

By: Moak

To: Appropriations

## HOUSE BILL NO. 1356

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,  
2 TO AUTHORIZE ELECTED OFFICIALS WHOSE SALARY IS PAID BY THE STATE  
3 OF MISSISSIPPI AND WHO ARE MEMBERS OF THE PUBLIC EMPLOYEES'  
4 RETIREMENT SYSTEM TO RECEIVE ONE-HALF YEAR OF ADDITIONAL  
5 CREDITABLE SERVICE FOR EACH YEAR OF SERVICE AS SUCH AN ELECTED  
6 OFFICIAL AFTER JANUARY 1, 2001, UP TO A MAXIMUM OF EIGHT YEARS OF  
7 ADDITIONAL CREDITABLE SERVICE; TO REQUIRE THOSE MEMBERS TO MAKE AN  
8 ANNUAL ELECTION TO PURCHASE ADDITIONAL CREDITABLE SERVICE FOR THE  
9 UPCOMING YEAR; TO REQUIRE THOSE MEMBERS TO PAY ADDITIONAL EMPLOYEE  
10 CONTRIBUTIONS DURING ANY YEAR FOR WHICH HE HAS ELECTED TO PURCHASE  
11 ADDITIONAL CREDITABLE SERVICE, IN AN AMOUNT EQUAL TO 50% OF THE  
12 COMBINED TOTAL OF THE EMPLOYEE AND EMPLOYER CONTRIBUTIONS THAT ARE  
13 PAID ON HIS EARNED COMPENSATION; TO AUTHORIZE ELECTED OFFICIALS  
14 HOLDING OFFICE ON JULY 1, 2000, WHOSE SALARY IS PAID BY THE STATE  
15 OF MISSISSIPPI AND WHO ARE MEMBERS OF THE PUBLIC EMPLOYEES'  
16 RETIREMENT SYSTEM TO PURCHASE ONE-HALF YEAR OF CREDITABLE SERVICE  
17 FOR EACH YEAR SERVED AS SUCH AN ELECTED OFFICIAL BEFORE JANUARY 1,  
18 2001, UP TO A MAXIMUM OF EIGHT YEARS OF ADDITIONAL CREDITABLE  
19 SERVICE; TO REQUIRE THOSE MEMBERS TO PAY AN AMOUNT EQUAL TO 50% OF  
20 THE COMBINED TOTAL OF THE EMPLOYEE AND EMPLOYER CONTRIBUTIONS THAT  
21 WOULD HAVE BEEN PAID ON HIS EARNED COMPENSATION FOR EACH YEAR OF  
22 ADDITIONAL CREDITABLE SERVICE THAT HE PURCHASES; TO REQUIRE THOSE  
23 MEMBERS TO PURCHASE ALL ADDITIONAL CREDITABLE SERVICE UNDER THIS  
24 PROVISION BEFORE JANUARY 1, 2003; AND FOR RELATED PURPOSES.

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

26 SECTION 1. Section 25-11-109, Mississippi Code of 1972, is  
27 amended as follows:[RF1]

28 25-11-109. (1) Under such rules and regulations as the  
29 board of trustees shall adopt, each person who becomes a member of  
30 this retirement system, as provided in Section 25-11-105, on or  
31 prior to July 1, 1953, or who becomes a member and contributes to  
32 the system for a minimum period of four (4) years, shall receive  
33 credit for all state service rendered before February 1, 1953. To  
34 receive such credit, such member shall file a detailed statement  
35 of all services as an employee rendered by him in the state  
36 service before February 1, 1953. For any member who joined the  
37 system after July 1, 1953, any creditable service for which the

38 member is not required to make contributions shall not be credited  
39 to the member until the member has contributed to the system for a  
40 minimum period of at least four (4) years.

41 (2) In the computation of membership service or prior  
42 service under the provisions of this article, the total months of  
43 accumulative service during any fiscal year shall be calculated in  
44 accordance with the schedule as follows: ten (10) or more months  
45 of creditable service during any fiscal year shall constitute a  
46 year of creditable service; seven (7) months to nine (9) months  
47 inclusive, three-quarters (3/4) of a year of creditable service;  
48 four (4) months to six (6) months inclusive, one-half-year of  
49 creditable service; one (1) month to three (3) months inclusive,  
50 one-quarter (1/4) of a year of creditable service. In no case  
51 shall credit be allowed for any period of absence without  
52 compensation except for disability while in receipt of a  
53 disability retirement allowance, nor shall less than fifteen (15)  
54 days of service in any month, or service less than the equivalent  
55 of one-half (1/2) of the normal working load for the position and  
56 less than one-half (1/2) of the normal compensation for the  
57 position in any month, constitute a month of creditable service,  
58 nor shall more than one (1) year of service be creditable for all  
59 services rendered in any one (1) fiscal year; provided that for a  
60 school employee, substantial completion of the legal school term  
61 when and where the service was rendered shall constitute a year of  
62 service credit for both prior service and membership service. Any  
63 state or local elected official shall be deemed a full-time  
64 employee for the purpose of creditable service for prior service  
65 or membership service. However, an appointed or elected official  
66 compensated on a per diem basis only shall not be allowed  
67 creditable service for terms of office.

