

By: Harden

To: Finance

SENATE BILL NO. 2184

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:[WAN1]

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 allowance is received by the board,
 21 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
63 each year of state service up to and including twenty-five (25)
64 years of membership service, and two and one-fourth percent
65 (2-1/4%) of the average compensation for each year of state
66 service exceeding twenty-five (25) years of membership service.
67 However, after the board of trustees has begun implementing the
68 changes in the computation of the retirement allowance as provided
69 in subsection (e), the employer's annuity shall be equal to:

70 (i) One and seven-eighths percent (1-7/8%) of the
71 average compensation for each year of membership service up to and
72 including the number of years specified in Column A of the table
73 in subsection (e) for the latest phase that has been implemented,
74 and

75 (ii) Two percent (2%) of the average compensation
76 for each year of membership service exceeding the number of years
77 specified in Column A of the table in subsection (e) for the
78 latest phase that has been implemented up to and including
79 twenty-five (25) years, and

80 (iii) The percentage of the average compensation
81 specified in Column B of the table in subsection (e) for the
82 latest phase that has been implemented for each year of membership
83 service exceeding twenty-five (25) years.

84 (3) A prior service annuity equal to one and
85 seven-eighths percent (1-7/8%) of the average compensation for
86 each year of state service up to and including twenty-five (25)
87 years of prior service, and two and one-four percent (2-1/4%) of
88 the average compensation for each year of state service exceeding
89 twenty-five (25) years of prior service for which the member is
90 allowed credit. However, after the board of trustees has begun
91 implementing the changes in the computation of the retirement
92 allowance as provided in subsection (e), the prior service annuity
93 shall be equal to:

94 (i) One and seven-eighths percent (1-7/8%) of the
95 average compensation for each year of prior service up to and
96 including the number of years specified in Column A of the table
97 in subsection (e) for the latest phase that has been implemented,
98 and

99 (ii) Two percent (2%) of the average compensation
100 for each year of prior service exceeding the number of years
101 specified in Column A of the table in subsection (e) for the
102 latest phase that has been implemented up to and including
103 twenty-five (25) years, and

104 (iii) The percentage of the average compensation
105 specified in Column B of the table in subsection (e) for the
106 latest phase that has been implemented for each year of prior
107 service exceeding twenty-five (25) years.

108 (4) Any retired member or beneficiary thereof who was
109 eligible to receive a retirement allowance before July 1, 1991,
110 and who is still receiving a retirement allowance on July 1, 1992,
111 shall receive an increase in the annual retirement allowance of

112 the retired member equal to one-eighth of one percent (1/8 of 1%)
113 of the average compensation for each year of state service in
114 excess of twenty-five (25) years of membership service up to and
115 including thirty (30) years. The maximum increase shall be
116 five-eighths of one percent (5/8 of 1%). In no case shall a
117 member who has been retired prior to July 1, 1987, receive less
118 than Ten Dollars (\$10.00) per month for each year of creditable
119 service and proportionately for each quarter year thereof.
120 Persons retired on or after July 1, 1987, shall receive at least
121 Ten Dollars (\$10.00) per month for each year of service and
122 proportionately for each quarter year thereof reduced for the
123 option selected. However, such Ten Dollars (\$10.00) minimum per
124 month for each year of creditable service shall not apply to a
125 retirement allowance computed under Section 25-11-114 based on a
126 percentage of the member's average compensation.

127 (5) The board shall recalculate the retirement
128 allowance of any member or the beneficiary of such a member, if
129 the member or beneficiary is eligible to receive a retirement
130 allowance before July 1, 1999, by using the criteria in paragraphs
131 (2) and (3) of this subsection (d) that provides for two and
132 one-fourth percent (2-1/4%) of the average compensation for each
133 year of service exceeding twenty-five (25) years.

134 (6) * * * The retirement allowance otherwise payable
135 may be converted into a retirement allowance of equivalent
136 actuarial value in such an amount that, with the member's benefit
137 under Title II of the federal Social Security Act, the member will
138 receive, so far as possible, approximately the same amount
139 annually before and after the earliest age at which the member

140 becomes eligible to receive a social security benefit.

141 (e) Beginning on July 1, 2000, the board of trustees shall
142 implement changes in the computation of the amount of the annual
143 retirement allowance, which changes shall be implemented in phases
144 as set forth in the table in this subsection. The board of
145 trustees shall implement the phases systematically upon July 1
146 after the board's actuary certifies that implementation of a phase
147 will not cause the unfunded accrued actuarial liability
148 amortization period for the retirement system to exceed twenty-two
149 (22) years. The board of trustees shall have the exclusive
150 authority to set the assumptions that are used in the actuarial
151 evaluation in accordance with Section 25-11-119(9). The board of
152 trustees shall recalculate the retirement allowance of any retired
153 member or beneficiary of such a member as each phase is
154 implemented.

155 RETIREMENT ALLOWANCE COMPUTATION

156 IMPLEMENTATION TABLE

157	(A)	(B)
158 PHASE	2% FOR YEARS	PERCENTAGE
159	ABOVE THIS	FOR YEARS
160	NUMBER AND	ABOVE 25
161	25 YEARS	YEARS

163	Phase 1	20 years	2.250%
164	Phase 2	15 years	2.250%
165	Phase 3	10 years	2.250%
166	Phase 4	5 years	2.250%
167	Phase 5	0 years	2.250%

168	Phase 6	0 years	2.375%
169	Phase 7	0 years	2.500%

170 Column A shows the years to which two percent (2%) is
171 applicable in computing the retirement allowance, which are all
172 the years of service exceeding the number specified in Column A
173 for the phase that has been implemented up to and including
174 twenty-five (25) years.

175 Column B shows the percentage that is applicable to the
176 number of years of service exceeding twenty-five (25) years in
177 computing the retirement allowance.

178 (f) No member, except members excluded by the Age
179 Discrimination in Employment Act Amendments of 1986 (Public Law
180 99-592), under either Article 1 or Article 3 in state service
181 shall be required to retire because of age.

182 (g) No payment on account of any benefit granted under the
183 provisions of this section shall become effective or begin to
184 accrue until January 1, 1953.

185 (h) (1) A retiree or beneficiary may, on a form prescribed
186 by and filed with the retirement system, waive all or a portion of
187 any benefits from the retirement system to which the retiree or
188 beneficiary is entitled. A retiree or beneficiary may revoke a
189 waiver of benefits in the same manner as the original waiver was
190 made. Such waiver shall be binding on the heirs and assigns of
191 any retiree or beneficiary and the same must agree to forever hold
192 harmless the Public Employees' Retirement System of Mississippi
193 from any claim to such waived retirement benefits.

194 (2) Any waiver pursuant to this subsection shall apply
195 only to the person executing the waiver and any beneficiary shall

196 be entitled to benefits according to the option selected by the
197 member at the time of retirement. However, a beneficiary may, at
198 the option of the beneficiary, execute a waiver of benefits
199 pursuant to this subsection.

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

203 (4) The board of trustees may provide rules and
204 regulations for the administration of waivers under this
205 subsection.

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