

By: Representative Dedeaux

To: Education;
Appropriations

HOUSE BILL NO. 394

1 AN ACT TO CREATE NEW SECTION 25-11-126, MISSISSIPPI CODE OF
2 1972, TO PROVIDE THAT CERTAIN PERSONS RECEIVING A RETIREMENT
3 ALLOWANCE FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO ARE
4 EMPLOYED AS TEACHERS IN THE PUBLIC SCHOOL SYSTEM AFTER THEIR
5 RETIREMENT, AND CERTAIN PERSONS EMPLOYED AS TEACHERS IN THE PUBLIC
6 SCHOOL SYSTEM WHO ARE ELIGIBLE TO RECEIVE A RETIREMENT ALLOWANCE
7 FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM, MAY RECEIVE A
8 RETIREMENT ALLOWANCE DURING THEIR EMPLOYMENT AS TEACHERS IN
9 ADDITION TO RECEIVING A TEACHER'S SALARY; TO PROVIDE THAT THOSE
10 PERSONS SHALL NOT BE CONTRIBUTING MEMBERS OF THE RETIREMENT SYSTEM
11 NOR RECEIVE ANY CREDITABLE SERVICE FOR THE PERIOD DURING WHICH
12 THEY RECEIVE A RETIREMENT ALLOWANCE DURING THEIR EMPLOYMENT AS
13 TEACHERS; TO AMEND SECTIONS 25-11-103, 25-11-105 AND 25-11-127,
14 MISSISSIPPI CODE OF 1972, IN CONFORMITY WITH THE PROVISIONS OF
15 THIS ACT; TO AMEND SECTION 37-19-7, MISSISSIPPI CODE OF 1972, TO
16 PROVIDE THAT THE TEACHERS' SALARIES OF THOSE PERSONS SHALL BE
17 EQUAL TO THE AMOUNT OF THE SALARY THAT THEY RECEIVED DURING THE
18 SCHOOL YEAR IMMEDIATELY PRECEDING THE DATE OF THEIR RETIREMENT OR
19 THE DATE THAT CURRENT TEACHERS BEGAN RECEIVING A RETIREMENT
20 ALLOWANCE; TO PROVIDE THAT THE TEACHERS' SALARIES OF THOSE PERSONS
21 SHALL NOT INCLUDE ANY INCREASE IN THE SALARY FOR TEACHING
22 EXPERIENCE OBTAINED AFTER THE DATE OF THEIR EMPLOYMENT AS TEACHERS
23 AFTER THEIR RETIREMENT OR THE DATE THAT CURRENT TEACHERS BEGAN
24 RECEIVING A RETIREMENT ALLOWANCE; AND FOR RELATED PURPOSES.

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

26 SECTION 1. The following shall be codified as Section
27 25-11-126, Mississippi Code of 1972:

28 25-11-126. (1) (a) Any person who has completed
29 twenty-five (25) or more years of creditable service and is
30 receiving a retirement allowance under this article, who was
31 employed as a teacher in the public school system at the time of
32 his retirement and who is employed as a teacher in the public
33 school system after his retirement, may choose to continue
34 receiving the retirement allowance under this article during his
35 employment as a teacher after his retirement in addition to
36 receiving the salary authorized under Section 37-19-7(3), in the
37 manner provided in this section.

38 (b) Any person who is employed as a teacher in the

39 public school system who completes twenty-five (25) or more years
40 of creditable service during his employment as a teacher, may
41 choose to receive a retirement allowance under this article during
42 his employment as a teacher in the public school system in
43 addition to receiving the salary authorized under Section
44 37-19-7(3), in the manner provided in this section.

45 (2) Any person described in subsection (1)(a) of this
46 section shall notify the executive director of the retirement
47 system, before being employed as a teacher in the public school
48 system after his retirement, about his choice on continuing to
49 receive the retirement allowance during his employment as a
50 teacher. If the person chooses not to continue receiving the
51 retirement allowance during his employment as a teacher, the
52 retirement allowance shall cease on the day that he begins
53 employment as a teacher after his retirement. After the person
54 leaves employment as a teacher that he began after his retirement,
55 in order to begin receiving a retirement allowance under this
56 article again, the person shall make application to the executive
57 director of the retirement system, and the retirement allowance
58 shall begin on the first of the month following the date that the
59 application is received by the executive director.

60 (3) Any person described in subsection (1)(b) who chooses to
61 receive a retirement allowance during his employment as a teacher
62 in the public school system shall make application to the
63 executive director of the retirement system, and the retirement
64 allowance shall begin on the first of the month following the date
65 that the application is received by the executive director. Those
66 persons shall not be required to withdraw from service in order to
67 receive the retirement allowance.

