. 438, A.L. 1961 p. 384, A.L. 1981 H.B. 33, et al., A.L. 2001 H.B. 660)

Obligations of system paid how--effect of change in law.

169.510

- 1. The payment of all pension benefits, refunds and other benefits or expenses pursuant to the provisions of sections 169.410 to 169.540 and all expenses in connection with the administration and operation of the retirement system are hereby made obligations chargeable against the assets of the retirement system and not of the employers, and the assets of the retirement system shall not be diverted or used for any purpose other than the payment of such obligations.
- 2. No alteration, amendment or repeal of sections 169.410 to 169.540 shall be deemed to affect the rights of members of any retirement system established thereunder with reference to deposits previously made, or to reduce any accrued or potential benefits to those who are members at the time when such alterations, amendments, or repeal becomes effective or to reduce the amount of any pension benefit then payable.

(L. 1943 p. 805 § 11, A.L. 1953 p. 496, A.L. 1961 p. 384, A.L. 1969 p. 282, A.L. 1987 H.B. 558, et al., A.L. 2001 H.B. 660)

Funds not subject to execution, garnishment or attachment and not assignable--exceptions.

Any funds created by sections 169.410 to 169.540 while in the charge and custody of the board of trustees of such retirement system shall not be subject to execution, garnishment, attachment or any other process whatsoever and shall be unassignable except as in sections 169.410 to 169.540 specifically provided or in the case of a proper order of child support issued through the family support division.

(L. 1943 p. 805 § 12, A.L. 2001 H.B. 660, A.L. 2014 H.B. 1299 Revision)

False statement, misdemeanor--correction of records--adjustment. 169.530

Any person who shall knowingly make any false statement, or shall falsify or permit to be falsified any record or records of this retirement system in any attempt to defraud such system, as a result of such act, shall be guilty of a misdemeanor and shall be punishable therefor under the laws of this state. Should any change or error in records result in any member or beneficiary receiving from the retirement system more or less than he would have been entitled to receive had the

records been correct, the board of trustees shall have the power to correct such error and, as far as practicable, may adjust the payments in such a manner that the actuarial equivalent of the benefit to which such member or beneficiary was correctly entitled shall be paid.

State shall contribute no funds--exceptions.

169.540

The state of Missouri shall contribute no funds directly or indirectly to finance the plan to pay pension benefits by appropriation bills or otherwise, except those funds which the district may receive from time to time under a law or laws providing for a general apportionment of school moneys throughout all the state and except employer contributions for members employed by the board of regents which shall be made by the state of Missouri.

GENERAL PENSION STATUTES APPLICABLE TO PSRSSTL

School retirement systems to conduct study.

169.566

- 1. The public school retirement system of the Kansas City school district, the public school retirement system of the St. Louis City school district, and the public school retirement system shall jointly undertake a feasibility study to include the following issues:
- (1) Improving portability of benefits between systems;
- (2) The technical issues involved in portability of benefits between Social Security and non-Social Security systems;
- (3) Potential centralized administration of the systems. The overall goal of the study is to suggest means by which portability of retirement benefits may promote teacher recruitment and retention in all school districts.
- 2. The joint committee on public employee retirement shall provide necessary assistance in the coordination of the study.
- 3. The study shall be presented by the joint committee on public employee retirement to the president pro tem of the senate and the speaker of the house of representatives no later than November 1, 1999.

(L. 1998 S.B. 781 § 2)

Joint rules promulgated, procedure.

169.569

- 1. In accordance with the recommendations made pursuant to section 169.566, the public school retirement system of Missouri, the public school retirement system of the St. Louis City school district and the public education employee retirement system of Missouri created pursuant to this chapter shall promulgate joint rules, which shall provide for the recognition of service toward retirement eligibility rendered by certified and noncertified personnel under any of the four systems. Such rules shall be limited to creditable service established with each system and shall in no event permit any transfer of creditable service or system assets.
- 2. Rules required pursuant to subsection 1 of this section shall be approved, and may be amended, by a majority of all of the trustees of each board of the four retirement systems. At least thirty days prior to the meeting of any board of one of the four retirement systems to vote on approving or amending such rules, a copy of the proposed rules or amendments shall be filed with the joint committee on public employee retirement.
- 3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2001, shall be invalid and void.

