

SECOND REGULAR SESSION

# HOUSE BILL NO. 2635

98TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE FRAKER.

6583H.011

D. ADAM CRUMBLISS, Chief Clerk

---

## AN ACT

To repeal section 50.1000, RSMo, and to enact in lieu thereof one new section relating to the county employees' retirement system.

---

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

Section A. Section 50.1000, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 50.1000, to read as follows:

50.1000. As used in sections 50.1000 to 50.1300, the following words and terms mean:

(1) "Annuity", annual payments, made in equal monthly installments, to a retired member from funds provided for in, or authorized by, the provisions of sections 50.1000 to 50.1300;

(2) "Average final compensation", the monthly average of the two highest years of annual compensation received by the member;

(3) "Board of directors" or "board", the board of directors established by the provisions of sections 50.1000 to 50.1300;

(4) "Compensation", all salary and other compensation payable to a county employee for personal services rendered as a county employee, but not including travel and mileage reimbursement, and not including compensation in excess of the limit imposed by 26 U.S.C. 401(a)(17);

(5) "County", each county in the state, except any city not within a county and counties of the first classification with a charter form of government;

(6) "Creditable service", a member's period of employment as an employee, including the member's prior service, except as provided in sections 50.1090 and 50.1140;

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.

17 (7) "Effective date of the establishment of the system", August 28, 1994, the date the  
18 retirement system was established;

19 (8) "Employee", any county elective or appointive officer or employee who is hired and  
20 fired by the county or by the circuit court located in a county of the first classification without  
21 a charter form of government which is not participating in LAGERS, whose work and  
22 responsibilities are directed and controlled by the county or by the circuit court located in a  
23 county of the first classification without a charter form of government which is not participating  
24 in LAGERS, who is compensated directly from county funds, and whose position requires the  
25 actual performance of duties during not less than one thousand hours per year, except county  
26 prosecuting attorneys covered pursuant to sections 56.800 to 56.840[,] **and** circuit clerks and  
27 deputy circuit clerks covered under the Missouri state retirement system [and county sheriffs  
28 covered pursuant to sections 57.949 to 57.997 in each county of the state, except for any city not  
29 within a county and any county of the first classification having a charter form of government];

30 (9) "LAGERS", the local government employees' retirement system presently codified  
31 at sections 70.600 to 70.755;

32 (10) "Primary Social Security amount", the old age insurance benefit pursuant to Section  
33 202 of the Social Security Act (42 U.S.C. 402) payable to a member at age sixty-two. The  
34 primary Social Security amount shall be determined pursuant to the Social Security Act as in  
35 effect at the time the employee's normal annuity pursuant to section 50.1060 is determined. Such  
36 determination shall be at the time that creditable service ends without assuming any future  
37 increases in compensation, any future increases in the taxable wage base, any changes in the  
38 formulas used pursuant to the Social Security Act, or any future increases in the consumer price  
39 index. However, it shall be assumed that the employee will continue to receive compensation  
40 at the same rate as that received at the time the determination is being made, until the member  
41 reaches age sixty-two. Only compensation with respect to creditable service as a county  
42 employee shall be considered, and the first year of compensation as a county employee shall be  
43 regressed at three percent per year with respect to years prior to the period of creditable service;

44 (11) "Prior service", service of a member rendered prior to August 28, 1994, the effective  
45 date of the establishment of the system;

46 (12) "Required beginning date", the April first of the calendar year following the later  
47 of the calendar year in which the member reaches age seventy and one-half, or the calendar year  
48 in which the member retires;

49 (13) "Retirement fund" or "fund", the funds held by the county employees' retirement  
50 system;

51 (14) "Retirement system" or "system", the county employees' retirement system  
52 authorized by the provisions of sections 50.1000 to 50.1300;

53 (15) "Target replacement ratio":

54 (a) Eighty percent, if a member's average final compensation is thirty thousand dollars  
55 or less;

56 (b) Seventy-seven percent, if a member's average final compensation is forty thousand  
57 dollars or less, but greater than thirty thousand dollars;

58 (c) Seventy-two percent, if a member's average final compensation is fifty thousand  
59 dollars or less, but greater than forty thousand dollars;

60 (d) Seventy percent, if a member's average final compensation is greater than fifty  
61 thousand dollars.

✓