

By: Hyde-Smith

To: Education; Finance

SENATE BILL NO. 2614

1 AN ACT TO CREATE NEW SECTION 25-11-126, MISSISSIPPI CODE OF
2 1972, TO PROVIDE THAT CERTAIN PERSONS RECEIVING A RETIREMENT
3 ALLOWANCE FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO ARE
4 EMPLOYED AS TEACHERS IN A PUBLIC SCHOOL OR SCHOOL DISTRICT LOCATED
5 IN A CRITICAL TEACHER SHORTAGE AREA AND HAVING A LOWER
6 ACCREDITATION LEVEL THAN THE TEACHER'S FORMER SCHOOL OR DISTRICT,
7 AND TEACHERS EMPLOYED AS TEACHERS IN THE PUBLIC SCHOOL SYSTEM WHO
8 ARE ELIGIBLE TO RECEIVE A RETIREMENT ALLOWANCE FROM THE PUBLIC
9 EMPLOYEES' RETIREMENT SYSTEM WHO ACCEPT EMPLOYMENT UNDER THE SAME
10 CONDITIONS, MAY RECEIVE A RETIREMENT ALLOWANCE DURING THEIR
11 EMPLOYMENT AS TEACHERS IN ADDITION TO RECEIVING A TEACHER'S
12 SALARY; TO PROVIDE THAT THOSE PERSONS SHALL NOT BE CONTRIBUTING
13 MEMBERS OF THE RETIREMENT SYSTEM NOR RECEIVE ANY CREDITABLE
14 SERVICE FOR THE PERIOD DURING WHICH THEY RECEIVE A RETIREMENT
15 ALLOWANCE DURING THEIR EMPLOYMENT AS TEACHERS; TO AMEND SECTIONS
16 25-11-103, 25-11-105 AND 25-11-127, MISSISSIPPI CODE OF 1972, IN
17 CONFORMITY WITH THE PROVISIONS OF THIS ACT; TO AMEND SECTION
18 37-19-7, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE TEACHERS'
19 SALARIES OF THOSE PERSONS SHALL BE EQUAL TO THE AMOUNT OF THE
20 SALARY THAT THEY RECEIVED DURING THE SCHOOL YEAR IMMEDIATELY
21 PRECEDING THE DATE OF THEIR RETIREMENT OR THE DATE THAT CURRENT
22 TEACHERS BEGAN RECEIVING A RETIREMENT ALLOWANCE; TO PROVIDE THAT
23 THE TEACHERS' SALARIES OF THOSE PERSONS SHALL NOT INCLUDE ANY
24 INCREASE IN THE SALARY FOR TEACHING EXPERIENCE OBTAINED AFTER THE
25 DATE OF THEIR EMPLOYMENT AS TEACHERS AFTER THEIR RETIREMENT OR THE
26 DATE THAT CURRENT TEACHERS BEGAN RECEIVING A RETIREMENT ALLOWANCE;
27 AND FOR RELATED PURPOSES.

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

29 SECTION 1. The following shall be codified as Section
30 25-11-126, Mississippi Code of 1972:

31 25-11-126. (1) (a) Any person who has completed
32 twenty-five (25) or more years of creditable service and is
33 receiving a retirement allowance under this article, who was

34 employed as a teacher in the public school system at the time of
35 his retirement and who is employed as a teacher in a public school
36 district located in a geographic area of the state designated as a
37 critical teacher shortage area by the State Board of Education
38 after his retirement, may choose to continue receiving the
39 retirement allowance under this article during his employment as a
40 teacher after his retirement in addition to receiving the salary
41 authorized under Section 37-19-7(3), in the manner provided in
42 this section. Provided, however, that in order to choose the
43 retirement option authorized under this section, the teacher must
44 be employed in a school district or school with a lower level of
45 accreditation than the school district or school in which the
46 teacher was employed prior to retirement.