68 In the computation of any retirement allowance or any annuity  
69 or benefits provided in this article, any fractional period of  
70 service of less than one (1) year shall be taken into account and  
71 a proportionate amount of such retirement allowance, annuity or  
72 benefit shall be granted for any such fractional period of  
73 service.

74 In the computation of unused leave for creditable service

75 authorized in Section 25-11-103, the following shall govern:  
76 twenty-one (21) days of unused leave shall constitute one (1)  
77 month of creditable service and in no case shall credit be allowed  
78 for any period of unused leave of less than fifteen (15) days.  
79 The number of months of unused leave shall determine the number of  
80 quarters or years of creditable service in accordance with the  
81 above schedule for membership and prior service. In order for the  
82 member to receive creditable service for the number of days of  
83 unused leave, the system must receive certification from the  
84 governing authority.

85 For the purpose of this subsection, for members of the system  
86 who are elected officers and who retire on or after July 1, 1987,  
87 the following shall govern:

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

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

96 (3) Subject to the above restrictions and to such other  
97 rules and regulations as the board may adopt, the board shall  
98 verify, as soon as practicable after the filing of such statements  
99 of service, the services therein claimed.

100 (4) Upon verification of the statement of prior service, the  
101 board shall issue a prior service certificate certifying to each  
102 member the length of prior service for which credit shall have  
103 been allowed on the basis of his statement of service. So long as  
104 membership continues, a prior service certificate shall be final  
105 and conclusive for retirement purposes as to such service,  
106 provided that any member may within five (5) years from the date  
107 of issuance or modification of such certificate request the board

108 of trustees to modify or correct his prior service certificate.  
109 Any modification or correction authorized shall only apply  
110 prospectively.

111 When membership ceases, such prior service certificates shall  
112 become void. Should the employee again become a member, he shall  
113 enter the system as an employee not entitled to prior service  
114 credit except as provided in Sections 25-11-105(I), 25-11-113 and  
115 25-11-117.

116 (5) Creditable service at retirement, on which the  
117 retirement allowance of a member shall be based, shall consist of  
118 the membership service rendered by him since he last became a  
119 member, and also, if he has a prior service certificate which is  
120 in full force and effect, the amount of the service certified on  
121 his prior service certificate.

122 (6) Anything in this article to the contrary  
123 notwithstanding, any member who served on active duty in the Armed  
124 Forces of the United States, or who served in maritime service  
125 during periods of hostility in World War II, shall be entitled to  
126 creditable service for his service on active duty in the armed  
127 forces or in such maritime service, provided he entered state  
128 service after his discharge from the armed forces or entered state  
129 service after he completed such maritime service. The maximum  
130 period for such creditable service for all military service shall  
131 not exceed four (4) years unless positive proof can be furnished  
132 by such person that he was retained in the armed forces during  
133 World War II or in maritime service during World War II by causes  
134 beyond his control and without opportunity of discharge. The  
135 member shall furnish proof satisfactory to the board of trustees  
136 of certification of military service or maritime service records  
137 showing dates of entrance into active duty service and the date of  
138 discharge. From and after July 1, 1993, no creditable service  
139 shall be granted for any military service or maritime service to a  
140 member who qualifies for a retirement allowance in another public

141 retirement system administered by the Board of Trustees of the  
142 Public Employees' Retirement System based in whole or in part on  
143 such military or maritime service. In no case shall the member  
144 receive creditable service if the member received a dishonorable  
145 discharge from the Armed Forces of the United States.

146 (7) Any member of the Public Employees' Retirement System  
147 who has at least four (4) years of membership service credit shall  
148 be entitled to receive a maximum of five (5) years creditable  
149 service for service rendered in another state as a public employee  
150 of such other state, or a political subdivision, public education  
151 system or other governmental instrumentality thereof, or service  
152 rendered as a teacher in American overseas dependent schools  
153 conducted by the Armed Forces of the United States for children of  
154 citizens of the United States residing in areas outside the  
155 continental United States, provided that:

156 (a) The member shall furnish proof satisfactory to the  
157 board of trustees of certification of such services from the  
158 state, public education system, political subdivision or  
159 retirement system of the state where the services were performed  
160 or the governing entity of the American overseas dependent school  
161 where the services were performed; and

162 (b) The member is not receiving or will not be entitled  
163 to receive from the public retirement system of the other state or  
164 from any other retirement plan, including optional retirement  
165 plans, sponsored by the employer, a retirement allowance including  
166 such services; and

167 (c) The member shall pay to the retirement system on  
168 the date he or she is eligible for credit for such out-of-state  
169 service or at any time thereafter prior to date of retirement the  
170 actuarial cost as determined by the actuary for each year of  
171 out-of-state creditable service. The provisions of this  
172 subsection are subject to the limitations of Section 415 of the  
173 Internal Revenue Code and regulations promulgated thereunder.