68 (4) Any person to whom this section applies who receives or
69 continues to receive a retirement allowance under this article
70 during his employment as a teacher shall not be a contributing
71 member of the retirement system nor receive any creditable service
72 for the period during which he receives a retirement allowance

73 during his employment as a teacher. Any person to whom this
74 section applies who chooses not to receive a retirement allowance
75 during his employment as a teacher shall be a contributing member
76 of the retirement system and shall receive creditable service for
77 the period during which he is employed as a teacher without
78 receiving a retirement allowance. If the person has previously
79 received a retirement allowance under this article and he is
80 employed as a teacher for more than six (6) months without
81 receiving a retirement allowance, he shall have his allowance
82 recompute when he retires again, which shall include the service
83 after he again became a contributing member of the retirement
84 system.

85 SECTION 2. Section 25-11-103, Mississippi Code of 1972, is
86 amended as follows:

87 25-11-103. The following words and phrases as used in
88 Articles 1 and 3, unless a different meaning is plainly required
89 by the context, shall have the following meanings:

90 (a) "Accumulated contributions" shall mean the sum of
91 all the amounts deducted from the compensation of a member and
92 credited to his individual account in the annuity savings account,
93 together with regular interest thereon as provided in Section
94 25-11-123.

95 (b) "Actuarial cost" shall mean the amount of funds
96 presently required to provide future benefits as determined by the
97 board based on applicable tables and formulas provided by the
98 actuary.

99 (c) "Actuarial equivalent" shall mean a benefit of
100 equal value to the accumulated contributions, annuity or benefit,
101 as the case may be, when computed upon the basis of such mortality
102 tables as shall be adopted by the board of trustees, and regular
103 interest.

104 (d) "Actuarial tables" shall mean such tables of
105 mortality and rates of interest as shall be adopted by the board
106 in accordance with the recommendation of the actuary.

107 (e) "Agency" shall mean any governmental body employing
108 persons in the state service.

109 (f) "Average compensation" shall mean the average of
110 the four (4) highest years of earned compensation reported for an
111 employee in a fiscal or calendar year period, or combination
112 thereof which do not overlap, or the last forty-eight (48)
113 consecutive months of earned compensation reported for an
114 employee. The four (4) years need not be successive or joined
115 years of service. In no case shall the average compensation so
116 determined be in excess of One Hundred Twenty-five Thousand
117 Dollars (\$125,000.00). In computing the average compensation, any
118 amount paid in a lump sum for personal leave shall be included in
119 the calculation to the extent that such amount does not exceed an
120 amount which is equal to thirty (30) days of earned compensation
121 and to the extent that it does not cause the employees' earned
122 compensation to exceed the maximum reportable amount specified in
123 Section 25-11-103(k); provided, however, that such thirty-day
124 limitation shall not prevent the inclusion in the calculation of
125 leave earned under federal regulations prior to July 1, 1976, and
126 frozen as of that date as referred to in Section 25-3-99. Only
127 the amount of lump sum pay for personal leave due and paid upon
128 the death of a member attributable for up to one hundred fifty
129 (150) days shall be used in the deceased member's average
130 compensation calculation in determining the beneficiary's
131 benefits. In computing the average compensation, no amounts shall
132 be used which are in excess of the amount on which contributions
133 were required and paid. If any member who is or has been granted
134 any increase in annual salary or compensation of more than eight
135 percent (8%) retires within twenty-four (24) months from the date
136 that such increase becomes effective, then the board shall exclude
137 that part of the increase in salary or compensation that exceeds
138 eight percent (8%) in calculating that member's average
139 compensation for retirement purposes. The board may enforce this
140 provision by rule or regulation. However, increases in

141 compensation in excess of eight percent (8%) per year granted
142 within twenty-four (24) months of the date of retirement may be
143 included in such calculation of average compensation if
144 satisfactory proof is presented to the board showing that the
145 increase in compensation was the result of an actual change in the
146 position held or services rendered, or that such compensation
147 increase was authorized by the State Personnel Board or was
148 increased as a result of statutory enactment, and the employer
149 furnishes an affidavit stating that such increase granted within
150 the last twenty-four (24) months was not contingent on a promise
151 or agreement of the employee to retire. Nothing in Section
152 25-3-31 shall affect the calculation of the average compensation
153 of any member for the purposes of this article. The average
154 compensation of any member who retires before July 1, 1992, shall
155 not exceed the annual salary of the Governor.

156 (g) "Beneficiary" shall mean any person entitled to
157 receive a retirement allowance, an annuity or other benefit as
158 provided by Articles 1 and 3. In the event of the death prior to
159 retirement of any member whose spouse and/or children are not
160 entitled to a retirement allowance, the lawful spouse of a member
161 at the time of the death of such member shall be the beneficiary
162 of such member unless the member has designated another
163 beneficiary subsequent to the date of marriage in writing, and
164 filed such writing in the office of the executive director of the
165 board of trustees. No designation or change of beneficiary shall
166 be made in any other manner.

167 (h) "Board" shall mean the board of trustees provided
168 in Section 25-11-15 to administer the retirement system herein
169 created.

170 (i) "Creditable service" shall mean "prior service,"
171 "retroactive service" and all lawfully credited unused leave not
172 exceeding the accrual rates and limitations provided in Section
173 25-3-91 et seq., as of the date of withdrawal from service plus
174 "membership service" for which credit is allowable as provided in

175 Section 25-11-109. Except to limit creditable service reported to
176 the system for the purpose of computing an employee's retirement
177 allowance or annuity or benefits provided in this article, nothing
178 in this paragraph shall limit or otherwise restrict the power of
179 the governing authority of a municipality or other political
180 subdivision of the state to adopt such vacation and sick leave
181 policies as it deems necessary.