47 (b) Any person who is employed as a teacher in the
48 public school district located in a geographical area of the state
49 designated as a critical teacher shortage area by the State Board
50 of Education who completes twenty-five (25) or more years of
51 creditable service during his employment as a teacher, may choose
52 to receive a retirement allowance under this article during his
53 employment as a teacher in the public school system in addition to
54 receiving the salary authorized under Section 37-19-7(3), in the
55 manner provided in this section. Provided, however, that in order
56 to choose the retirement option authorized under this section, the
57 teacher must be employed in a school district or school with a
58 lower level of accreditation than the school district or school in
59 which the teacher was employed prior to retirement.

60 (2) Any person described in subsection (1)(a) of this
61 section shall notify the executive director of the retirement
62 system, before being employed as a teacher in the public school
63 system after his retirement, about his choice on continuing to
64 receive the retirement allowance during his employment as a

65 teacher. If the person chooses not to continue receiving the
66 retirement allowance during his employment as a teacher, the
67 retirement allowance shall cease on the day that he begins
68 employment as a teacher after his retirement. After the person
69 leaves employment as a teacher that he began after his retirement,
70 in order to begin receiving a retirement allowance under this
71 article again, the person shall make application to the executive
72 director of the retirement system, and the retirement allowance
73 shall begin on the first of the month following the date that the
74 application is received by the executive director.

75 (3) Any person described in subsection (1)(b) who chooses to
76 receive a retirement allowance during his employment as a teacher
77 in the public school system shall make application to the
78 executive director of the retirement system, and the retirement
79 allowance shall begin on the first of the month following the date
80 that the application is received by the executive director. Those
81 persons shall not be required to withdraw from service in order to
82 receive the retirement allowance.

83 (4) Any person to whom this section applies who receives or
84 continues to receive a retirement allowance under this article
85 during his employment as a teacher shall not be a contributing
86 member of the retirement system nor receive any creditable service
87 for the period during which he receives a retirement allowance
88 during his employment as a teacher. Any person to whom this
89 section applies who chooses not to receive a retirement allowance
90 during his employment as a teacher shall be a contributing member
91 of the retirement system and shall receive creditable service for
92 the period during which he is employed as a teacher without

93 receiving a retirement allowance. If the person has previously
94 received a retirement allowance under this article and he is
95 employed as a teacher for more than six (6) months without
96 receiving a retirement allowance, he shall have his allowance
97 recomputed when he retires again, which shall include the service
98 after he again became a contributing member of the retirement
99 system.

100 SECTION 2. Section 25-11-103, Mississippi Code of 1972, is
101 amended as follows:[WAN1]

102 25-11-103. The following words and phrases as used in
103 Articles 1 and 3, unless a different meaning is plainly required
104 by the context, shall have the following meanings:

105 (a) "Accumulated contributions" shall mean the sum of
106 all the amounts deducted from the compensation of a member and
107 credited to his individual account in the annuity savings account,
108 together with regular interest thereon as provided in Section
109 25-11-123.

110 (b) "Actuarial cost" shall mean the amount of funds
111 presently required to provide future benefits as determined by the
112 board based on applicable tables and formulas provided by the
113 actuary.

114 (c) "Actuarial equivalent" shall mean a benefit of
115 equal value to the accumulated contributions, annuity or benefit,
116 as the case may be, when computed upon the basis of such mortality
117 tables as shall be adopted by the board of trustees, and regular
118 interest.

119 (d) "Actuarial tables" shall mean such tables of
120 mortality and rates of interest as shall be adopted by the board

121 in accordance with the recommendation of the actuary.

122 (e) "Agency" shall mean any governmental body employing
123 persons in the state service.

