### FIRST REGULAR SESSION

#### HOUSE COMMITTEE SUBSTITUTE FOR

# **HOUSE BILL NO. 606**

## 93RD GENERAL ASSEMBLY

Reported from the Committee on Retirement March 10, 2005 with recommendation that House Committee Substitute for House Bill No. 606 Do Pass by Consent. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

STEPHEN S. DAVIS, Chief Clerk

1348L.02C

### **AN ACT**

To repeal sections 86.260, 86.280, 86.283, and 86.287, RSMo, and to enact in lieu thereof four new sections relating to police relief and pension systems.

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

Section A. Sections 86.260, 86.280, 86.283, and 86.287, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 86.260, 86.280, 86.283, and 86.287,

- 3 to read as follows:
- 86.260. 1. Upon termination of employment as a police officer and actual retirement for
- 2 ordinary disability a member shall receive a service retirement allowance if the member has

attained the age of fifty-five or completed twenty years of creditable service; otherwise the

- 4 member shall receive an ordinary disability retirement allowance which shall be equal to ninety
- + member shan receive an ordinary disability retriement anowance which shan be equal to inner
- 5 percent of the member's accrued service retirement in section 86.253, but not less than one-fourth
- 6 of the member's average final compensation; provided, however, that no such allowance shall
- 7 exceed ninety percent of the member's accrued service retirement benefit based on continuation
- 8 of the member's creditable service to the age set out in section 86.250.
- 9 2. Effective October 1, 1999, the ordinary disability retirement allowance will be
- 10 increased by fifteen percent of the member's average final compensation for each unmarried
- dependent child of the disabled member who is under the age of eighteen, or who, regardless of
- 12 age, is totally and permanently mentally or physically disabled and incapacitated from engaging
- 13 in gainful occupation sufficient to support himself or herself[, but not in excess of a total of three

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

children; provided, however, that the combined benefit shall not exceed seventy percent of such average final compensation].

- 3. Any member receiving benefits pursuant to the provisions of this section immediately prior to October 1, 1999, shall upon application to the board of trustees, be made, constituted, appointed and employed by the board of trustees as a special consultant on the problems of retirement, aging and other matters while the member is receiving such benefits, and upon request of the board of trustees shall give opinions in writing or orally in response to such requests as may be required. Beginning October 1, 1999, for such services as may be required, there shall be payable an additional monthly compensation of one hundred dollars or five percent of the member's average final compensation, whichever is greater, for each unmarried dependent child of the member[, but not in excess of a total of three children].
- 4. Any benefit payable to or for the benefit of a child or children under the age of eighteen years pursuant to the provisions of subsections 2 and 3 of this section shall continue to be paid beyond the age of eighteen years through the age of twenty-two years in those cases where the child is a full-time student at a regularly accredited college, business school, nursing school, school for technical or vocational training, or university, but such extended benefit shall cease whenever the child ceases to be a student. A college or university shall be deemed to be regularly accredited which maintains membership in good standing in a national or regional accrediting agency recognized by any state college or university.
- 5. No benefits pursuant to this section shall be paid to a child over eighteen years of age who is totally and permanently disabled if such child is a patient or resident of a public-supported institution, nor shall such benefits be paid unless such disability occurred prior to such child reaching the age of eighteen.
- 86.280. Upon the receipt of proper proofs of the death of a member in service and provided no other benefits are payable under the retirement system, there shall be paid the following benefits:
- (1) Effective October 1, 1999, a pension to the surviving spouse until the surviving spouse dies or remarries, whichever is earlier, of forty percent of the deceased member's average final compensation plus fifteen percent of such compensation to, or for the benefit of, each unmarried dependent child of the deceased member, who is either under the age of eighteen, or who, regardless of age, is totally and permanently mentally or physically disabled and incapacitated from engaging in gainful occupation sufficient to support himself or herself[, but not in excess of a total of three children]:
- (2) Any surviving spouse or unmarried dependent child receiving benefits pursuant to the provisions of this section immediately prior to October 1, 1999, shall, upon application to the board of trustees, be made, constituted, appointed and employed by the board of trustees as

a special consultant on the problems of retirement, aging and other matters while the surviving spouse or unmarried dependent child is receiving such benefits, and upon request of the board of trustees shall give opinions in writing or orally in response to such requests as may be required. Beginning October 1, 1999, for such services as may be required, the surviving spouse shall receive additional monthly compensation in an amount equal to fifteen percent of the deceased member's average final compensation, and there shall be payable an additional monthly compensation of one hundred dollars or five percent of the member's average final compensation, whichever is greater, for each unmarried dependent child of the member[, but not in excess of a total of three children]. The additional monthly compensation payable to a surviving spouse pursuant to this subdivision shall be adjusted for any cost-of-living increases that apply, pursuant to subdivision (8) of this section, to the benefit the surviving spouse was receiving prior to October 1, 1999;

