

By: Furniss

To: Finance

SENATE BILL NO. 2247

1 AN ACT TO AMEND SECTIONS 25-11-301, 25-11-303, 25-11-305,
2 25-11-307, 25-11-309, 25-11-311, 25-11-313, 25-11-315 AND
3 25-11-319, MISSISSIPPI CODE OF 1972, TO INCLUDE MEMBERS OF THE
4 STATE JUDICIARY WITHIN THE SUPPLEMENTAL LEGISLATIVE RETIREMENT
5 PLAN; AND FOR RELATED PURPOSES.

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

7 SECTION 1. Section 25-11-301, Mississippi Code of 1972, is
8 amended as follows:[CRG1]

9 25-11-301. There is hereby established and placed under the
10 management of the Board of Trustees of the Public Employees'
11 Retirement System of Mississippi the Supplemental Legislative and
12 State Judiciary Retirement Plan for the purpose of providing
13 supplemental retirement allowances and other benefits under the
14 provisions of this article for elected members of the State
15 Legislature, * * * the President of the Senate, the state
16 judiciary and their beneficiaries. The retirement plan provided
17 by this article shall go into operation on July 1, 1989, for
18 members of the State Legislature and the President of the Senate,
19 and on July 1, 2000, for members of the state judiciary, when
20 contributions by members shall begin and benefits shall become
21 payable. This retirement plan is designed to supplement and is in
22 addition to the provisions of Section 25-11-1 et seq. Under the

23 terms of this article, the members of the State Legislature, * * *
24 the President of the Senate and the state judiciary shall retain
25 all social security benefits under Article 1 and additional state
26 retirement and disability benefits under Article 3 of the Public
27 Employees' Retirement Law of 1952, as amended. This article is a
28 supplement to those sections, and is designed to provide more
29 benefits for members of the State Legislature, * * * the President
30 and the state judiciary of the Senate by reason of their service
31 to the state.

32 SECTION 2. Section 25-11-303, Mississippi Code of 1972, is
33 amended as follows:[CRG2]

34 25-11-303. For the purposes of this article, the definitions
35 in Section 25-11-5 and Section 25-11-103 shall apply unless a
36 different meaning is plainly expressed by the context. The term
37 "state judiciary" means justices of the Mississippi Supreme Court,
38 judges of the court of appeals, and judges of the circuit,
39 chancery, county and family courts of this state, and the term
40 "plan" means the Supplemental Legislative and State Judiciary
41 Retirement Plan established by Section 25-11-301.

42 SECTION 3. Section 25-11-305, Mississippi Code of 1972, is
43 amended as follows:[CRG3]

44 25-11-305. (1) The membership of the Supplemental
45 Legislative and State Judiciary Retirement Plan shall be composed
46 as follows:

47 (a) All members of the State Legislature who are
48 currently serving in the capacity of an elected official of the
49 State Legislature and the person currently serving as President of
50 the Senate shall become members of this system on July 1, 1989,
51 unless they file with the board within thirty (30) days after July
52 1, 1989, on a form prescribed by the board, a notice of election
53 not to be covered in the membership of the * * * plan and a duly

54 executed waiver of all present and prospective benefits which
55 would otherwise inure to them on account of their participation in
56 the plan. All persons who are currently serving as an elected
57 member of the state judiciary shall become members of the system
58 on July 1, 2000, unless they file with the board within thirty
59 (30) days after July 1, 2000, on a form prescribed by the board, a
60 notice of election not to be covered in the membership of the plan
61 and a duly executed waiver of all present and prospective benefits
62 that would otherwise inure to them on account of their
63 participation in the plan.

64 (b) All members of the State Legislature and the
65 President of the Senate who are elected after July 1, 1989, and
66 all members of the state judiciary who are elected after July 1,
67 2000.

68 (2) Any State Legislators who would have otherwise qualified
69 for membership in the plan under subsection (1) of this section
70 but who were excluded from membership by other provisions of this
71 section as it read before March 26, 1991, shall become members of
72 the plan upon March 26, 1991, and shall receive creditable service
73 in the plan for the period from July 1, 1989, to March 26, 1991,
74 upon payment of the proper employee and employer contributions for
75 that period.

