

By: Senator(s) Dearing

To: Finance

## SENATE BILL NO. 2283

1 AN ACT TO AMEND SECTION 25-11-112, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT THE AMOUNT OF THE ADDITIONAL PAYMENT TO PERSONS  
3 WHO ARE RECEIVING A RETIREMENT OR DISABILITY ALLOWANCE FROM THE  
4 PUBLIC EMPLOYEES' RETIREMENT SYSTEM SHALL BE INCREASED TO THREE  
5 PERCENT OF THE ANNUAL RETIREMENT ALLOWANCE FOR EACH FULL FISCAL  
6 YEAR OF RETIREMENT AFTER JUNE 30, 1999; AND FOR RELATED PURPOSES.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:  
8

9 SECTION 1. Section 25-11-112, Mississippi Code of 1972, is  
10 amended as follows:

11 25-11-112. (1) Persons who on December 1 of each year, or  
12 July 1 of each year as provided for in subsection (6) of this  
13 section, are receiving a retirement allowance for service or  
14 disability retirement, or beneficiaries thereof, shall receive in  
15 one (1) additional payment an amount equal to a cumulative  
16 percentage of (a) two and one-half percent (2-1/2%) of the annual  
17 retirement allowance for each full fiscal year of retirement  
18 through June 30, 1984, (b) for each full fiscal year of retirement  
19 after June 30, 1984, and through June 30, 1993, the annual  
20 percentage increase in the Consumer Price Index set by the United  
21 States government in each fiscal year, not exceeding two and  
22 one-half percent (2-1/2%) for any fiscal year, \* \* \* times the  
23 amount of the annual retirement allowance; (c) for each full  
24 fiscal year of retirement after June 30, 1993, and through June  
25 30, 1999, the annual percentage increase in the Consumer Price  
26 Index set by the United States government for the calendar year  
27 ending during each fiscal year, not exceeding two and one-half  
28 percent (2-1/2%) for any fiscal year, times the amount of the  
29 annual retirement allowance; and (d) three percent (3%) of the

30 annual retirement allowance for each full fiscal year of  
31 retirement after June 30, 1999. The cumulative percentage  
32 provided in this subsection for any particular year shall not be  
33 less than the cumulative percentage provided for the previous  
34 year.

35 (2) Persons who on December 1 of each year are receiving a  
36 retirement allowance for service or disability retirement, or  
37 beneficiaries thereof, may receive, in addition to the cumulative  
38 percentage described in subsection (1) of this section, a payment  
39 as determined by the board, calculated in increments of  
40 one-quarter of one percent ( $1/4$  of 1%), not to exceed one and  
41 one-half percent ( $1-1/2\%$ ) of the annual retirement allowance for  
42 each full fiscal year of retirement, provided that any such  
43 payment shall be contingent upon the reserve for annuities in  
44 force for retired members and beneficiaries providing sufficient  
45 investment gains in excess of the accrued actuarial liabilities  
46 for the previous fiscal year as certified by the actuary and  
47 determined by the board.

48 (3) The percentages of this section shall be based on each  
49 full fiscal year that the retired member or beneficiary has  
50 actually drawn retirement payments from the date of retirement, or  
51 the date of last retirement if there is more than one (1)  
52 retirement date.

53 (4) Each retired member, or beneficiary thereof, who  
54 receives an annual retirement allowance based on the average  
55 compensation for a period of five (5) successive or joined years  
56 and who receives a retirement allowance for the month of June,  
57 1985, shall receive an ad hoc increase of three percent (3%) in  
58 such retirement allowance effective July 1, 1985.

59 (5) Persons eligible to receive the payments provided in  
60 subsections (1) and (2) of this section shall receive such  
61 payments in one (1) additional payment, except that such person  
62 may elect by an irrevocable agreement on a form prescribed by the  
63 board of trustees to receive such payments in not less than equal  
64 monthly installments not to exceed six (6) months during the  
65 remaining months of the current fiscal year. In the event of  
66 death of a person or a beneficiary thereof receiving monthly

67 benefits, any remaining amounts shall be paid in a lump sum to the  
68 designated beneficiary.

69 (6) Retired persons or beneficiaries thereof, who on July 1,  
70 1994, or July 1 of any fiscal year thereafter, are receiving a  
71 retirement allowance, may elect by an irrevocable agreement in  
72 writing filed in the office of the Public Employees' Retirement  
73 System no less than thirty (30) days prior to July 1, of the  
74 appropriate year, to begin receiving the payments provided for in  
75 subsection (1) of this section in twelve (12) equal installments  
76 beginning July 1, 1994, or July 1 of any fiscal year thereafter.  
77 Such irrevocable agreement shall be binding on the member and  
78 subsequent beneficiaries. The cumulative percentage provided in  
79 subsection (1) of this section and paid in twelve (12) equal  
80 installments for any particular year shall not be less than the  
81 cumulative percentage provided for the previous year. However,  
82 payment of such installments shall not extend beyond the month in  
83 which a retirement allowance is due and payable. Any additional  
84 amounts approved by the board under subsection (2) of this section  
85 shall be paid in one (1) lump sum payment to retirees and  
86 beneficiaries in accordance with subsection (2) of this section.

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