124 (f) "Average compensation" shall mean the average of
125 the four (4) highest years of earned compensation reported for an
126 employee in a fiscal or calendar year period, or combination
127 thereof which do not overlap, or the last forty-eight (48)
128 consecutive months of earned compensation reported for an
129 employee. The four (4) years need not be successive or joined
130 years of service. In no case shall the average compensation so
131 determined be in excess of One Hundred Twenty-five Thousand
132 Dollars (\$125,000.00). In computing the average compensation, any
133 amount paid in a lump sum for personal leave shall be included in
134 the calculation to the extent that such amount does not exceed an
135 amount which is equal to thirty (30) days of earned compensation
136 and to the extent that it does not cause the employees' earned
137 compensation to exceed the maximum reportable amount specified in
138 Section 25-11-103(k); provided, however, that such thirty-day
139 limitation shall not prevent the inclusion in the calculation of
140 leave earned under federal regulations prior to July 1, 1976, and
141 frozen as of that date as referred to in Section 25-3-99. Only
142 the amount of lump sum pay for personal leave due and paid upon
143 the death of a member attributable for up to one hundred fifty
144 (150) days shall be used in the deceased member's average
145 compensation calculation in determining the beneficiary's
146 benefits. In computing the average compensation, no amounts shall
147 be used which are in excess of the amount on which contributions
148 were required and paid. If any member who is or has been granted

149 any increase in annual salary or compensation of more than eight
150 percent (8%) retires within twenty-four (24) months from the date
151 that such increase becomes effective, then the board shall exclude
152 that part of the increase in salary or compensation that exceeds
153 eight percent (8%) in calculating that member's average
154 compensation for retirement purposes. The board may enforce this
155 provision by rule or regulation. However, increases in
156 compensation in excess of eight percent (8%) per year granted
157 within twenty-four (24) months of the date of retirement may be
158 included in such calculation of average compensation if
159 satisfactory proof is presented to the board showing that the
160 increase in compensation was the result of an actual change in the
161 position held or services rendered, or that such compensation
162 increase was authorized by the State Personnel Board or was
163 increased as a result of statutory enactment, and the employer
164 furnishes an affidavit stating that such increase granted within
165 the last twenty-four (24) months was not contingent on a promise
166 or agreement of the employee to retire. Nothing in Section
167 25-3-31 shall affect the calculation of the average compensation
168 of any member for the purposes of this article. The average
169 compensation of any member who retires before July 1, 1992, shall
170 not exceed the annual salary of the Governor.

171 (g) "Beneficiary" shall mean any person entitled to
172 receive a retirement allowance, an annuity or other benefit as
173 provided by Articles 1 and 3. In the event of the death prior to
174 retirement of any member whose spouse and/or children are not
175 entitled to a retirement allowance, the lawful spouse of a member
176 at the time of the death of such member shall be the beneficiary

177 of such member unless the member has designated another
178 beneficiary subsequent to the date of marriage in writing, and
179 filed such writing in the office of the executive director of the
180 board of trustees. No designation or change of beneficiary shall
181 be made in any other manner.

182 (h) "Board" shall mean the board of trustees provided
183 in Section 25-11-15 to administer the retirement system herein
184 created.

185 (i) "Creditable service" shall mean "prior service,"
186 "retroactive service" and all lawfully credited unused leave not
187 exceeding the accrual rates and limitations provided in Section
188 25-3-91 et seq., as of the date of withdrawal from service plus
189 "membership service" for which credit is allowable as provided in
190 Section 25-11-109. Except to limit creditable service reported to
191 the system for the purpose of computing an employee's retirement
192 allowance or annuity or benefits provided in this article, nothing
193 in this paragraph shall limit or otherwise restrict the power of
194 the governing authority of a municipality or other political
195 subdivision of the state to adopt such vacation and sick leave
196 policies as it deems necessary.

197 (j) "Child" means either a natural child of the member,
198 a child that has been made a child of the member by applicable
199 court action before the death of the member, or a child under the
200 permanent care of the member at the time of the latter's death,
201 which permanent care status shall be determined by evidence
202 satisfactory to the board.