182 (j) "Child" means either a natural child of the member,
183 a child that has been made a child of the member by applicable
184 court action before the death of the member, or a child under the
185 permanent care of the member at the time of the latter's death,
186 which permanent care status shall be determined by evidence
187 satisfactory to the board.

188 (k) "Earned compensation" shall mean the full amount
189 earned by an employee for a given pay period including any
190 maintenance furnished up to a maximum of One Hundred Twenty-five
191 Thousand Dollars (\$125,000.00) per year, and proportionately for
192 less than one (1) year of service. The value of such maintenance
193 when not paid in money shall be fixed by the employing state
194 agency, and, in case of doubt, by the board of trustees as defined
195 in Section 25-11-15. In any case, earned compensation shall be
196 limited to the regular periodic compensation paid, exclusive of
197 litigation fees, bond fees, and other similar extraordinary
198 nonrecurring payments. In the case of fee officials, the net
199 earnings from their office after deduction of expenses shall
200 apply, except that in no case shall earned compensation be less
201 than the total direct payments made by the state or governmental
202 subdivisions to the official, and employer and employee
203 contributions shall be paid thereon. In the case of members of
204 the state Legislature, all remuneration or amounts paid, except
205 mileage allowance, shall apply. The amount by which an eligible
206 employee's salary is reduced pursuant to a salary reduction
207 agreement authorized under Section 25-17-5 shall be included as
208 earned compensation under this paragraph, provided this inclusion

209 does not conflict with federal law, including federal regulations
210 and federal administrative interpretations thereunder, pertaining
211 to the Federal Insurance Contributions Act or to Internal Revenue
212 Code Section 125 cafeteria plans. Compensation in addition to an
213 employee's base salary that is paid to the employee pursuant to
214 the vacation and sick leave policies of a municipality or other
215 political subdivision of the state that employs him which exceeds
216 the maximums authorized by Section 25-3-91 et seq. shall be
217 excluded from the calculation of earned compensation under this
218 article. The maximum salary applicable for retirement purposes
219 before July 1, 1992, shall be the salary of the Governor. Nothing
220 in Section 25-3-31 shall affect the determination of the earned
221 compensation of any member for the purposes of this article.

222 (l) "Employee" means any person legally occupying a
223 position in the state service, and shall include the employees of
224 the retirement system created hereunder.

225 (m) "Employer" shall mean the State of Mississippi or
226 any of its departments, agencies or subdivisions from which any
227 employee receives his compensation.

228 (n) "Executive director" shall mean the secretary to
229 the board of trustees, as provided in Section 25-11-15(9), and the
230 administrator of the Public Employees' Retirement System and all
231 systems under the management of the board of trustees. Wherever
232 the term "Executive Secretary of the Public Employees' Retirement
233 System" or "executive secretary" appears in this article or in any
234 other provision of law, it shall be construed to mean the
235 Executive Director of the Public Employees' Retirement System.

236 (o) "Fiscal year" shall mean the period beginning on
237 July 1 of any year and ending on June 30 of the next succeeding
238 year.

239 (p) "Medical board" shall mean the board of physicians
240 or any governmental or nongovernmental disability determination
241 service designated by the board of trustees that is qualified to
242 make disability determinations as provided for in Section

243 25-11-119.

244 (q) "Member" shall mean any person included in the
245 membership of the system as provided in Section 25-11-105.

246 (r) "Membership service" shall mean service as an
247 employee rendered while a member of the retirement system.

248 (s) "Position" means any office or any employment in
249 the state service, or two (2) or more of them, the duties of which
250 call for services to be rendered by one (1) person, including
251 positions jointly employed by federal and state agencies
252 administering federal and state funds.

253 (t) "Prior service" shall mean service rendered before
254 February 1, 1953, for which credit is allowable under Sections
255 25-11-105 and 25-11-109, and which shall allow prior service for
256 any person who is now or becomes a member of the Public Employees'
257 Retirement System and who does contribute to the system for a
258 minimum period of four (4) years.

259 (u) "Regular interest" shall mean interest compounded
260 annually at such a rate as shall be determined by the board in
261 accordance with Section 25-11-121.

262 (v) "Retirement allowance" shall mean an annuity for
263 life as provided in this article, payable each year in twelve (12)
264 equal monthly installments beginning as of the date fixed by the
265 board. The retirement allowance shall be calculated in accordance
266 with Section 25-11-111. Provided, any spouse who received a
267 spouse retirement benefit in accordance with Section 25-11-111(d)
268 prior to March 31, 1971, and said benefits were terminated because
269 of eligibility for a Social Security benefit, may again receive
270 his spouse retirement benefit from and after making application
271 with the board of trustees to reinstate such spouse retirement
272 benefit.