(L. 2001 H.B. 660 merged with S.B. 316, A.L. 2005 H.B. 443)

Employment of person having rights in more than one retirement system, may purchase membership creditpurchase of equivalent credit, when, requirements.

169.570

1. An employee having less than five years of membership service under one of the Missouri retirement systems provided in sections 169.010 to 169.141, 169.270 to 169.400 or 169.410 to 169.540, who is subsequently employed in a position covered by another of the Missouri retirement systems, may elect within five years after employment in a district included in another of the Missouri retirement systems to purchase membership credit for service rendered under the first system; provided, however, that the employee shall be entitled to apply the membership credit thus purchased toward a service retirement only and not for any other benefit. The purchase shall be effected by the member paying to the retirement system the amount required by the rules and regulations established by the respective retirement system, or, absent such rules and regulations, an amount, with interest, based on the annual salary rate of the employee's initial employment in a district under the system in which credit is being purchased and the contribution rate in effect in that system at the date of election to purchase credit. In the retirement systems provided by sections 169.270 to 169.400 and 169.410 to 169.540, the school district shall contribute the amount required by the statutes and by the rules and regulations established by the system for each year of creditable service purchased by the incoming member.

- 2. A member of any Missouri public school retirement system established by sections 169.010 to 169.141, 169.270 to 169.400, 169.410 to 169.540, or 169.600 to 169.715 who has previous credit in one of the other Missouri public school retirement systems may elect to purchase equivalent credit in the member's present system provided such credit toward retirement is withdrawn and benefits terminated in the previous system. The purchase shall be effected by the member paying to the retirement system the amount required by the rules and regulations established by the respective retirement system, or absent such rules and regulations, an amount, with interest, based on the annual salary rate of the member's initial employment in a district under the system in which credit is being purchased and the contribution rate in effect in that system at the date of election to purchase credit.
- 3. Nothing in this section shall decrease or discontinue the benefits provided by the sections of the statutes relating to any of the public school retirement systems in the state of Missouri.
- 4. Payment pursuant to the provisions of this section shall be completed prior to termination of membership with the retirement system, with interest on the unpaid balance, in accordance with rules and regulations and statutes established by the respective retirement systems. The individual purchasing credit must have service credit as a member of the retirement system for at least as many years before retirement as the number of years of credit being purchased.

(L. 1957 p. 423 § 1, A.L. 1981 H.B. 33, et al., A.L. 1986 S.B. 616, A.L. 1989 H.B. 600, A.L. 1993 S.B. 126, A.L. 1995 H.B. 416, et al., S.B. 378, A.L. 1996 S.B. 860, A.L. 1997 H.B. 169 merged with S.B. 309, A.L. 2003 H.B. 346 & 174)

Dissolution of marriage, court not to divide retirement benefits or Social Security benefits.

169.572

- 1. No court shall divide or set aside any federal old-age, survivors or disability insurance benefit provided to any party pursuant to the federal Social Security Act, 42 U.S.C. Section 200 et seq., in any proceeding for dissolution of marriage.
- 2. Subsequent to August 28, 1991, a court of competent jurisdiction may divide the pension, annuity, benefits, rights, and retirement allowance provided pursuant to this chapter between the parties to any action for dissolution of marriage, to the same extent and in the same manner the court may divide any federal old-age, survivors or disability insurance benefit of the parties provided pursuant to the federal Social Security Act.

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(L. 1989 H.B. 610 § 2, A.L. 1991 S.B. 242, et al. § 169.142)
*Transferred 1991; formerly 169.142
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(2003) Provision that public school retirement system benefits are non-divisible, nonmarital property does not violate substantive due process or equal protection rights. In re Marriage of Woodson, 92 S.W.3d 780 (Mo.banc).

