## SECOND REGULAR SESSION

[PERFECTED]

SENATE COMMITTEE SUBSTITUTE FOR

## SENATE BILL NO. 830

## 93RD GENERAL ASSEMBLY

Reported from the Committee on Pensions, Veterans' Affairs and General Laws, February 16, 2006, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

Senate Committee Substitute adopted March 13, 2006.

Taken up March 13, 2006. Read 3rd time and placed upon its final passage; bill passed.

4123S.02P

TERRY L. SPIELER, Secretary.

## AN ACT

To repeal sections 86.1110, 86.1140, 86.1490, and 86.1500, RSMo, and to enact in lieu thereof four new sections relating to police military leave.

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

Section A. Sections 86.1110, 86.1140, 86.1490, and 86.1500, RSMo, are

- 2 repealed and four new sections enacted in lieu thereof, to be known as sections
- 3 86.1110, 86.1140, 86.1490, and 86.1500, to read as follows:
  - 86.1110. 1. Whenever a member is given a leave of absence for military
- 2 service and returns to employment after discharge from the service, such member
- 3 shall be entitled to creditable service for the years of employment prior to the
- 4 leave of absence.
- 5 2. Except as provided in subsection 3 of this section, any member
- 6 who served on active duty in the armed forces of the United States and who
- 7 became a member, or returned to membership, after discharge under honorable
- 8 conditions, may elect prior to retirement to purchase creditable service equivalent
- 9 to such service in the armed forces, not to exceed two years, provided the member
- 10 is not receiving and is not eligible to receive retirement credits or benefits from
- 11 any other public or private retirement plan for the service to be purchased, other
- 12 than a United States military service retirement system or United States Social
- 13 Security benefits attributable to such military service, and an affidavit so stating
- 14 is filed by the member with the retirement system. A member electing to make
- 15 such purchase shall pay to the retirement system an amount equal to the

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actuarial value of the additional benefits attributable to the additional service 16 17 credit to be purchased, as of the date the member elects to make such purchase. The retirement system shall determine such value using accepted 18 19 actuarial methods and the same assumptions with respect to interest rates, mortality, future salary increases, and all related factors used in performing the 20 21most recent regular actuarial valuation of the retirement system. Payment in full 22 of the amount due from a member electing to purchase creditable service under 23this subsection shall be made over a period not to exceed five years, measured 24from the date of election, or prior to the commencement date for payment of benefits to the member from the retirement system, whichever is earlier, 25including interest on unpaid balances compounded annually at the interest rate 26 assumed from time to time for actuarial valuations of the retirement system. If 27 payment in full including interest is not made within the prescribed period, any 28 29 partial payments made by the member shall be refunded, and no creditable service attributable to such election, or as a result of any such partial payments, 30 shall be allowed; provided that if a benefit commencement date occurs because of 31 the death or disability of a member who has made an election under this 32 subsection and if the member is current in payments under an approved 33 installment plan at the time of the death or disability, such election shall be valid 34 35 if the member, the surviving spouse, or other person entitled to benefit payments 36 pays the entire balance of the remaining amount due, including interest to the date of such payment, within sixty days after the member's death or 37 38 disability. The time of a disability shall be deemed to be the time when such member is retired by the board of police commissioners for reason of disability as 39 provided in sections 86.900 to 86.1280. 40

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3. Notwithstanding any other provision of sections 86.900 to 86.1280, a member who is on leave of absence for military service during any portion of which leave the United States is in a state of declared war, or a compulsory draft is in effect for any of the military branches of the United States, or any units of the military reserves of the United States, including the National Guard, are mobilized for combat military operations, and who becomes entitled to reemployment rights and other employment benefits under 38 U.S.C. 43, relating to employment and reemployment rights of members of the uniformed service by meeting the requirements for such rights and benefits under section 4312 of said chapter, or the corresponding provisions of any

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subsequent applicable U.S. statute, shall be entitled to service credit for 5253 the time spent in such military service for all purposes of sections 86.900 to 86.1280 and such member shall not be required to pay any 54member contributions for such time. If it becomes necessary for the 55 years of such service to be included in the calculation of such member's 56 compensation for any purpose, such member shall be deemed to have 57 received the same compensation throughout such period of service as 58the member's base annual salary immediately prior to the 59 60 commencement of such leave of absence.

86.1140. 1. Should any member be granted leave of absence by the board of police commissioners, such member shall not, because of such absence, cease to be a member.