273 (w) "Retroactive service" shall mean service rendered
274 after February 1, 1953, for which credit is allowable under
275 Section 25-11-105(b) and Section 25-11-105(k).

276 (x) "System" shall mean the Public Employees'

277 Retirement System of Mississippi established and described in
278 Section 25-11-101.

279 (y) "State" shall mean the State of Mississippi or any
280 political subdivision thereof or instrumentality thereof.

281 (z) "State service" shall mean all offices and
282 positions of trust or employment in the employ of the state, or
283 any political subdivision or instrumentality thereof, which elect
284 to participate as provided by Section 25-11-105 (f), including the
285 position of elected or fee officials of the counties and their
286 deputies and employees performing public services or any
287 department, independent agency, board or commission thereof, and
288 shall also include all offices and positions of trust or
289 employment in the employ of joint state and federal agencies
290 administering state and federal funds and service rendered by
291 employees of the public schools. Effective July 1, 1973, all
292 nonprofessional public school employees, such as bus drivers,
293 janitors, maids, maintenance workers and cafeteria employees,
294 shall have the option to become members in accordance with Section
295 25-11-105(b), and shall be eligible to receive credit for services
296 prior to July 1, 1973, provided the contributions and interest are
297 paid by the employee in accordance with said section; provided,
298 further, that the county or municipal separate school district may
299 pay the employer contribution and pro rata share of interest of
300 the retroactive service from available funds. From and after July
301 1, 1998, retroactive service credit shall be purchased at the
302 actuarial cost in accordance with Section 25-11-105(b).

303 (aa) "Withdrawal from service" shall mean complete
304 severance of employment in the state service of any member by
305 resignation, dismissal or discharge, except in the case of persons
306 who become eligible to receive a retirement allowance under this
307 article during their employment as teachers and who choose to
308 receive the retirement allowance during their employment as
309 teachers as authorized by Section 25-11-126.

310 (bb) The masculine pronoun, wherever used, shall

311 include the feminine pronoun.

312 SECTION 3. Section 25-11-105, Mississippi Code of 1972, is
313 amended as follows:

314 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**

315 The membership of this retirement system shall be composed as
316 follows:

317 (a) All persons who shall become employees in the state
318 service after January 31, 1953, and whose wages are subject to
319 payroll taxes and are lawfully reported on IRS Form W-2, except
320 (i) those persons who are specifically excluded, (ii) those
321 persons to whom election is provided in Articles 1 and 3, (iii)
322 those persons who choose to receive or continue receiving a
323 retirement allowance during their employment as teachers as
324 authorized by Section 25-11-126, shall become members of the
325 retirement system as a condition of their employment.

326 (b) All persons who shall become employees in the state
327 service after January 31, 1953, except those specifically excluded
328 or as to whom election is provided in Articles 1 and 3, unless
329 they shall file with the board prior to the lapse of sixty (60)
330 days of employment or sixty (60) days after the effective date of
331 the cited articles, whichever is later, on a form prescribed by
332 the board, a notice of election not to be covered by the
333 membership of the retirement system and a duly executed waiver of
334 all present and prospective benefits which would otherwise inure
335 to them on account of their participation in the system, shall
336 become members of the retirement system; provided, however, that
337 no credit for prior service will be granted to members until they
338 have contributed to Article 3 of the retirement system for a
339 minimum period of at least four (4) years. Such members shall
340 receive credit for services performed prior to January 1, 1953, in
341 employment now covered by Article 3, but no credit shall be
342 granted for retroactive services between January 1, 1953, and the
343 date of their entry into the retirement system unless the employee
344 pays into the retirement system both the employer's and the

345 employee's contributions on wages paid him during the period from
346 January 31, 1953, to the date of his becoming a contributing
347 member, together with interest at the rate determined by the board
348 of trustees. Members reentering after withdrawal from service
349 shall qualify for prior service under the provisions of Section
350 25-11-117. From and after July 1, 1998, upon eligibility as noted
351 above, the member may receive credit for such retroactive service
352 provided:

353 (1) The member shall furnish proof satisfactory to
354 the board of trustees of certification of such service from the
355 covered employer where the services were performed; and

356 (2) The member shall pay to the retirement system
357 on the date he or she is eligible for such credit or at any time
358 thereafter prior to the date of retirement the actuarial cost for
359 each year of such creditable service. The provisions of this
360 subparagraph (2) shall be subject to the limitations of Section
361 415 of the Internal Revenue Code and regulations promulgated
362 thereunder.

363 Nothing contained in this paragraph (b) shall be construed to
364 limit the authority of the board to allow the correction of
365 reporting errors or omissions based on the payment of the employee
366 and employer contributions plus applicable interest.

367 (c) All persons who shall become employees in the state
368 service after January 31, 1953, and who are eligible for
369 membership in any other retirement system shall become members of
370 this retirement system as a condition of their employment unless
371 they elect at the time of their employment to become a member of
372 such other system.