Plan for utilization of minority professionals, report.

169.573

All retirement systems created in this chapter shall develop an affirmative action plan for the utilization of minority and women money managers, brokers, and investment counselors. Such retirement systems shall report their progress annually to the joint committee on public employee retirement.

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(L. 1994 S.B. 575 § 1)
Effective 5-26-94
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Members may designate trust as beneficiary.

169.574

Notwithstanding any other law to the contrary, in addition to any options available to members or retired members pursuant to this chapter, any such member or retired member may at any time designate an existing revocable or irrevocable trust or any other legal entity as the beneficiary to receive any accumulated contributions payable at the death of the member, the retired member or a beneficiary receiving monthly benefits under this chapter. Such designation shall be in writing and shall comply with rules of the board of trustees of the affected retirement system.

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(L. 1994 S.B. 575 § 2 and § 3)
Effective 5-26-94
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Authorizes board to provide for reciprocal creditable service transfers with other states.

169.576

The board of any retirement system established in this chapter may enter into a cooperative agreement with the board of any retirement system for education employees in any other state for the purpose of allowing the transfer of creditable service. Any such agreement shall meet the same terms as specified in section 105.691 for agreements with other retirement systems in Missouri.

(L. 1996 S.B. 860)

Purchase of additional creditable service to achieve minimum time required for allowance--request, form, purchase, requirements, term.

169.577

Any member of a retirement system subject to the provisions of this chapter, who is within five years of being eligible to retire with a retirement allowance as provided in this chapter, may elect to purchase additional creditable service of up to five-tenths of a year which shall, when so purchased, be included in the total of the member's years of creditable service, used to enable the member to achieve the minimum creditable service time required for a retirement allowance, and applied in the computation of the member's annual service retirement allowance. For any member of a retirement system established by sections 169.010 to 169.141 or 169.600 to 169.715, and notwithstanding any other provision within this section to the contrary, the purchase shall be effected in the same manner as provided in section 169.056. The request for purchase of the additional creditable service shall be made in writing to the board of trustees of the system in which the applicant is a member. The purchase shall be effected by the member paying to the retirement system the amount required by the rules and regulations established by the respective retirement system, or absent such rules and regulations, the amount, with interest, the member would have contributed thereto and the amount the member's employer would have contributed thereto had the person been employed in a position covered by the retirement system for the number of months for which the member is electing to purchase credit, and had the member's compensation during such period been the same as the annual salary rate at which the member is receiving at the time of application, and the contribution rate in effect on the date of election to purchase credit. The payment shall be completed prior to termination of membership with the retirement system with interest on the unpaid balance. Nothing in this section shall be construed to allow a member to vest in the retirement system by using the creditable service purchased pursuant to the provisions of this section to reach the time of vesting.

(L. 1995 S.B. 378 § 1, A.L. 1997 H.B. 169 merged with S.B. 309, A.L. 2003 H.B. 346 & 174)

Certain retired teachers to be employed by retirement system as special school advisors and supervisors, when-actuarially unsound, effect of.

169.585

- 1. Any retired teacher now receiving retirement benefits, who served five years or more as a teacher in the public schools of this state and who retired after June 30, 1957, and prior to January 1, 1971, under the provisions of this chapter, shall, upon application to the retirement system from which he is receiving retirement benefits be employed by that retirement system as a special school advisor and supervisor. Any person so employed shall perform such duties as the board of trustees of the retirement system of which he becomes an employee directs, and shall receive a salary of five dollars per month for each year of teaching service not to exceed seventy-five dollars per month, payable by the retirement system as part of its administrative costs, but the payment to the retired person for such services, together with the retirement benefits he receives under this chapter, shall not exceed one hundred fifty dollars per month. The employment provided for by this section shall in no way affect any person's eligibility for retirement benefits under this chapter.
- 2. Annually, immediately after the close of the fiscal year of each teacher retirement system, the actuary for the system shall determine if the payments made pursuant to the provisions of this section have impaired the actuarial soundness of the plan, and upon his certification that the soundness has been so impaired, the system shall bill each of the school districts which last employed each of these retired persons on a full-time basis for reimbursement of the amount paid to that person during the preceding fiscal year. The school districts shall forthwith accordingly reimburse the appropriate retirement system.

