

FIRST REGULAR SESSION

HOUSE BILL NO. 610

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KRATKY.

Read 1st time February 22, 2005 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

1626L.011

AN ACT

To repeal section 86.253, RSMo, and to enact in lieu thereof one new section relating to police retirement systems.

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

Section A. Section 86.253, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 86.253, to read as follows:

86.253. 1. Upon termination of employment as a police officer and actual retirement for service, a member shall receive a service retirement allowance which shall be an amount equal to two percent of the member's average final compensation multiplied by the number of years of the member's creditable service, up to twenty-five years, plus an amount equal to four percent of the member's average final compensation for each year of creditable service in excess of twenty-five years but not in excess of thirty years; plus an additional five percent of the member's average final compensation for any creditable service in excess of thirty years. Notwithstanding the foregoing, the service retirement allowance of a member who does not earn any creditable service after August 11, 1999, shall not exceed an amount equal to seventy percent of the member's average final compensation, and the service retirement allowance of a member who earns creditable service on or after August 12, 1999, shall not exceed an amount equal to seventy-five percent of the member's average final compensation; provided, however, that the service retirement allowance of a member who is participating in the DROP pursuant to section 86.251 on August 12, 1999, who returns to active participation in the system pursuant to section 86.251, and who terminates employment as a police officer and actually retires for reasons other

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.

16 than death or disability before earning at least two years of creditable service after such return
17 shall be the sum of (1) the member's service retirement allowance as of the date the member
18 entered DROP and (2) an additional service retirement allowance based solely on the creditable
19 service earned by the member following the member's return to active participation. The
20 member's total years of creditable service shall be taken into account for the purpose of
21 determining whether the additional allowance attributable to such additional creditable service
22 is two percent, four percent or five percent of the member's average final compensation.

23 2. If, at any time since first becoming a member of the retirement system, the member
24 has served in the armed forces of the United States, and has subsequently been reinstated as a
25 policeman within ninety days after the member's discharge, the member shall be granted credit
26 for such service as if the member's service in the police department of such city had not been
27 interrupted by the member's induction into the armed forces of the United States. If earnable
28 compensation is needed for such period in computation of benefits it shall be calculated on the
29 basis of the compensation payable to the officers of the member's rank during the period of the
30 member's absence. Notwithstanding any provision of sections 86.200 to 86.366 to the contrary,
31 the retirement system governed by sections 86.200 to 86.366 shall be operated and administered
32 in accordance with the applicable provisions of the Uniformed Services Employment and
33 Reemployment Rights Act of 1994, as amended.

34 3. The service retirement allowance of each present and future retired member who
35 terminated employment as a police officer and actually retired from service after attaining age
36 fifty-five or after completing twenty years of creditable service shall be increased annually at a
37 rate not to exceed three percent as approved by the board of trustees beginning with the first
38 increase in the second October following the member's retirement and subsequent increases in
39 each October thereafter, provided that each increase is subject to a determination by the board
40 of trustees that the consumer price index (United States City Average Index) as published by the
41 United States Department of Labor shows an increase of not less than the approved rate during
42 the latest twelve-month period for which the index is available at the date of determination; and
43 provided further, that if the increase is in excess of the approved rate for any year, such excess
44 shall be accumulated as to any retired member and increases may be granted in subsequent years
45 subject to a maximum of three percent for each full year from October following the member's
46 retirement but not to exceed a total percentage increase of thirty percent. In no event shall the
47 increase described under this subsection be applied to the amount, if any, paid to a member or
48 surviving spouse of a deceased member for services as a special consultant under subsection 5
49 of this section or, if applicable, subsection 6 of this section. If the board of trustees determines
50 that the index has decreased for any year, the benefits of any retired member that have been
51 increased shall be decreased but not below the member's initial benefit. No annual increase shall

52 be made of less than one percent and no decrease of less than three percent except that any
53 decrease may be limited in amount by the initial benefit.

54 4. In addition to any other retirement allowance payable under this section and section
55 86.250, a member, upon termination of employment as police officer and actual service
56 retirement, shall be repaid the total amount of the member's mandatory contributions to the
57 retirement system without interest. The board shall pay the retired member such total amount
58 of the member's mandatory contributions to the retirement system to be paid pursuant to this
59 subsection within sixty days after such retired member's date of termination of employment as
60 a police officer and actual retirement.

61 5. Any person who is receiving retirement benefits from the retirement system, upon
62 application to the board of trustees, shall be made, constituted, appointed and employed by the
63 board of trustees as a special consultant on the problems of retirement, aging and other matters,
64 for the remainder of the person's life or, in the case of a deceased member's surviving spouse,
65 until the earlier of the person's death or remarriage, and upon request of the board of trustees
66 shall give opinions and be available to give opinions in writing or orally, in response to such
67 requests, as may be required. For such services the special consultant shall be compensated
68 monthly, in an amount which, when added to any monthly retirement benefits being received
69 from the retirement system, including any cost-of-living increases under subsection 3 of this
70 section, shall total [six hundred fifty] **one thousand** dollars a month. This employment shall in
71 no way affect any person's eligibility for retirement benefits under this chapter, or in any way
72 have the effect of reducing retirement benefits, notwithstanding any provisions of law to the
73 contrary.