

By: Representative Endt

To: Appropriations

HOUSE BILL NO. 169

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,
2 TO ALLOW THE PURCHASE OF CREDITABLE SERVICE IN THE PUBLIC
3 EMPLOYEES' RETIREMENT SYSTEM FOR CERTAIN WORK BY STUDENTS AT
4 PUBLIC JUNIOR OR COMMUNITY COLLEGES OR INSTITUTIONS OF HIGHER
5 LEARNING; AND FOR RELATED PURPOSES.

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

7 SECTION 1. Section 25-11-109, Mississippi Code of 1972, is
8 amended as follows:

9 25-11-109. (1) Under such rules and regulations as the
10 board of trustees shall adopt, each person who becomes a member of
11 this retirement system, as provided in Section 25-11-105, on or
12 prior to July 1, 1953, or who becomes a member and contributes to
13 the system for a minimum period of four (4) years, shall receive
14 credit for all state service rendered before February 1, 1953. To
15 receive such credit, such member shall file a detailed statement
16 of all services as an employee rendered by him in the state
17 service before February 1, 1953. For any member who joined the
18 system after July 1, 1953, any creditable service for which the
19 member is not required to make contributions shall not be credited
20 to the member until the member has contributed to the system for a
21 minimum period of at least four (4) years.

22 (2) In the computation of membership service or prior
23 service under the provisions of this article, the total months of
24 accumulative service during any fiscal year shall be calculated in
25 accordance with the schedule as follows: ten (10) or more months
26 of creditable service during any fiscal year shall constitute a
27 year of creditable service; seven (7) months to nine (9) months
28 inclusive, three-quarters (3/4) of a year of creditable service;

29 four (4) months to six (6) months inclusive, one-half (1/2) year
30 of creditable service; one (1) month to three (3) months
31 inclusive, one-quarter (1/4) of a year of creditable service. In
32 no case shall credit be allowed for any period of absence without
33 compensation except for disability while in receipt of a
34 disability retirement allowance, nor shall less than fifteen (15)
35 days of service in any month, or service less than the equivalent
36 of one-half (1/2) of the normal working load for the position and
37 less than one-half (1/2) of the normal compensation for the
38 position in any month, constitute a month of creditable service,
39 nor shall more than one (1) year of service be creditable for all
40 services rendered in any one (1) fiscal year; provided that for a
41 school employee, substantial completion of the legal school term
42 when and where the service was rendered shall constitute a year of
43 service credit for both prior service and membership service. Any
44 state or local elected official shall be deemed a full-time
45 employee for the purpose of creditable service for prior service
46 or membership service. However, an appointed or elected official
47 compensated on a per diem basis only shall not be allowed
48 creditable service for terms of office.

49 In the computation of any retirement allowance or any annuity
50 or benefits provided in this article, any fractional period of
51 service of less than one (1) year shall be taken into account and
52 a proportionate amount of such retirement allowance, annuity or
53 benefit shall be granted for any such fractional period of
54 service.

55 In the computation of unused leave for creditable service
56 authorized in Section 25-11-103, the following shall govern:
57 twenty-one (21) days of unused leave shall constitute one (1)
58 month of creditable service and in no case shall credit be allowed
59 for any period of unused leave of less than fifteen (15) days.
60 The number of months of unused leave shall determine the number of
61 quarters or years of creditable service in accordance with the
62 above schedule for membership and prior service. In order for the
63 member to receive creditable service for the number of days of
64 unused leave, the system must receive certification from the
65 governing authority.

66 For the purpose of this subsection, for members of the system

67 who are elected officers and who retire on or after July 1, 1987,
68 the following shall govern:

69 (a) For service prior to July 1, 1984, the members
70 shall receive credit for leave (combined personal and major
71 medical) for service as an elected official prior to that date at
72 the rate of thirty (30) days per year.

73 (b) For service on and after July 1, 1984, the member
74 shall receive credit for personal and major medical leave
75 beginning July 1, 1984, at the rates authorized in Sections
76 25-3-93 and 25-3-95, computed as a full-time employee.

77 (3) Subject to the above restrictions and to such other
78 rules and regulations as the board may adopt, the board shall
79 verify, as soon as practicable after the filing of such statements
80 of service, the services therein claimed.

81 (4) Upon verification of the statement of prior service, the
82 board shall issue a prior service certificate certifying to each
83 member the length of prior service for which credit shall have
84 been allowed on the basis of his statement of service. So long as
85 membership continues, a prior service certificate shall be final
86 and conclusive for retirement purposes as to such service,
87 provided that any member may within five (5) years from the date
88 of issuance or modification of such certificate request the board
89 of trustees to modify or correct his prior service certificate.
90 Any modification or correction authorized shall only apply
91 prospectively.

92 When membership ceases, such prior service certificates shall
93 become void. Should the employee again become a member, he shall
94 enter the system as an employee not entitled to prior service
95 credit except as provided in Sections 25-11-105(I), 25-11-113 and
96 25-11-117.

97 (5) Creditable service at retirement, on which the
98 retirement allowance of a member shall be based, shall consist of
99 the membership service rendered by him since he last became a
100 member, and also, if he has a prior service certificate which is

101 in full force and effect, the amount of the service certified on
102 his prior service certificate.