(L. 1972 H.B. 613 § 1)

Benefits exempted from taxation and creditors--benefits not assignable.

169.587

Any retirement allowance, benefit, funds, property, or rights created by, or accruing to any person under the provisions of this chapter, are hereby made and declared exempt from any tax of the state of Missouri or any political subdivision

or taxing body thereof and shall not be subject to execution, garnishment, attachment, writ of sequestration, or any other claim whatsoever and shall be unassignable.

(L. 1976 S.B. 721 § 1)

*Transferred 1978; formerly 169.691

CROSS REFERENCE: Taxation by state of annuities, pensions and retirement allowances, 143.123, 143.124

Health plans for school district employees to include retirees, families of retirees and survivors.

169.590

- 1. Any insurance contract or plan, including a noninsurance health benefit program, which provides group health insurance or benefits for employees who are members of any retirement system established pursuant to this chapter shall contain provisions that permit:
- (1) Any employee who retires, or who has retired, and is receiving or is eligible to receive retirement benefits under this chapter to remain or become a member of the group, including a noninsurance health benefit program, and to receive benefits at the same rate as all other members of the group;
- (2) The spouse or surviving spouse of any employee to remain or become a member of the group, including a noninsurance health benefit program, so long as such spouse is receiving or is eligible to receive retirement benefits under this chapter; and
- (3) The children or children who survive any employee to remain or become members of the group, including a noninsurance health benefit program, so long as they are receiving or are eligible to receive retirement benefits under this chapter.
- 2. The plan or contract may provide a different level of coverage for any person electing to remain or become a member of an eligible group, including a noninsurance health benefit program, as provided in subsection 1 of this section if such person is eligible for Medicare under the federal Health Insurance for the Aged Act, 42 U.S.C. 1395, as amended.
- 3. A person electing to become or remain a member of a group, including a noninsurance health benefit program, under subsection 1 of this section shall pay the premium for such coverage, including the premium for any covered dependents.
- 4. School districts entering into a contract with an insurance company which provides group health insurance or benefits for employees, including provisions for a noninsurance health benefit program, shall specify that such contract provides coverage for persons who have retired, their spouses and unmarried dependent children and that the enrollment period for such coverage shall be clearly stated for a period of time of not less than thirty days. Employees shall have one year from the date last employed by a school district that is subject to coverage pursuant to this section to qualify for the coverage provided.
- 5. School districts failing to comply with the provisions of this section shall have deducted from the state aid due such school district an amount equal to the premium for group health insurance, including a noninsurance health benefit program, for those persons denied the benefits required under the provisions of this section.
- 6. As used in this section, the term "noninsurance health benefit program" includes all group health plans or programs providing coverage on an expense-incurred basis, group service or indemnity type contracts issued by a nonprofit corporation, and all self-insured group health benefit plans or programs, of any type or description.

(L. 1987 S.B. 264 § 1, A.L. 1989 S.B. 352 merged with H.B. 610, A.L. 1990 H.B. 1513, A.L. 1992 H.B. 1425, A.L. 2003 H.B. 346 & 174)

Sick leave or under workers' compensation, employee may receive creditable service for leave time, requirements.

169.595

Any employee of a school district who is a member of a system pursuant to the provisions of this chapter shall remain a member of such system during any period of leave under sick leave provisions of the district or under workers' compensation and shall receive creditable service credit, not otherwise allowable, for such leave time if the employee makes contributions to the system equal to the amount of contributions which would have been made by such employee if such employee had been on active service status, in accordance with rules and regulations established by the respective retirement system. The school district shall make contributions on behalf of the employee as provided in the applicable provisions of this chapter relating to the system involved. The contributions of the member shall be made on a monthly or other basis in the manner provided by the system. The creditable service credit provided in this section shall be granted only for the actual time of the period of leave under sick leave provisions of the district or under workers'

compensation and shall not be granted after the date the member begins receiving retirement benefits from the system in which the person is a member.