203 (k) "Earned compensation" shall mean the full amount
204 earned by an employee for a given pay period including any

205 maintenance furnished up to a maximum of One Hundred Twenty-five
206 Thousand Dollars (\$125,000.00) per year, and proportionately for
207 less than one (1) year of service. The value of such maintenance
208 when not paid in money shall be fixed by the employing state
209 agency, and, in case of doubt, by the board of trustees as defined
210 in Section 25-11-15. In any case, earned compensation shall be
211 limited to the regular periodic compensation paid, exclusive of
212 litigation fees, bond fees, and other similar extraordinary
213 nonrecurring payments. In addition, any member in a covered
214 position, as defined by Public Employees' Retirement System laws
215 and regulations, who is also employed by another covered agency or
216 political subdivision shall have the earnings of that additional
217 employment reported to the Public Employees' Retirement System
218 regardless of whether the additional employment is sufficient in
219 itself to be a covered position. In the case of fee officials,
220 the net earnings from their office after deduction of expenses
221 shall apply, except that in no case shall earned compensation be
222 less than the total direct payments made by the state or
223 governmental subdivisions to the official, and employer and
224 employee contributions shall be paid thereon. In the case of
225 members of the state Legislature, all remuneration or amounts
226 paid, except mileage allowance, shall apply. The amount by which
227 an eligible employee's salary is reduced pursuant to a salary
228 reduction agreement authorized under Section 25-17-5 shall be
229 included as earned compensation under this paragraph, provided
230 this inclusion does not conflict with federal law, including
231 federal regulations and federal administrative interpretations
232 thereunder, pertaining to the Federal Insurance Contributions Act

233 or to Internal Revenue Code Section 125 cafeteria plans.
234 Compensation in addition to an employee's base salary that is paid
235 to the employee pursuant to the vacation and sick leave policies
236 of a municipality or other political subdivision of the state that
237 employs him which exceeds the maximums authorized by Section
238 25-3-91 et seq., shall be excluded from the calculation of earned
239 compensation under this article. The maximum salary applicable
240 for retirement purposes before July 1, 1992, shall be the salary
241 of the Governor. Nothing in Section 25-3-31 shall affect the
242 determination of the earned compensation of any member for the
243 purposes of this article.

244 (l) "Employee" means any person legally occupying a
245 position in the state service, and shall include the employees of
246 the retirement system created hereunder.

247 (m) "Employer" shall mean the State of Mississippi or
248 any of its departments, agencies or subdivisions from which any
249 employee receives his compensation.

250 (n) "Executive director" shall mean the secretary to
251 the board of trustees, as provided in Section 25-11-15(9), and the
252 administrator of the Public Employees' Retirement System and all
253 systems under the management of the board of trustees. Wherever
254 the term "Executive Secretary of the Public Employees' Retirement
255 System" or "executive secretary" appears in this article or in any
256 other provision of law, it shall be construed to mean the
257 Executive Director of the Public Employees' Retirement System.

258 (o) "Fiscal year" shall mean the period beginning on
259 July 1 of any year and ending on June 30 of the next succeeding
260 year.

261 (p) "Medical board" shall mean the board of physicians
262 or any governmental or nongovernmental disability determination
263 service designated by the board of trustees that is qualified to
264 make disability determinations as provided for in Section
265 25-11-119.

266 (q) "Member" shall mean any person included in the
267 membership of the system as provided in Section 25-11-105.

268 (r) "Membership service" shall mean service as an
269 employee rendered while a member of the retirement system.

270 (s) "Position" means any office or any employment in
271 the state service, or two (2) or more of them, the duties of which
272 call for services to be rendered by one (1) person, including
273 positions jointly employed by federal and state agencies
274 administering federal and state funds. The employer shall
275 determine upon initial employment and during the course of
276 employment of an employee who does not meet the criteria for
277 coverage in the Public Employees' Retirement System based on the
278 position held, whether the employee is or becomes eligible for
279 coverage in the Public Employees' Retirement System based upon any
280 other employment in a covered agency or political subdivision. If
281 or when the employee meets the eligibility criteria for coverage
282 in such other position, then the employer must withhold
283 contributions and report wages from the noncovered position in
284 accordance with the provisions for reporting of earned
285 compensation. Failure to deduct and report those contributions
286 shall not relieve the employee or employer of liability thereof.
287 The board shall adopt such rules and regulations as necessary to
288 implement and enforce this provision.