- (3) If no surviving spouse benefits are payable pursuant to subdivisions (1) and (2) of this section, such total pension as would have been paid pursuant to subdivisions (1) and (2) of this section had there been a surviving spouse shall be divided among the unmarried dependent children under age eighteen and such unmarried dependent children, regardless of age, who are totally and permanently mentally or physically disabled and incapacitated from engaging in a gainful occupation sufficient to support themselves. The benefit shall be divided equally among the eligible dependent children, and the share of a child who is no longer eligible shall be divided equally among the remaining eligible dependent children; provided that not more than one-half of the surviving spouse's benefit shall be paid for one child;
- (4) If there is no surviving spouse or dependent children, the return of accumulated contributions to the designated beneficiary as set forth in section 86.293;
- (5) No benefits pursuant to this section shall be paid to a child over eighteen years of age who is totally and permanently disabled if such child is a patient or resident of a public-supported institution, nor shall such benefits be paid unless such disability occurred prior to such child reaching the age of eighteen;
- (6) Wherever any dependent child designated by the board of trustees to receive benefits pursuant to this section is in the care of the surviving spouse of the deceased member, such benefits may be paid to such surviving spouse for the child;
- (7) Any benefit payable to, or for the benefit of, a child or children under the age of eighteen years pursuant to subdivisions (1) to (3) of this section shall continue to be paid beyond the age of eighteen years through the age of twenty-two years if the child is a full-time student at a regularly accredited college, business school, nursing school, school for technical or vocational training, or university, but such extended benefit shall cease whenever the child ceases to be a student. A college or university shall be deemed to be regularly accredited which

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maintains membership in good standing in a national or regional accrediting agency recognized by any state college or university;

(8) The benefits payable pursuant to this section to the surviving spouse of a member who died in service after attaining the age of fifty- five or completing twenty years of creditable service shall be increased in the same percentages and pursuant to the same method as is provided in section 86.253 for adjustments in the service retirement allowance of a retired member.

86.283. Upon receipt of proper proofs of the death of a retired member who retired while in service, including retirement for service, ordinary disability or accidental disability, and provided no other benefits are payable from the retirement system, there shall be paid the following benefits:

- (1) Effective October 1, 1999, a pension to the surviving spouse until the surviving spouse dies or remarries, whichever is earlier, of forty percent of the deceased member's average final compensation plus fifteen percent of such compensation to, or for the benefit of, each unmarried dependent child of the deceased member, who is either under the age of eighteen, or who, regardless of age, is totally and permanently mentally or physically disabled and incapacitated from engaging in a gainful occupation sufficient to support himself or herself[, but not in excess of three children];
- (2) Any surviving spouse or unmarried dependent child receiving benefits pursuant to this section immediately prior to October 1, 1999, shall upon application to the board of trustees, be made, constituted, appointed and employed by the board of trustees as a special consultant on the problems of retirement, aging and other matters while the surviving spouse or unmarried dependent child is receiving such benefits, and upon request of the board of trustees shall give opinions in writing or orally in response to such requests as may be required. Beginning October 1, 1999, for such services as may be required, a surviving spouse shall receive additional monthly compensation equal to the amount which when added to the benefits the surviving spouse was receiving pursuant to this section prior to October 1, 1999, determined without regard to any increase applied to such benefits prior to October 1, 1999, pursuant to subdivision (8) of this section, will increase the surviving spouse's total monthly payment pursuant to this section to forty percent of the deceased member's average final compensation, and there shall be payable an additional monthly compensation of one hundred dollars or five percent of the member's average final compensation, whichever is greater, for each unmarried dependent child of the member, but not in excess of a total of three children. The additional monthly compensation payable to a surviving spouse pursuant to this subdivision shall be adjusted for any cost-of-living increases that apply to the benefit the surviving spouse was receiving prior to October 1, 1999;