76 (3) Membership in the plan shall cease by a member
77 withdrawing his accumulated contributions, or by a member
78 withdrawing from active service with a retirement allowance, or by
79 death of the member.

80 (4) No benefits under the plan shall accrue or otherwise be
81 payable to any person who does not qualify for membership in the

82 plan under subsection (1) of this section.

83 SECTION 4. Section 25-11-307, Mississippi Code of 1972, is
84 amended as follows:[CRG4]

85 25-11-307. (1) The Board of Trustees of the Public
86 Employees' Retirement System of Mississippi shall act as custodian
87 of the funds for members * * * and shall receive to the credit of
88 such fund all donations, bequests, appropriations, and all funds
89 available as an employer's contribution thereto from any source
90 whatsoever. The State Legislature and state judiciary shall each
91 month deduct from the compensation of each member three percent
92 (3%) thereof, and shall pay the amount so deducted to the board of
93 trustees to be credited to the fund for the members. The
94 compensation of each member shall include all remuneration or
95 amounts paid, except mileage allowance. From the funds credited
96 to this account, the board of trustees shall pay retirement
97 allowances, disability benefits, survivors' benefits and expenses,
98 and shall refund contributions as provided. The fund for
99 the * * * plan shall be maintained as a separate fund, separate
100 from all other funds held by the board of trustees and shall be
101 used only for the payment of benefits provided for by the plan, or
102 amendments thereto.

103 (2) On account of each member there shall be paid monthly
104 into the fund for members of the * * * plan by the State
105 Legislature and by the state judiciary from funds available an
106 amount equal to a certain percentage of the compensation of each
107 member to be known as the "normal contributions," and an
108 additional amount equal to a percentage of his compensation to be
109 known as the "accrued liability contribution." The percentage

110 rate of such contributions shall be fixed by the board of trustees
111 on the basis of the liabilities of the plan for the various
112 allowances and benefits as shown by the actuarial valuation.
113 Until changed by the board of trustees, the contribution rate
114 shall be six and one-third percent (6-1/3%) of the annual
115 compensation of all members, which shall include all remuneration
116 or amounts paid, except mileage allowance.

117 (3) The board of trustees is hereby authorized to deduct two
118 percent (2%) of all employer's contributions paid into the fund
119 for members of the State Legislature, * * * the President of the
120 Senate and the state judiciary to be transferred to the expense
121 fund of the Public Employees' Retirement System of Mississippi to
122 defray the cost of administering this fund.

123 SECTION 5. Section 25-11-309, Mississippi Code of 1972, is
124 amended as follows:[CRG5]

125 25-11-309. The retirement allowance from the * * * plan
126 shall consist of fifty percent (50%) of an amount equal to the
127 retirement allowance determined by creditable service as an
128 elected Senator or Representative of the State Legislature, or as
129 President of the Senate, or as a member of the state judiciary,
130 payable by the Public Employees' Retirement System in accordance
131 with Section 25-11-101 et seq. However, in no case shall the
132 aggregate amount of the retirement allowance from the * * * plan
133 and the Public Employees' Retirement System on legislative
134 service, service as President of the Senate, or state judiciary
135 service exceed one hundred percent (100%) of the average
136 compensation.

137 The percentage of the retirement allowance as provided in

138 this section shall be transferred from the annuity savings account
139 of the member and the employer accumulation account in the * * *
140 plan to the retirement account of the member in the Public
141 Employees' Retirement System * * *.

142 SECTION 6. Section 25-11-311, Mississippi Code of 1972, is
143 amended as follows:[CRG6]

144 25-11-311. (1) A member may be paid a refund of the amount
145 of accumulated contributions to the credit of the member in the
146 annuity savings account, provided the member has withdrawn from
147 state service and further provided the member has not returned to
148 state service on the date the refund of the accumulated
149 contributions would be paid. Such refund of the contributions to
150 the credit of the member in the annuity savings account shall be
151 paid within ninety (90) days from receipt in the office of the
152 retirement system of the properly completed form requesting such
153 payment. In the event of death prior to retirement of any member
154 whose spouse and/or children are not entitled to a retirement
155 allowance, the accumulated contributions to the credit of the
156 deceased member in the annuity savings account shall be paid to
157 the designated beneficiary on file in writing in the office of
158 executive secretary of the board of trustees within ninety (90)
159 days from receipt of a properly completed form requesting such
160 payment. If there is no such designated beneficiary on file for
161 such deceased member in the office of the system, upon the filing
162 of a proper request with the board, the contributions to the
163 credit of the deceased member in the annuity savings account shall
164 be refunded to the estate of the deceased member. The payment of
165 the refund shall discharge all obligations of the retirement

166 system to the member on account of any creditable service rendered
167 by the member prior to the receipt of the refund. By the
168 acceptance of the refund, the member shall waive and relinquish
169 all accrued rights in the plan.