174           (8) Any member of the Public Employees' Retirement System  
175 who has at least four (4) years of membership service credit and  
176 who receives, or has received, professional leave without  
177 compensation for professional purposes directly related to the  
178 employment in state service shall receive creditable service for  
179 the period of professional leave without compensation provided:

180           (a) The professional leave is performed with a public  
181 institution or public agency of this state, or another state or  
182 federal agency;

183           (b) The employer approves the professional leave  
184 showing the reason for granting the leave and makes a  
185 determination that the professional leave will benefit the  
186 employee and employer;

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

189           (d) The employee shall serve the employer on a  
190 full-time basis for a period of time equivalent to the  
191 professional leave period granted immediately following the  
192 termination of the leave period;

193           (e) The contributing member shall pay to the retirement  
194 system the actuarial cost as determined by the actuary for each  
195 year of professional leave. The provisions of this subsection are  
196 subject to the regulations of the Internal Revenue Code  
197 limitations;

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

201           Any actively contributing member participating in the School  
202 Administrator Sabbatical Program established in Section 37-9-77  
203 shall qualify for continued participation under this subsection  
204 (8).

205           (9) Any member of the Public Employees' Retirement System  
206 who has at least four (4) years of credited membership service

207 shall be entitled to receive a maximum of ten (10) years  
208 creditable service for:

209 (a) Any service rendered as an employee of any  
210 political subdivision of this state, or any instrumentality  
211 thereof, which does not participate in the Public Employees'  
212 Retirement System; or

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

217 (c) Any service rendered as an employee of any  
218 political subdivision of this state, or any instrumentality  
219 thereof, for which coverage of the employee's position was or is  
220 excluded; provided that the member pays into the retirement system  
221 the actuarial cost as determined by the actuary for each year, or  
222 portion thereof, of such service. Payment for such service may be  
223 made in increments of one-quarter-year of creditable service.  
224 After a member has made full payment to the retirement system for  
225 all or any part of such service, the member shall receive  
226 creditable service for the period of such service for which full  
227 payment has been made to the retirement system.

228 (10) Any member of the Public Employees' Retirement System  
229 who is an elected official whose salary is paid by the State of  
230 Mississippi shall be entitled to receive additional creditable  
231 service for each year served as such an elected official after  
232 January 1, 2001, as follows:

233 (a) The member may purchase one-half (1/2) year of  
234 creditable service for each year of service as such an elected  
235 official, up to a maximum of eight (8) years of additional  
236 creditable service;

237 (b) The member must make an election to purchase  
238 additional creditable service for the upcoming year by January 1  
239 of the year in which he takes office or by January 1 of each

240 succeeding year during the member's term of office. If the member  
241 does not elect to purchase additional creditable service by  
242 January 1 of any year, he will not receive additional creditable  
243 service for that year and he will not be allowed to retroactively  
244 purchase additional creditable service for that year; and

245 (c) The member must pay additional employee  
246 contributions during any year for which he has elected to purchase  
247 additional creditable service, in an amount equal to fifty percent  
248 (50%) of the combined total of the employee and employer  
249 contributions that are paid on his earned compensation. The  
250 additional employee contributions shall be deducted from the  
251 salary of the member in the same manner as regular employee  
252 contributions are deducted under Section 25-11-123.

253 (11) Any member of the Public Employees' Retirement System  
254 who is an elected official holding office on July 1, 2000, whose  
255 salary is paid by the State of Mississippi shall be entitled to  
256 receive additional creditable service for each year served as such  
257 an elected official before January 1, 2001, as follows:

258 (a) The member must furnish proof satisfactory to the  
259 board of trustees of certification of that service as such an  
260 elected official;

261 (b) The member may purchase one-half (1/2) year of  
262 creditable service for each year of service as such an elected  
263 official, up to a maximum of eight (8) years of additional  
264 creditable service;

265 (c) The member must pay an amount equal to fifty  
266 percent (50%) of the combined total of the employee and employer  
267 contributions that would have been paid on his earned compensation  
268 for each year of additional creditable service that he purchases;  
269 and

270 (d) The member must make an election to purchase  
271 additional creditable service under this subsection (11) before  
272 January 1, 2001, and must purchase all additional creditable



273 service under this subsection before January 1, 2003.

274 SECTION 2. This act shall take effect and be in force from  
275 and after July 1, 2000.