373 (d) All persons who are employees in the state service
374 on January 31, 1953, and who are members of any nonfunded
375 retirement system operated by the State of Mississippi, or any of
376 its departments or agencies, shall become members of this system
377 with prior service credit unless, before February 1, 1953, they
378 shall file a written notice with the board of trustees that they

379 do not elect to become members.

380 (e) All persons who are employees in the state service
381 on January 31, 1953, and who under existing laws are members of
382 any fund operated for the retirement of employees by the State of
383 Mississippi, or any of its departments or agencies, shall not be
384 entitled to membership in this retirement system unless, before
385 February 1, 1953, any such person shall indicate by a notice filed
386 with the board, on a form prescribed by the board, his individual
387 election and choice to participate in this system, but no such
388 person shall receive prior service credit unless he becomes a
389 member on or before February 1, 1953.

390 (f) Each political subdivision of the state and each
391 instrumentality of the state or a political subdivision, or both,
392 is hereby authorized to submit, for approval by the board of
393 trustees, a plan for extending the benefits of this article to
394 employees of any such political subdivision or instrumentality.
395 Each such plan or any amendment to the plan for extending benefits
396 thereof shall be approved by the board of trustees if it finds
397 that such plan, or such plan as amended, is in conformity with
398 such requirements as are provided in Articles 1 and 3; however,
399 upon approval of such plan or any such plan heretofore approved by
400 the board of trustees, the approved plan shall not be subject to
401 cancellation or termination by the political subdivision or
402 instrumentality. No such plan shall be approved unless:

403 (1) It provides that all services which constitute
404 employment as defined in Section 25-11-5 and are performed in the
405 employ of the political subdivision or instrumentality, by any
406 employees thereof, shall be covered by the plan; with the
407 exception of municipal employees who are already covered by
408 existing retirement plans; provided, however, those employees in
409 this class may elect to come under the provisions of this article;

410 (2) It specifies the source or sources from which
411 the funds necessary to make the payments required by subsection
412 (d) of Section 25-11-123 and of subsections (f)(5)b and c of this

413 section are expected to be derived and contains reasonable
414 assurance that such sources will be adequate for such purpose;

415 (3) It provides for such methods of administration
416 of the plan by the political subdivision or instrumentality as are
417 found by the board of trustees to be necessary for the proper and
418 efficient administration thereof;

419 (4) It provides that the political subdivision or
420 instrumentality will make such reports, in such form and
421 containing such information, as the board of trustees may from
422 time to time require;

423 (5) It authorizes the board of trustees to
424 terminate the plan in its entirety in the discretion of the board
425 if it finds that there has been a failure to comply substantially
426 with any provision contained in such plan, such termination to
427 take effect at the expiration of such notice and on such
428 conditions as may be provided by regulations of the board and as
429 may be consistent with applicable federal law.

430 A. The board of trustees shall not finally
431 refuse to approve a plan submitted under subsection (f), and shall
432 not terminate an approved plan without reasonable notice and
433 opportunity for hearing to each political subdivision or
434 instrumentality affected thereby. The board's decision in any
435 such case shall be final, conclusive and binding unless an appeal
436 be taken by the political subdivision or instrumentality aggrieved
437 thereby to the Circuit Court of Hinds County, Mississippi, in
438 accordance with the provisions of law with respect to civil causes
439 by certiorari.

440 B. Each political subdivision or
441 instrumentality as to which a plan has been approved under this
442 section shall pay into the contribution fund, with respect to
443 wages (as defined in Section 25-11-5), at such time or times as
444 the board of trustees may by regulation prescribe, contributions
445 in the amounts and at the rates specified in the applicable
446 agreement entered into by the board.

447 C. Every political subdivision or
448 instrumentality required to make payments under subsection (f)(5)b
449 hereof is authorized, in consideration of the employees' retention
450 in or entry upon employment after enactment of Articles 1 and 3,
451 to impose upon its employees, as to services which are covered by
452 an approved plan, a contribution with respect to wages (as defined
453 in Section 25-11-5) not exceeding the amount provided in Section
454 25-11-123(d) if such services constituted employment within the
455 meaning of Articles 1 and 3, and to deduct the amount of such
456 contribution from the wages as and when paid. Contributions so
457 collected shall be paid into the contribution fund as partial
458 discharge of the liability of such political subdivisions or
459 instrumentality under subsection (f)(5)b hereof. Failure to
460 deduct such contribution shall not relieve the employee or
461 employer of liability thereof.

462 D. Any state agency, school, political
463 subdivision, instrumentality or any employer that is required to
464 submit contribution payments or wage reports under any section of
465 this chapter shall be assessed interest on delinquent payments or
466 wage reports as determined by the board of trustees in accordance
467 with rules and regulations adopted by the board and such assessed
468 interest may be recovered by action in a court of competent
469 jurisdiction against such reporting agency liable therefor or may,
470 upon due certification of delinquency and at the request of the
471 board of trustees, be deducted from any other monies payable to
472 such reporting agency by any department or agency of the state.

473 E. Each political subdivision of the state
474 and each instrumentality of the state or a political subdivision
475 or subdivisions which submits a plan for approval of the board, as
476 provided in this section, shall reimburse the board for coverage
477 into the expense account, its pro rate share of the total expense
478 of administering Articles 1 and 3 as provided by regulations of
479 said board.