(L. 1988 H.B. 1100, et al., A.L. 1991 S.B. 242, et al., A.L. 1994 H.B. 1544 merged with S.B. 575, A.L. 1997 H.B. 169 merged with S.B. 309)

Hancock amendment standing--certain statutes void, when.

169.597

Notwithstanding any provision of this chapter to the contrary, the board of trustees of any retirement system or the governing body of any political subdivision which funds such retirement system shall have standing to seek a declaratory judgment concerning the application of article X, section 21 of the Missouri Constitution to the provisions of this chapter. In the event a final judgment is rendered by a court which judgment determines that any provision of this chapter constitutes a new activity or service or increase in the level of an activity or service beyond that required by existing law pursuant to article X, section 21 of the Missouri Constitution, or any successor to that section, that provision of this chapter shall be void ab initio and any new benefit or feature required by such provision of this chapter shall be deemed not to have accrued and shall not be payable to members.

(L. 1996 S.B. 860, A.L. 1998 S.B. 501 merged with S.B. 761)

Effective 7-1-98 (S.B. 501) 8-28-98 (S.B. 761)

Missouri Revised Statutes Chapter 434 Contracts Against Public Policy

August 28, 2018

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434.090.	Action to be commenced in three months.			
434.100.	Construction contracts holding harmless a person's negligence			
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434.300.	Definitions.			
<mark>434.301</mark> .	Transfer or assignment of rights prohibitedmoneys and rights			
	not subject to legal processpension assignee prohibited from			
	evading prohibitions.			
434.302.	Contract or agreement void, whenmoneys paid to be returned			
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434.303.	Attorney general may bring action, whenrecovery procedures.			
434.304.	Actions under chapter 409 not prohibited.			

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Missouri Revised Statutes Chapter 434 Contracts Against Public Policy

August 28, 2018

Definitions.

434.300

For purposes of sections 434.300 to 434.303, the following terms shall mean:

- (1) "Benefit recipient", the person who is the plan participant or authorized beneficiary under the plan entitled to receive a plan benefit;
- (2) "Pension assignee", an individual or entity that has been assigned a plan benefit or portions of a plan benefit by the benefit recipient or that otherwise claims an interest in, or control over, a plan benefit or account to which a plan benefit has been deposited. The term "pension assignee" shall not include an individual who is a designated payee under a division of benefits order;
- (3) "Plan", any retirement system established by the state of Missouri, any political subdivision, or instrumentality of the state for the purpose of providing plan benefits for elected or appointed public officials or employees of the state of Missouri, any political subdivision, or instrumentality of the state;
- (4) "Plan benefit", the benefit amount payable from a plan, and includes any annuity, supplemental payment, or death benefit under the plan together with any supplemental payments from public funds to the benefit recipient.

(L. 2014 H.B. 1217)

Transfer or assignment of rights prohibited--moneys and rights not subject to legal process--pension assignee prohibited from evading prohibitions.

434.301

- 1. The right of any person to a plan benefit shall not be transferable or assignable, at law or in equity, and none of the moneys paid or payable or rights existing under a plan shall be subject to execution, levy, attachment, garnishment, or other legal process. This section shall not prohibit the division or assignability of a plan benefit that is expressly authorized by law that establishes the plan or that is specifically applicable to the plan, including division of benefits orders and any legal process in furtherance of the collection of either a judgment or administrative order for child support or spousal support.
- 2. A pension assignee shall not use any device, scheme, transfer, or other artifice to evade the applicability and prohibition of this section, including the deposit of such plan benefits into a joint account with a pension assignee or the authorization to a pension assignee under a power of attorney or other instrument or document to access an account or otherwise obtain funds from an account to which plan benefits have been deposited.

(L. 2014 H.B. 1217)

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