

By: Representative Manning

To: Appropriations

HOUSE BILL NO. 51

1 AN ACT TO AMEND SECTION 25-11-111, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE FOR A THREE PERCENT INCREASE IN THE RETIREMENT
3 ALLOWANCES OF RETIRED MEMBERS AND BENEFICIARIES OF THE PUBLIC
4 EMPLOYEES' RETIREMENT SYSTEM; AND FOR RELATED PURPOSES.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

6 SECTION 1. Section 25-11-111, Mississippi Code of 1972, is
7 amended as follows:

8 25-11-111. (a) Any member upon withdrawal from service upon
9 or after attainment of the age of sixty (60) years who shall have
10 completed at least four (4) years of creditable service, or any
11 member upon withdrawal from service regardless of age who shall
12 have completed at least twenty-five (25) years of creditable
13 service, shall be entitled to receive a retirement allowance which
14 shall begin on the first of the month following the date the
15 member's application for the said allowance is received by the
16 board, but in no event before withdrawal from service.

17 (b) Any member whose withdrawal from service occurs prior to
18 attaining the age of sixty (60) years who shall have completed
19 four (4) or more years of creditable service and shall not have
20 received a refund of his accumulated contributions shall be
21 entitled to receive a retirement allowance, beginning upon his
22 attaining the age of sixty (60) years, of the amount earned and
23 accrued at the date of withdrawal from service.

24 (c) Any member in service who has qualified for retirement
25 benefits may select any optional method of settlement of
26 retirement benefits by notifying the Executive Director of the
27 Board of Trustees of the Public Employees' Retirement System in

28 writing, on a form prescribed by the board, of the option he has
29 selected and by naming the beneficiary of such option and
30 furnishing necessary proof of age. Such option, once selected,
31 may be changed at any time prior to actual retirement or death,
32 but upon the death or retirement of the member, the optional
33 settlement shall be placed in effect upon proper notification to
34 the executive director.

35 (d) The annual amount of the retirement allowance shall
36 consist of:

37 (1) A member's annuity which shall be the actuarial
38 equivalent of the accumulated contributions of the member at the
39 time of retirement computed according to the actuarial table in
40 use by the system; and

41 (2) An employer's annuity which, together with the
42 member's annuity provided above, shall be equal to one and
43 seven-eighths percent (1-7/8%) of the average compensation for
44 each year of state service up to and including twenty-five (25)
45 years of membership service, and two percent (2%) of the average
46 compensation for each year of state service in excess of
47 twenty-five (25) years of membership service.

48 (3) A prior service annuity equal to one and
49 seven-eighths percent (1-7/8%) of the average compensation for
50 each year of state service up to and including twenty-five (25)
51 years of prior service, and two percent (2%) of the average
52 compensation for each year of state service in excess of
53 twenty-five (25) years of prior service for which the member is
54 allowed credit.

55 (4) Any retired member or beneficiary thereof who was
56 eligible to receive a retirement allowance before July 1, 1991,
57 and who is still receiving a retirement allowance on July 1, 1992,
58 shall receive an increase in the annual retirement allowance of
59 the retired member equal to one-eighth of one percent (1/8 of 1%)
60 of the average compensation for each year of state service in
61 excess of twenty-five (25) years of membership service up to and
62 including thirty (30) years. The maximum increase shall be
63 five-eighths of one percent (5/8 of 1%). Any retired member or
64 beneficiary thereof who is eligible to receive a retirement

65 allowance on July 1, 1999, shall receive a three percent (3%)
66 increase in the annual retirement allowance. In no case shall a
67 member who has been retired prior to July 1, 1987, receive less
68 than Ten Dollars (\$10.00) per month for each year of creditable
69 service and proportionately for each quarter year thereof. Persons
70 retired on or after July 1, 1987, shall receive at least Ten
71 Dollars (\$10.00) per month for each year of service and
72 proportionately for each quarter year thereof reduced for the
73 option selected. However, such Ten Dollar (\$10.00) minimum per
74 month for each year of creditable service shall not apply to a
75 retirement allowance computed under Section 25-11-114 based on a
76 percentage of the member's average compensation.

77 (5) Any member upon withdrawal from service upon or
78 after attaining the age of sixty (60) years who has completed at
79 least four (4) years of creditable service, or any member upon
80 withdrawal from service regardless of age who has completed at
81 least twenty-five (25) years of creditable service, shall be
82 entitled to receive a retirement allowance computed in accordance
83 with the formula set forth in this section. Such retirement
84 allowance otherwise payable may be converted into a retirement
85 allowance of equivalent actuarial value in such an amount that,
86 with the member's benefit under Title II of the Federal Social
87 Security Act, the member will receive, so far as possible,
88 approximately the same amount annually before and after the
89 earliest age at which the member becomes eligible to receive a
90 Social Security benefit.

91 (e) No member, except members excluded by the Age
92 Discrimination in Employment Act Amendments of 1986 (Public Law
93 99-592), under either Article 1 or Article 3 in state service
94 shall be required to retire because of age.

95 (f) No payment on account of any benefit granted under the
96 provisions of this section shall become effective or begin to
97 accrue until January 1, 1953.

98 (g) (1) A retiree or beneficiary may, on a form prescribed
99 by and filed with the retirement system, waive all or a portion of
100 any benefits from the retirement system to which the retiree or
101 beneficiary is entitled. A retiree or beneficiary may revoke a
102 waiver of benefits in the same manner as the original waiver was
103 made. Such waiver shall be binding on the heirs and assigns of
104 any retiree or beneficiary and the same must agree to forever hold
105 harmless the Public Employees' Retirement System of Mississippi
106 from any claim to such waived retirement benefits.

107 (2) Any waiver pursuant to this subsection shall apply
108 only to the person executing the waiver and any beneficiary shall
109 be entitled to benefits according to the option selected by the
110 member at the time of retirement. However, a beneficiary may, at
111 the option of the beneficiary, execute a waiver of benefits
112 pursuant to this subsection.

113 (3) The retirement system shall retain in the annuity
114 reserve account amounts that are not used to pay benefits because
115 of a waiver executed under this subsection.

116 (4) The board of trustees may provide rules and
117 regulations for the administration of waivers under this
118 subsection.

119 SECTION 2. This act shall take effect and be in force from
120 and after July 1, 1999.