103 (6) Anything in this article to the contrary
104 notwithstanding, any member who served on active duty in the Armed
105 Forces of the United States, or who served in maritime service
106 during periods of hostility in World War II, shall be entitled to
107 creditable service for his service on active duty in the armed
108 forces or in such maritime service, provided he entered state
109 service after his discharge from the armed forces or entered state
110 service after he completed such maritime service. The maximum
111 period for such creditable service for all military service shall
112 not exceed four (4) years unless positive proof can be furnished
113 by such person that he was retained in the armed forces during
114 World War II or in maritime service during World War II by causes
115 beyond his control and without opportunity of discharge. The
116 member shall furnish proof satisfactory to the board of trustees
117 of certification of military service or maritime service records
118 showing dates of entrance into active duty service and the date of
119 discharge. From and after July 1, 1993, no creditable service
120 shall be granted for any military service or maritime service to a
121 member who qualifies for a retirement allowance in another public
122 retirement system administered by the Board of Trustees of the
123 Public Employees' Retirement System based in whole or in part on
124 such military or maritime service. In no case shall the member
125 receive creditable service if the member received a dishonorable
126 discharge from the Armed Forces of the United States.

127 (7) Any actively contributing member of the Public
128 Employees' Retirement System who has at least four (4) years of
129 membership service credit shall be entitled to receive a maximum
130 of five (5) years creditable service for service rendered in
131 another state as a public employee of such other state, or a
132 political subdivision, public education system or other
133 governmental instrumentality thereof, or service rendered as a
134 teacher in American overseas dependent schools conducted by the

135 Armed Forces of the United States for children of citizens of the
136 United States residing in areas outside the continental United
137 States, provided that:

138 (a) The member shall furnish proof satisfactory to the
139 board of trustees of certification of such services from the
140 state, public education system, political subdivision or
141 retirement system of the state where the services were performed
142 or the governing entity of the American overseas dependent school
143 where the services were performed; and

144 (b) The member is not receiving or will not be entitled
145 to receive from the public retirement system of the other state or
146 from any other retirement plan, including optional retirement
147 plans, sponsored by the employer, a retirement allowance including
148 such services; and

149 (c) The member shall pay to the retirement system on
150 the date he or she is eligible for credit for such out-of-state
151 service or at any time thereafter prior to date of retirement the
152 actuarial cost as determined by the actuary for each year of
153 out-of-state creditable service. The member may begin to purchase
154 such service credit at such time as the total eligible additional
155 credit, when added to the member's creditable service, will
156 entitle the member to receive a retirement allowance within five
157 (5) years. The provisions of this subsection are subject to the
158 limitations of Section 415 of the Internal Revenue Code and
159 regulations promulgated thereunder.

160 (8) Any actively contributing member of the Public
161 Employees' Retirement System who has at least four (4) years of
162 membership service credit and who receives, or has received,
163 professional leave without compensation for professional purposes
164 directly related to the employment in state service shall receive
165 creditable service for the period of professional leave without
166 compensation provided:

167 (a) The professional leave is performed with a public
168 institution or public agency of this state, or another state or

169 federal agency;

170 (b) The employer approves the professional leave
171 showing the reason for granting the leave and makes a
172 determination that the professional leave will benefit the
173 employee and employer;

174 (c) Such professional leave shall not exceed two (2)
175 years during any ten-year period of state service;

176 (d) The employee shall serve the employer on a
177 full-time basis for a period of time equivalent to the
178 professional leave period granted immediately following the
179 termination of said leave period;

180 (e) The actively contributing member shall pay to the
181 retirement system the actuarial cost as determined by the actuary
182 for each year of professional leave. The member may begin to
183 purchase such service credit at such time as the total eligible
184 additional credit, when added to the member's creditable service,
185 will entitle the member to receive a retirement allowance within
186 five (5) years. The provisions of this subsection are subject to
187 the regulations of the Internal Revenue Code limitations;

188 (f) Such other rules and regulations consistent
189 herewith as the board may adopt and in case of question, the board
190 shall have final power to decide the questions.

191 Any actively contributing member participating in the School
192 Administrator Sabbatical Program established in Section 37-9-77
193 shall qualify for continued participation under this subsection
194 (8).

195 (9) Any member of the Public Employees' Retirement System
196 who has at least four (4) years of credited membership service
197 shall be entitled to receive a maximum of ten (10) years
198 creditable service for:

199 (a) Any service rendered as an employee of any
200 political subdivision of this state, or any instrumentality
201 thereof, which does not participate in the Public Employees'
202 Retirement System; or

203 (b) Any service rendered as an employee of any
204 political subdivision of this state, or any instrumentality
205 thereof, which participates in the Public Employees' Retirement
206 System but did not elect retroactive coverage; or

207 (c) Any service rendered as an employee of any
208 political subdivision of this state, or any instrumentality
209 thereof, for which coverage of the employee's position was or is
210 excluded; provided that the member pays into the retirement system
211 the actuarial cost as determined by the actuary for each year, or
212 portion thereof, of such service. Payment for such service may be
213 made in increments of one-quarter (1/4) year of creditable
214 service. After a member has made full payment to the retirement
215 system for all or any part of such service, the member shall
216 receive creditable service for the period of such service for
217 which full payment has been made to the retirement system.

218 (10) From and after July 1, 1999, through October 1, 1999,
219 any member of the Public Employees' Retirement System who has at
220 least five (5) years of continuous state service shall be entitled
221 to receive a maximum of three (3) years creditable service for
222 service rendered working as a full-time employee of a public
223 junior or community college or public institution of higher
224 learning located in Mississippi while he was a student enrolled in
225 such junior or community college or institution of higher
226 learning, provided that:

227 (a) The member furnishes proof satisfactory to the
228 board of trustees of certification of such service from the junior
229 or community college or institution of higher learning; and

230 (b) The member is not receiving or will not be entitled
231 to receive from any other retirement system or plan a retirement
232 allowance including such service; and

233 (c) The member pays to the retirement system the
234 actuarial cost as determined by the actuary for each year of such
235 service. The provisions of this subsection are subject to the
236 limitations of Section 415 of the Internal Revenue Code and

237 regulations promulgated under that section.

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