- 2. If a member is on leave of absence by authority of the board of police commissioners for thirty consecutive days or less, such member shall receive creditable service for such time.
- 7 3. Except as provided in subsection 3 of section 86.1110, if a 8 member is on leave of absence for more than thirty consecutive days without compensation, such member shall not receive service credits for such time unless such member shall, within one year after returning from such absence, pay into 10 the retirement system an amount equal to the member's contribution percentage 11 12at the time such absence began times an assumed salary figure for the period of 13 such absence, computed by assuming that such member received a salary during such absence at the rate of the base annual salary the member was receiving 14 immediately prior to such absence. 15

86.1490. 1. Except as provided in subsection 3 of section 86.1500, creditable service at retirement on which the retirement allowance of a member is based consists of the membership service rendered by such member for which such member received compensation since such member last became a member.

- 5 2. Creditable service also includes any prior service credit to which a 6 member may be entitled by virtue of an authorized purchase of such credit or as 7 otherwise provided in sections 86.1310 to 86.1640.
- 3. Creditable service shall not include any time a member was suspended from service without compensation. No contribution is required from either the member under section 86.1400 or from the city under section 86.1390 for such time.

86.1500. 1. Whenever a member is given a leave of absence for military

service and returns to employment after discharge from the service, such member shall be entitled to creditable service for the years of employment prior to the leave of absence.

5 2. Except as provided in subsection 3 of this section, any member who served on active duty in the armed forces of the United States and who 6 became a member, or returned to membership, after discharge under honorable 8 conditions, may elect prior to retirement to purchase creditable service equivalent 9 to such service in the armed forces, not to exceed two years, provided the member 10 is not receiving and is not eligible to receive retirement credits or benefits from any other public or private retirement plan for the service to be purchased, other 11 than a United States military service retirement system or United States Social 12 13 Security benefits attributable to such military service, and an affidavit so stating is filed by the member with the retirement system. A member electing to make 14 such purchase shall pay to the retirement system an amount equal to the 15 actuarial value of the additional benefits attributable to the additional service 16 credit to be purchased, as of the date the member elects to make such 17 purchase. The retirement system shall determine such value using accepted 18 actuarial methods and the same assumptions with respect to interest rates, 19 mortality, future salary increases, and all related factors used in performing the 20 21most recent regular actuarial valuation of the retirement system. Payment in full 22of the amount due from a member electing to purchase creditable service under 23this subsection shall be made over a period not to exceed five years, measured 24from the date of election, or prior to the commencement date for payment of benefits to the member from the retirement system, whichever is earlier, 25including interest on unpaid balances compounded annually at the interest rate 26 27 assumed from time to time for actuarial valuations of the retirement system. If payment in full including interest is not made within the prescribed period, any 28 partial payments made by the member shall be refunded, and no creditable 29 30 service attributable to such election, or as a result of any such partial payments, shall be allowed; provided that if a benefit commencement date occurs because of 31 the death or disability of a member who has made an election under this 32 33 subsection and if the member is current in payments under an approved installment plan at the time of the death or disability, such election shall be valid 35 if the member, the surviving spouse or other person entitled to benefit payments pays the entire balance of the remaining amount due, including interest to the 36 date of such payment, within sixty days after the member's death or

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disability. The time of a disability shall be deemed to be the time when such member is determined by the retirement board to be totally and permanently disabled as provided in section 86.1560.

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3. Notwithstanding any other provision of sections 86.1310 to 86.1640, a member who is on leave of absence for military service during any portion of which leave the United States is in a state of declared war, or a compulsory draft is in effect for any of the military branches of the United States, or any units of the military reserves of the United States, including the National Guard, are mobilized for combat military operations, and who becomes entitled to reemployment rights and other employment benefits under 38 U.S.C. 43, relating to employment and reemployment rights of members of the uniformed service by meeting the requirements for such rights and benefits under section 4312 of said chapter, or the corresponding provisions of any subsequent applicable U.S. statute, shall be entitled to service credit for the time spent in such military service for all purposes of sections 86.1310 to 86.1640 and such member shall not be required to pay any member contributions for such time. If it becomes necessary for the years of such service to be included in the calculation of such member's compensation for any purpose, such member shall be deemed to have received the same compensation throughout such period of service as the member's base annual salary immediately prior to commencement of such leave of absence.