289 (t) "Prior service" shall mean service rendered before
290 February 1, 1953, for which credit is allowable under Sections
291 25-11-105 and 25-11-109, and which shall allow prior service for
292 any person who is now or becomes a member of the Public Employees'
293 Retirement System and who does contribute to the system for a
294 minimum period of four (4) years.

295 (u) "Regular interest" shall mean interest compounded
296 annually at such a rate as shall be determined by the board in
297 accordance with Section 25-11-121.

298 (v) "Retirement allowance" shall mean an annuity for
299 life as provided in this article, payable each year in twelve (12)
300 equal monthly installments beginning as of the date fixed by the
301 board. The retirement allowance shall be calculated in accordance
302 with Section 25-11-111. Provided, any spouse who received a
303 spouse retirement benefit in accordance with Section 25-11-111(d)
304 prior to March 31, 1971, and said benefits were terminated because
305 of eligibility for a social security benefit, may again receive
306 his spouse retirement benefit from and after making application
307 with the board of trustees to reinstate such spouse retirement
308 benefit.

309 (w) "Retroactive service" shall mean service rendered
310 after February 1, 1953, for which credit is allowable under
311 Section 25-11-105(b) and Section 25-11-105(k).

312 (x) "System" shall mean the Public Employees'
313 Retirement System of Mississippi established and described in
314 Section 25-11-101.

315 (y) "State" shall mean the State of Mississippi or any
316 political subdivision thereof or instrumentality thereof.

317 (z) "State service" shall mean all offices and
318 positions of trust or employment in the employ of the state, or
319 any political subdivision or instrumentality thereof, which elect
320 to participate as provided by Section 25-11-105(f), including the
321 position of elected or fee officials of the counties and their
322 deputies and employees performing public services or any
323 department, independent agency, board or commission thereof, and
324 shall also include all offices and positions of trust or
325 employment in the employ of joint state and federal agencies
326 administering state and federal funds and service rendered by
327 employees of the public schools. Effective July 1, 1973, all
328 nonprofessional public school employees, such as bus drivers,
329 janitors, maids, maintenance workers and cafeteria employees,
330 shall have the option to become members in accordance with Section
331 25-11-105(b), and shall be eligible to receive credit for services
332 prior to July 1, 1973, provided the contributions and interest are
333 paid by the employee in accordance with said section; provided,
334 further, that the county or municipal separate school district may
335 pay the employer contribution and pro rata share of interest of
336 the retroactive service from available funds. From and after July
337 1, 1998, retroactive service credit shall be purchased at the
338 actuarial cost in accordance with Section 25-11-105(b).

339 (aa) "Withdrawal from service" shall mean complete
340 severance of employment in the state service of any member by
341 resignation, dismissal or discharge, except in the case of persons
342 who become eligible to receive a retirement allowance under this
343 article during their employment as teachers and who choose to
344 receive the retirement allowance during their employment as

345 teachers as authorized by Section 25-11-126.

346 (bb) The masculine pronoun, wherever used, shall
347 include the feminine pronoun.

348 SECTION 3. Section 25-11-105, Mississippi Code of 1972, is
349 amended as follows:[LR2]

350 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**

351 The membership of this retirement system shall be composed as
352 follows:

353 (a) All persons who shall become employees in the state
354 service after January 31, 1953, and whose wages are subject to
355 payroll taxes and are lawfully reported on IRS Form W-2, except
356 (i) those persons who are specifically excluded, (ii) those
357 persons or as to whom election is provided in Articles 1 and 3,
358 (iii) those persons who choose to receive or continue receiving a
359 retirement allowance during their employment as teachers as
360 authorized by Section 25-11-126, shall become members of the
361 retirement system as a condition of their employment.