- (3) If no surviving spouse benefits are payable pursuant to subdivisions (1) and (2) of this section, such total pension as would have been paid pursuant to subdivisions (1) and (2) of this section had there been a surviving spouse, determined without regard to any increase which would have applied to the surviving spouse's benefits pursuant to subdivision (8) of this section, shall be divided among the unmarried dependent children under age eighteen and unmarried dependent children, regardless of age, who are totally and permanently mentally or physically disabled and incapacitated from engaging in a gainful occupation sufficient to support themselves. The benefit shall be divided equally among the eligible dependent children, and the share of a child who is no longer eligible shall be divided equally among the remaining eligible dependent children; provided that not more than one-half of the surviving spouse's benefits shall be paid for one child;
- (4) No benefits pursuant to this section shall be paid to a child over eighteen years of age who is totally and permanently disabled if such child is a patient or resident of a public-supported institution, nor shall such benefits be paid unless such disability occurred prior to such child reaching the age of eighteen;
- (5) Whenever any dependent child designated by the board of trustees to receive benefits pursuant to this section is in the care of the surviving spouse of the deceased member, such benefits may be paid to such surviving spouse for the child;
- (6) In the event of the death of a retired member receiving accidental disability benefits before such benefits have been paid for five years, the member's surviving spouse until the surviving spouse dies or remarries, whichever is earlier, shall receive an additional pension of ten percent of the deceased member's final average compensation;
- (7) Any benefit payable to, or for the benefit of, a child or children under the age of eighteen years pursuant to subdivisions (1) to (3) of this section shall continue to be paid beyond the age of eighteen years through the age of twenty-two years if the child is a full-time student at a regularly accredited college, business school, nursing school, school for technical or vocational training, or university, but such extended benefit shall cease whenever the child ceases to be a student. A college or university shall be deemed to be regularly accredited which maintains membership in good standing in a national or regional accrediting agency recognized by any state college or university;
- (8) The benefits payable pursuant to this section to the surviving spouse of a retired member who received or was entitled to receive a service retirement allowance shall be increased in the same percentages and pursuant to the same method as is provided in section 86.253 for adjustments in the service retirement allowance of a retired member.
- 86.287. Upon the receipt by the board of trustees of evidence and proof that the death of a member was the natural and proximate result of an accident occurring at some definite time

- and place while the member was in the actual performance of duty and not caused by negligence on the part of the member, there shall be paid in lieu of the benefits pursuant to sections 86.280 to 86.283:
  - (1) Effective October 1, 1999, a pension to the surviving spouse until the surviving spouse dies or remarries, whichever is earlier, of seventy-five percent of the deceased member's average final compensation plus fifteen percent of such compensation to, or for the benefit of, each unmarried dependent child of the deceased member, who is either under the age of eighteen, or who, regardless of age, is totally and permanently disabled and incapacitated from engaging in a gainful occupation sufficient to support himself or herself[, but not in excess of three children];
  - (2) Any surviving spouse or unmarried dependent child receiving benefits pursuant to this section immediately prior to October 1, 1999, shall upon application to the board of trustees, be made, constituted, appointed and employed by the board of trustees as a special consultant on the problems of retirement, aging and other matters while the surviving spouse or unmarried dependent child is receiving such benefits, and upon request of the board of trustees shall give opinions in writing or orally in response to such requests as may be required. Beginning October 1, 1999, for such services as may be required, a surviving spouse shall receive additional monthly compensation equal to the amount which when added to the benefits the surviving spouse was receiving pursuant to this section prior to October 1, 1999, will increase the surviving spouse's total monthly benefit payment pursuant to this section to seventy-five percent of the deceased member's average final compensation, and there shall be payable an additional monthly compensation of one hundred dollars or five percent of the member's average final compensation, whichever is greater, for each unmarried dependent child of the member, but not in excess of a total of three children;
  - (3) If no surviving spouse benefits are payable pursuant to subdivisions (1) and (2) of this section, such total pension as would have been paid pursuant to subdivisions (1) and (2) of this section had there been a surviving spouse shall be divided among the unmarried dependent children under age eighteen and such unmarried dependent children, regardless of age, who are totally and permanently disabled and incapacitated from engaging in a gainful occupation sufficient to support themselves. The benefit shall be divided equally among the eligible dependent children, and the share of a child who is no longer eligible shall be divided equally among the remaining eligible dependent children; provided that not more than one-half of the surviving spouse's benefit shall be paid for one child;
  - (4) If there is no surviving spouse or unmarried dependent children of either class mentioned in subdivision (3) of this section, then an amount equal to the surviving spouse's

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- benefit shall be paid to the member's dependent father or dependent mother to continue until 39 remarriage or death;
  - (5) No benefits pursuant to this section shall be paid to a child over eighteen years of age who is totally and permanently disabled if such child is a patient or resident of a public-supported institution, nor shall such benefits be paid unless such disability occurred prior to such child reaching the age of eighteen;
  - (6) Wherever any dependent child designated by the board of trustees to receive benefits pursuant to this section is in the care of the surviving spouse of the deceased member, such benefits may be paid to such surviving spouse for the child;
- (7) Any benefit payable to, or for the benefit of, a child or children under the age of 48 eighteen years pursuant to subdivisions (1) to (3) of this section shall continue to be paid beyond the age of eighteen years through the age of twenty-two years in those cases where the child is a full-time student at a regularly accredited college, business school, nursing school, school for 50 51 technical or vocational training, or university, but such extended benefit shall cease whenever the child ceases to be a student. A college or university shall be deemed to be regularly 53 accredited which maintains membership in good standing in a national or regional accrediting agency recognized by any state college or university.