

By: Senator(s) Harden

To: Finance

## SENATE BILL NO. 2776

1 AN ACT TO AMEND SECTION 25-11-111, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT ANY MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT  
3 SYSTEM REGARDLESS OF AGE, WHO WAS EMPLOYED BY THE DEPARTMENT OF  
4 CORRECTIONS IN A POSITION WHICH PLACED SUCH PERSON IN DIRECT  
5 CONTACT WITH PRISONERS AT THE TIME OF SUCH EMPLOYEES' WITHDRAWAL  
6 FROM SERVICE, MAY RETIRE IF SUCH EMPLOYEE HAS COMPLETED AT LEAST  
7 20 YEARS OF CREDITABLE SERVICE IN SUCH A POSITION AT THE TIME OF  
8 SUCH WITHDRAWAL FROM SERVICE; AND FOR RELATED PURPOSES.

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

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

12 25-11-111. (a) (1) Any member upon withdrawal from service  
13 upon or after attainment of the age of sixty (60) years who shall  
14 have completed at least four (4) years of creditable service, or  
15 any member upon withdrawal from service regardless of age who  
16 shall have completed at least twenty-five (25) years of creditable  
17 service, shall be entitled to receive a retirement allowance  
18 computed in accordance with the formula set forth in this section  
19 which shall begin on the first of the month following the date the  
20 member's application for the said allowance is received by the  
21 board, but in no event before withdrawal from service.

22 (2) Any member upon withdrawal from service regardless  
23 of age, who was employed by the Department of Corrections in a  
24 position which required such person to regularly be placed in  
25 direct contact with prisoners and who has completed at least  
26 twenty (20) years of creditable service in such a position, shall  
27 be entitled to receive a retirement allowance computed in  
28 accordance with the formula set forth in this section which shall  
29 begin on the first of the month following the date the member's

30 application for the said allowance is received by the board, but  
31 in no event before withdrawal from service. This provision is  
32 designed to provide more liberal benefits for employees of the  
33 Department of Corrections whose jobs place them in direct contact  
34 with prisoners because of the dangerous nature of their  
35 employment.

36 (b) Any member whose withdrawal from service occurs prior to  
37 attaining the age of sixty (60) years who shall have completed  
38 four (4) or more years of creditable service and shall not have  
39 received a refund of his accumulated contributions shall be  
40 entitled to receive a retirement allowance, beginning upon his  
41 attaining the age of sixty (60) years, of the amount earned and  
42 accrued at the date of withdrawal from service.

43 (c) Any member in service who has qualified for retirement  
44 benefits may select any optional method of settlement of  
45 retirement benefits by notifying the Executive Director of the  
46 Board of Trustees of the Public Employees' Retirement System in  
47 writing, on a form prescribed by the board, of the option he has  
48 selected and by naming the beneficiary of such option and  
49 furnishing necessary proof of age. Such option, once selected,  
50 may be changed at any time prior to actual retirement or death,  
51 but upon the death or retirement of the member, the optional  
52 settlement shall be placed in effect upon proper notification to  
53 the executive director.

54 (d) The annual amount of the retirement allowance shall  
55 consist of:

56 (1) A member's annuity which shall be the actuarial  
57 equivalent of the accumulated contributions of the member at the  
58 time of retirement computed according to the actuarial table in  
59 use by the system; and

60 (2) An employer's annuity which, together with the  
61 member's annuity provided above, shall be equal to one and  
62 seven-eighths percent (1-7/8%) of the average compensation for each  
63 year of state service up to and including twenty-five (25) years  
64 of membership service, and two percent (2%) of the average  
65 compensation for each year of state service in excess of  
66 twenty-five (25) years of membership service.

67           (3) A prior service annuity equal to one and  
68 seven-eighths percent (1-7/8%) of the average compensation for each  
69 year of state service up to and including twenty-five (25) years  
70 of prior service, and two percent (2%) of the average compensation  
71 for each year of state service in excess of twenty-five (25) years  
72 of prior service for which the member is allowed credit.

73           (4) Any retired member or beneficiary thereof who was  
74 eligible to receive a retirement allowance before July 1, 1991,  
75 and who is still receiving a retirement allowance on July 1, 1992,  
76 shall receive an increase in the annual retirement allowance of  
77 the retired member equal to one-eighth of one percent (1/8 of 1%)  
78 of the average compensation for each year of state service in  
79 excess of twenty-five (25) years of membership service up to and  
80 including thirty (30) years. The maximum increase shall be  
81 five-eighths of one percent (5/8 of 1%). In no case shall a  
82 member who has been retired prior to July 1, 1987, receive less  
83 than Ten Dollars (\$10.00) per month for each year of creditable  
84 service and proportionately for each quarter year thereof.  
85 Persons retired on or after July 1, 1987, shall receive at least  
86 Ten Dollars (\$10.00) per month for each year of service and  
87 proportionately for each quarter year thereof reduced for the  
88 option selected. However, such Ten Dollar (\$10.00) minimum per  
89 month for each year of creditable service shall not apply to a  
90 retirement allowance computed under Section 25-11-114 based on a  
91 percentage of the member's average compensation.

92           (5) \* \* \* The retirement allowance otherwise payable  
93 may be converted into a retirement allowance of equivalent  
94 actuarial value in such an amount that, with the member's benefit  
95 under Title II of the Federal Social Security Act, the member will  
96 receive, so far as possible, approximately the same amount  
97 annually before and after the earliest age at which the member  
98 becomes eligible to receive a Social Security benefit.

99           (e) No member, except members excluded by the Age

100 Discrimination in Employment Act Amendments of 1986 (Public Law  
101 99-592), under either Article 1 or Article 3 in state service  
102 shall be required to retire because of age.

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

106 (g) (1) A retiree or beneficiary may, on a form prescribed  
107 by and filed with the retirement system, waive all or a portion of  
108 any benefits from the retirement system to which the retiree or  
109 beneficiary is entitled. A retiree or beneficiary may revoke a  
110 waiver of benefits in the same manner as the original waiver was  
111 made. Such waiver shall be binding on the heirs and assigns of  
112 any retiree or beneficiary and the same must agree to forever hold  
113 harmless the Public Employees' Retirement System of Mississippi  
114 from any claim to such waived retirement benefits.

115 (2) Any waiver pursuant to this subsection shall apply  
116 only to the person executing the waiver and any beneficiary shall  
117 be entitled to benefits according to the option selected by the  
118 member at the time of retirement. However, a beneficiary may, at  
119 the option of the beneficiary, execute a waiver of benefits  
120 pursuant to this subsection.

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

124 (4) The board of trustees may provide rules and  
125 regulations for the administration of waivers under this  
126 subsection.

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