

FIRST REGULAR SESSION

SENATE BILL NO. 619

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR MOSLEY.

2424S.01H

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 105.684 and 169.540, RSMo, and to enact in lieu thereof three new sections relating to retirement benefits for certain public school employees.

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

Section A. Sections 105.684 and 169.540, RSMo, are
2 repealed and three new sections enacted in lieu thereof, to be
3 known as sections 105.684, 169.535, and 169.540, to read as
4 follows:

105.684. 1. Notwithstanding any law to the contrary,
2 no plan shall adopt or implement any additional benefit
3 increase, supplement, enhancement, lump sum benefit payments
4 to participants, or cost-of-living adjustment beyond current
5 plan provisions in effect prior to August 28, 2007, which
6 would, in aggregate with any other proposed plan provisions,
7 increase the plan's actuarial accrued liability when valued
8 by an actuary using the same methods and assumptions as used
9 in the most recent periodic valuation, unless the plan's
10 actuary determines that the funded ratio of the most recent
11 periodic actuarial valuation and prior to such adoption or
12 implementation is at least eighty percent and will not be
13 less than seventy-five percent after such adoption or
14 implementation, **except for the plan governed by sections**
15 **169.410 to 169.540, which may administer a one-time**
16 **supplemental payment as set forth in section 169.535,**
17 **subject to appropriations.** Methods and assumptions used in

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 valuing such proposed change may be modified if the nature
19 is such that alternative assumptions are clearly warranted.

20 2. The unfunded actuarial accrued liabilities
21 associated with benefit changes described in this section
22 shall be amortized over a period not to exceed twenty years
23 for purposes of determining the contributions associated
24 with the adoption or implementation of any such benefit
25 increase, supplement, or enhancement.

26 3. Any plan with a funded ratio below sixty percent
27 shall have the actuary prepare an accelerated contribution
28 schedule based on a descending amortization period for
29 inclusion in the actuarial valuation.

30 4. Nothing in this section shall apply to any plan
31 established under chapter 70 or chapter 476.

32 5. Nothing in this section shall prevent a plan from
33 adopting and implementing any provision necessary to
34 maintain a plan's status as a qualified trust pursuant to 26
35 U.S.C. Section 401(a).

**169.535. 1. The board of trustees shall administer
2 and distribute a one-time supplemental payment of a pension
3 benefit to a retired member or beneficiary as provided in
4 this section.**

**5 2. Subject to appropriations, the supplemental payment
6 shall be payable no later than September 30, 2023, and to
7 the extent practicable, on a date or dates that coincide
8 with the regular monthly pension benefit payable to each
9 retired member or beneficiary.**

**10 3. The amount of the supplemental payment shall be
11 equal to the lesser of:**

**12 (1) The gross amount of the pension benefit to which
13 the retired member or beneficiary is otherwise entitled for**

14 the calendar month immediately prior to the calendar month
15 in which the supplemental payment is issued; or

16 (2) Two thousand dollars.

17 4. The board of trustees shall make applicable tax
18 withholding and any other legally required deductions before
19 disbursing the supplementary payment.

20 5. A supplementary payment under this section shall be
21 in addition to, and not in lieu of, a regular monthly
22 pension benefit to which the eligible retired member or
23 beneficiary is otherwise entitled.

24 6. In order to be eligible for a supplemental payment,
25 a person shall be, for the calendar month immediately prior
26 to the calendar month in which the board of trustees issues
27 the one-time supplemental payment, eligible to receive a
28 regular monthly pension benefit under sections 169.410 to
29 169.540.

30 7. The board of trustees shall determine the
31 eligibility for, and the amount and timing of, a
32 supplemental payment and the manner in which the payment
33 shall be made.

34 8. The general assembly shall appropriate to the
35 retirement system governed by sections 169.410 to 169.540 an
36 amount equal to the cost of the one-time supplemental
37 payment required by this section. If the general assembly
38 does not appropriate the amount described by this
39 subsection, the board of trustees shall not issue a one-time
40 supplemental payment required by this section.

169.540. The state of Missouri shall contribute no
2 funds directly or indirectly to finance the plan to pay
3 pension benefits by appropriation bills or otherwise,
4 except:

5 **(1)** Those funds which the district may receive from
6 time to time under a law or laws providing for a general
7 apportionment of school moneys throughout all the state [and
8 except];

9 **(2)** Employer contributions for members employed by the
10 board of regents which shall be made by the state of
11 Missouri; **and**

12 **(3) State funds appropriated for a one-time**
13 **supplemental payment as set forth in section 169.535.**

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