170 (2) If any person who has received a refund is reelected to
171 the Legislature or as President of the Senate or to the state
172 judiciary and again becomes a member of the plan and remains a
173 contributor for four (4) years, the member may repay all amounts
174 previously received as a refund, together with regular interest
175 covering the period from the date of refund to the date of
176 repayment. Upon such repayment, the member shall again receive
177 credit for the entire period of creditable service which was
178 forfeited upon the receipt of the refund.

179 SECTION 7. Section 25-11-313, Mississippi Code of 1972, is
180 amended as follows:[CRG7]

181 25-11-313. The employer shall pick up the member
182 contributions required by this article for all compensation earned
183 on and after July 1, 1989, by members of the State Legislature and
184 the President of the Senate, and on and after July 1, 2000, by
185 members of the state judiciary, and the contributions so picked up
186 shall be treated as employer contributions in determining tax
187 treatment under the United States Internal Revenue Code and the
188 Mississippi Income Tax Code. However, the employer shall continue
189 to withhold federal and state income taxes based upon such
190 contributions until the Internal Revenue Service or the federal
191 courts rule that, pursuant to Section 414(h) of the United States
192 Internal Revenue Code, these contributions shall not be included
193 as gross income of the member until such time as they are

194 distributed or made available. The employer shall pay these
195 member contributions from the same source of funds which is used
196 in paying earnings to the member. The employer may pick up these
197 contributions by a reduction in the cash salary of the member, or
198 by offset against future salary increase, or by a combination of a
199 reduction in salary and offset against future salary increase. If
200 member contributions are picked up they shall be treated for all
201 purposes of the * * * plan in the same manner and to the same
202 extent as member contributions made prior to the date picked up.

203 SECTION 8. Section 25-11-315, Mississippi Code of 1972, is
204 amended as follows:[CRG8]

205 25-11-315. Any member of the State Legislature or the
206 President of the Senate who becomes a member of the plan on July
207 1, 1989, and any member of the state judiciary who becomes a
208 member of the plan on July 1, 2000, shall be eligible for prior
209 service as a member of the State Legislature or as President of
210 the Senate or member of the state judiciary. Each member shall
211 submit to the board a verification of such prior service * * *.
212 Upon receipt of such prior service statement, the board shall
213 issue a prior service certificate certifying to each member the
214 length of prior service for which credit has been allowed on the
215 basis of the statement of service. Additional prior service
216 regulations in force shall be those found in Section 25-11-101 et
217 seq.

218 Any member of the State Legislature or the President of the
219 Senate who becomes a member of this plan after July 1, 1989, and
220 any member of the state judiciary who becomes a member of the plan
221 after July 1, 2000, shall not be allowed prior service unless the

222 member serves as a member of the State Legislature or as President
223 of the Senate or a member of the state judiciary for a minimum of
224 four (4) years and contributes to the plan for a minimum period of
225 four (4) years.

226 SECTION 9. Section 25-11-319, Mississippi Code of 1972, is
227 amended as follows:[CRG9]

228 25-11-319. The right of a person to an annuity, a retirement
229 allowance or benefit, or to the return of contributions, or to any
230 optional benefit or any other right accrued or accruing to any
231 person under the provisions of the Supplemental Legislative and
232 State Judiciary Retirement Plan, and the monies in the plan
233 created by this article, are exempt from any state or municipal
234 tax, and exempt from levy and sale, garnishment, attachment or any
235 other process whatsoever, and shall be unassignable except as
236 specifically otherwise provided in this article.

237 SECTION 10. This act shall take effect and be in force from
238 and after July 1, 2000.