480 (g) The board may, in its discretion, deny the right of

481 membership in this system to any class of employees whose
482 compensation is only partly paid by the state or who are occupying
483 positions on a part-time or intermittent basis. The board may, in
484 its discretion, make optional with employees in any such classes
485 their individual entrance into this system.

486 (h) An employee whose membership in this system is
487 contingent on his own election, and who elects not to become a
488 member, may thereafter apply for and be admitted to membership;
489 but no such employee shall receive prior service credit unless he
490 becomes a member prior to July 1, 1953, except as provided in
491 subsection (b).

492 (i) In the event any member of this system should
493 change his employment to any agency of the state having an
494 actuarially funded retirement system, the board of trustees may
495 authorize the transfer of the member's creditable service and of
496 the present value of the member's employer's accumulation account
497 and of the present value of the member's accumulated membership
498 contributions to such other system, provided the employee agrees
499 to the transfer of his accumulated membership contributions and
500 provided such other system is authorized to receive and agrees to
501 make such transfer.

502 In the event any member of any other actuarially funded
503 system maintained by an agency of the state changes his employment
504 to an agency covered by this system, the board of trustees may
505 authorize the receipt of the transfer of the member's creditable
506 service and of the present value of the member's employer's
507 accumulation account and of the present value of the member's
508 accumulated membership contributions from such other system,
509 provided the employee agrees to the transfer of his accumulated
510 membership contributions to this system and provided the other
511 system is authorized and agrees to make such transfer.

512 (j) Wherever herein state employment is referred to, it
513 shall include joint employment by state and federal agencies of
514 all kinds.

515 (k) Employees of a political subdivision or
516 instrumentality who were employed by such political subdivision or
517 instrumentality prior to an agreement between such entity and the
518 Public Employees' Retirement System to extend the benefits of this
519 article to its employees, and which agreement provides for the
520 establishment of retroactive service credit, and who have been
521 members of the retirement system and have remained contributors to
522 the retirement system for four (4) years, may receive credit for
523 such retroactive service with such political subdivision or
524 instrumentality, provided the employee and/or employer, as
525 provided under the terms of the modification of the joinder
526 agreement in allowing such coverage, pay into the retirement
527 system the employer's and employee's contributions on wages paid
528 the member during such previous employment, together with interest
529 or actuarial cost as determined by the board covering the period
530 from the date the service was rendered until the payment for the
531 credit for such service was made. Such wages shall be verified by
532 the Social Security Administration or employer payroll records.
533 Effective July 1, 1998, upon eligibility as noted above, a member
534 may receive credit for such retroactive service with such
535 political subdivision or instrumentality provided;

536 (1) The member shall furnish proof satisfactory to
537 the board of trustees of certification of such services from the
538 political subdivision or instrumentality where the services were
539 rendered or verification by the Social Security Administration;
540 and

541 (2) The member shall pay to the retirement system
542 on the date he or she is eligible for such credit or at any time
543 thereafter prior to the date of retirement the actuarial cost for
544 each year of such creditable service. The provisions of this
545 subparagraph (2) shall be subject to the limitations of Section
546 415 of the Internal Revenue Code and regulations promulgated
547 thereunder.

548 Nothing contained in this paragraph (k) shall be construed to

549 limit the authority of the board to allow the correction of
550 reporting errors or omissions based on the payment of employee and
551 employer contributions plus applicable interest. Payment for such
552 time shall be made in increments of not less than one-quarter
553 (1/4) year of creditable service beginning with the most recent
554 service. Upon the payment of all or part of such required
555 contributions, plus interest or the actuarial cost as provided
556 above, the member shall receive credit for the period of
557 creditable service for which full payment has been made to the
558 retirement system.

559 (l) Through June 30, 1998, any state service eligible
560 for retroactive service credit, no part of which has ever been
561 reported, and requiring the payment of employee and employer
562 contributions plus interest, or, from and after July 1, 1998, any
563 state service eligible for retroactive service credit, no part of
564 which has ever been reported to the retirement system, and
565 requiring the payment of the actuarial cost for such creditable
566 service, may, at the member's option, be purchased in quarterly
567 increments as provided above at such time as its purchase is
568 otherwise allowed.

569 (m) All rights to purchase retroactive service credit
570 or repay a refund as provided in Section 25-11-101 et seq. shall
571 terminate upon retirement.

572 **II. THOSE WHO ARE NOT ELIGIBLE FOR MEMBERSHIP**

573 The following classes of employees and officers shall not
574 become members of this retirement system, any other provisions of
575 Articles 1 and 3 to the contrary notwithstanding:

576 (a) Patient or inmate help in state charitable, penal
577 or correctional institutions;

578 (b) Students of any state educational institution
579 employed by any agency of the state for temporary, part-time or
580 intermittent work;

581 (c) Participants of Comprehensive Employment and
582 Training Act of 1973 (CETA) being Public Law 93-203, who enroll on

583 or after July 1, 1979.

584 **III. TERMINATION OF MEMBERSHIP**

585 Membership in this system shall cease by a member withdrawing
586 his accumulated contributions, or by a member withdrawing from
587 active service with a retirement allowance, or by a member's
588 death.

589 SECTION 4. Section 25-11-127, Mississippi Code of 1972, is
590 amended as follows:

591 25-11-127. No person who is being paid a retirement
592 allowance or a pension after retirement under this article shall
593 be employed or paid for any service by the State of Mississippi,
594 except as provided in this section or in Section 25-11-126. This
595 section shall not apply to any pensioner who has been elected to
596 public office after retirement, nor to any person employed because
597 of special knowledge or experience. This section shall not be
598 construed to mean that any person employed or elected under the
599 above exceptions shall become a member under Article 3 of the
600 retirement system, nor shall any retirant of this retirement
601 system who is reemployed or is reelected to office after
602 retirement continue to draw retirement benefits while so
603 reemployed or reelected except those persons who choose to
604 continue receiving a retirement allowance during their employment
605 as teachers as authorized by Section 25-11-126. Any person who
606 has been retired under the provisions of Articles 1 and 3 and who
607 is later reemployed in service covered by this article shall cease
608 to receive benefits hereunder unless he chooses to continue
609 receiving a retirement allowance during his employment as a
610 teacher as authorized by Section 25-11-126, and the person shall
611 again become a contributing member of the retirement system; and
612 when the person again retires, if he has been a contributing
613 member of the retirement system during his reemployment and his
614 reemployment exceeds six (6) months, he shall have his benefit
615 recomputed, including service after again becoming a member.

616 Provided, further, that the total retirement allowance paid to the

617 retired member in his previous retirement shall be deducted from
618 his retirement reserve and taken into consideration in
619 recalculating the retirement allowance under a new option
620 selected. Nothing contained in this section shall be construed as
621 prohibiting any county or city not a member of the Public
622 Employees' Retirement System from employing persons up to the age
623 of seventy-three (73); and provided further that, through June 30,
624 1988, nothing contained in this section shall be construed as
625 prohibiting any governmental unit which is a member from employing
626 persons up to the age of seventy-three (73) who are not eligible
627 for membership at the time of employment under Article 3.

628 The board of trustees of the retirement system shall have the
629 right to prescribe rules and regulations for the carrying out of
630 this provision.

631 The provisions of this section shall not be construed to
632 prohibit any retirant regardless of age from being employed and
633 from drawing retirement allowance either (a) for a period of time
634 not to exceed one hundred twenty (120) days in any fiscal year,
635 but less than one-half (1/2) of the normal working days for the
636 position in any fiscal year, or (b) for a period of time in any
637 fiscal year sufficient in length to permit a retirant to earn not
638 in excess of twenty-five percent (25%) of retirant's average
639 compensation or the current rate of the salary in effect for the
640 regular position filled. Notice shall be given in writing to the
641 executive director of the system, setting forth the facts upon
642 which the * * * employment is being made, and such notice shall be
643 given within five (5) days from the date of employment and also
644 from the date of termination of the employment. It is further
645 provided that any member who has attained seventy (70) years of
646 age and who has forty (40) or more years of creditable service may
647 continue in office or employment or be reemployed or elected
648 provided such person files annually, in writing, in the office of
649 the employer and the office of the executive director of the
650 system prior to such services, a waiver of all salary or

651 compensation and elects to receive in lieu of such salary or
652 compensation a retirement allowance as provided in this section,
653 in which even no salary or compensation shall thereafter be due or
654 payable for such services and provided, further, that any such
655 officer or employee may receive in addition to such retirement
656 allowance any per diem, office expense allowance, mileage or
657 travel expense authorized by any statute of the State of
658 Mississippi. Any other member may continue in municipal or county
659 office or employment or be reemployed or elected in a municipality
660 or county provided such person files annually, in writing, in the
661 office of the employer and the office of the executive director of
662 the system prior to such services, a waiver of all salary or
663 compensation and elects to receive in lieu of such salary or
664 compensation a retirement allowance as provided in this section,
665 in which event no salary or compensation shall thereafter be due
666 or payable for such services and provided, further, that any such
667 officer or employee may receive in addition to such retirement
668 allowance any per diem, office expense allowance, mileage or
669 travel expense authorized by any statute of the State of
670 Mississippi.

671 SECTION 5. Section 37-19-7, Mississippi Code of 1972, is
672 amended as follows:

673 37-19-7. (1) The allowance in the minimum education program
674 for teachers' salaries in each county and separate school district
675 shall be determined and paid in accordance with the scale for
676 teachers' salaries as provided in this subsection for the number
677 of teachers employed not in excess of the number of teacher units
678 allotted. For teachers holding the following types of licenses or
679 the equivalent as determined by the State Board of Education, and
680 the following number of years of teaching experience, the scale
681 shall be as follows:

682 **1999-2000 School Year**

683 **and School Years Thereafter**

684 **Less Than 25 Years of Teaching Experience**

685	AAAA.....	\$24,445.00
686	AAA.....	23,595.00
687	AA.....	22,745.00
688	A.....	21,695.00

25 or More Years of Teaching Experience

690	AAAA.....	\$25,445.00
691	AAA.....	24,595.00
692	AA.....	23,745.00
693	A.....	22,695.00

694 It is the intent of the Legislature that any state funds made
695 available for salaries of licensed personnel in excess of the
696 funds paid for such salaries for the 1986-1987 school year shall
697 be paid to licensed personnel pursuant to a personnel appraisal
698 and compensation system implemented by the State Board of
699 Education. The State Board of Education shall have the authority
700 to adopt and amend rules and regulations as are necessary to
701 establish, administer and maintain the system.

702 All teachers employed on a full-time basis shall be paid a
703 minimum salary in accordance with the above scale. However, no
704 school district shall receive any funds under this section for any
705 school year during which the local supplement paid to any
706 individual teacher shall have been reduced to a sum less than that
707 paid to that individual teacher for performing the same duties
708 from local supplement during the immediately preceding school
709 year. The amount actually spent for the purposes of group health
710 and/or life insurance shall be considered as a part of the
711 aggregate amount of local supplement but shall not be considered
712 a part of the amount of individual local supplement.

713 For teachers holding a Class AAAA license, the minimum base
714 pay specified in this subsection shall be increased by the sum of
715 Six Hundred Fifty-five Dollars (\$655.00) for each year of teaching
716 experience possessed by the person holding such license until such
717 person shall have twenty-five (25) years of teaching experience.

718 For teachers holding a Class AAA license, the minimum base

719 pay specified in this subsection shall be increased by the sum of
720 Five Hundred Ninety Dollars (\$590.00) for each year of teaching
721 experience possessed by the person holding such license until such
722 person shall have twenty-five (25) years of teaching experience.

723 For teachers holding a Class AA license, the minimum base pay
724 specified in this subsection shall be increased by the sum of Five
725 Hundred Twenty Dollars (\$520.00) for each year of teaching
726 experience possessed by the person holding such license until such
727 person shall have twenty-five (25) years of teaching experience.

728 For teachers holding a Class A license, the minimum base pay
729 specified in this subsection shall be increased by the sum of Four
730 Hundred Twenty-five Dollars (\$425.00) for each year of teaching
731 experience possessed by the person holding such license until such
732 person shall have twenty-one (21) years of teaching experience.

733 The level of professional training of each teacher to be used
734 in establishing the salary allotment for the teachers for each
735 year shall be determined by the type of valid teacher's license
736 issued to those teachers on or before October 1 of the current
737 school year.

738 (2) Prior to April 15 of any school year in which a teacher
739 meets the standard requirements, any licensed teacher who shall
740 have met the requirements and acquired a Master Teacher
741 certificate from the National Board for Professional Teaching
742 Standards and who is employed by a local school board or the State
743 Board of Education as a teacher and not as an administrator shall
744 receive a salary supplement in the amount of Six Thousand Dollars
745 (\$6,000.00) in addition to any other compensation to which the
746 teacher may be entitled. The teacher shall be reimbursed one (1)
747 time for the actual cost of completing the process of acquiring
748 the Master Teacher certificate, regardless of whether or not the
749 process resulted in the award of the Master Teacher certificate.
750 All such salary supplements and process reimbursement shall be
751 paid directly by the State Department of Education to the local
752 school district and shall be in addition to its minimum education

753 program allotments and not a part thereof in accordance with
754 regulations promulgated by the State Board of Education, and
755 subject to appropriation by the Legislature. Local school
756 districts shall not reduce the local supplement paid to any
757 teacher receiving such salary supplement, and the teacher shall
758 receive any local supplement to which teachers with similar
759 training and experience are otherwise entitled.

760 (3) (a) Notwithstanding any provision in this section
761 to the contrary, any person who is receiving a retirement
762 allowance from the Public Employees' Retirement System who is
763 employed as a teacher after his retirement, and chooses to
764 continue receiving the retirement allowance during his employment
765 as a teacher after his retirement, as authorized by subsection
766 (1)(a) of Section 25-11-126, shall be paid a salary equal to the
767 amount of the salary that the person received during the school
768 year immediately preceding his retirement. No increase in the
769 salary of any such person shall be allowed for any teaching
770 experience obtained after the date of his employment as a teacher
771 after his retirement.

772 (b) Notwithstanding any provision in this section to
773 the contrary, any person who is employed as a teacher and becomes
774 eligible to receive a retirement allowance from the Public
775 Employees' Retirement System during his employment as a teacher
776 who chooses to receive the retirement allowance during his
777 employment as a teacher, as authorized by subsection (1)(b) of
778 Section 25-11-126, shall be paid a salary equal to the amount of
779 the salary that the person received during the school year
780 immediately preceding the date that the person began receiving the
781 retirement allowance. No increase in the salary of any such
782 person shall be allowed for any teaching experience obtained after
783 the date that he began receiving the retirement allowance.

784 SECTION 6. This act shall take effect and be in force from
785 and after July 1, 1999.