362 (b) All persons who shall become employees in the state
363 service after January 31, 1953, except those specifically excluded
364 or as to whom election is provided in Articles 1 and 3, unless
365 they shall file with the board prior to the lapse of sixty (60)
366 days of employment or sixty (60) days after the effective date of
367 the cited articles, whichever is later, on a form prescribed by
368 the board, a notice of election not to be covered by the
369 membership of the retirement system and a duly executed waiver of
370 all present and prospective benefits which would otherwise inure
371 to them on account of their participation in the system, shall
372 become members of the retirement system; provided, however, that

373 no credit for prior service will be granted to members until they
374 have contributed to Article 3 of the retirement system for a
375 minimum period of at least four (4) years. Such members shall
376 receive credit for services performed prior to January 1, 1953, in
377 employment now covered by Article 3, but no credit shall be
378 granted for retroactive services between January 1, 1953, and the
379 date of their entry into the retirement system unless the employee
380 pays into the retirement system both the employer's and the
381 employee's contributions on wages paid him during the period from
382 January 31, 1953, to the date of his becoming a contributing
383 member, together with interest at the rate determined by the board
384 of trustees. Members reentering after withdrawal from service
385 shall qualify for prior service under the provisions of Section
386 25-11-117. From and after July 1, 1998, upon eligibility as noted
387 above, the member may receive credit for such retroactive service
388 provided:

389 (1) The member shall furnish proof satisfactory to
390 the board of trustees of certification of such service from the
391 covered employer where the services were performed; and

392 (2) The member shall pay to the retirement system
393 on the date he or she is eligible for such credit or at any time
394 thereafter prior to the date of retirement the actuarial cost for
395 each year of such creditable service. The provisions of this
396 subparagraph (2) shall be subject to the limitations of Section
397 415 of the Internal Revenue Code and regulations promulgated
398 thereunder.

399 Nothing contained in this paragraph (b) shall be construed to
400 limit the authority of the board to allow the correction of

401 reporting errors or omissions based on the payment of the employee
402 and employer contributions plus applicable interest.

403 (c) All persons who shall become employees in the state
404 service after January 31, 1953, and who are eligible for
405 membership in any other retirement system shall become members of
406 this retirement system as a condition of their employment unless
407 they elect at the time of their employment to become a member of
408 such other system.

409 (d) All persons who are employees in the state service
410 on January 31, 1953, and who are members of any nonfunded
411 retirement system operated by the State of Mississippi, or any of
412 its departments or agencies, shall become members of this system
413 with prior service credit unless, before February 1, 1953, they
414 shall file a written notice with the board of trustees that they
415 do not elect to become members.

416 (e) All persons who are employees in the state service
417 on January 31, 1953, and who under existing laws are members of
418 any fund operated for the retirement of employees by the State of
419 Mississippi, or any of its departments or agencies, shall not be
420 entitled to membership in this retirement system unless, before
421 February 1, 1953, any such person shall indicate by a notice filed
422 with the board, on a form prescribed by the board, his individual
423 election and choice to participate in this system, but no such
424 person shall receive prior service credit unless he becomes a
425 member on or before February 1, 1953.

426 (f) Each political subdivision of the state and each
427 instrumentality of the state or a political subdivision, or both,
428 is hereby authorized to submit, for approval by the board of

429 trustees, a plan for extending the benefits of this article to
430 employees of any such political subdivision or instrumentality.
431 Each such plan or any amendment to the plan for extending benefits
432 thereof shall be approved by the board of trustees if it finds
433 that such plan, or such plan as amended, is in conformity with
434 such requirements as are provided in Articles 1 and 3; however,
435 upon approval of such plan or any such plan heretofore approved by
436 the board of trustees, the approved plan shall not be subject to
437 cancellation or termination by the political subdivision or
438 instrumentality. No such plan shall be approved unless:

439 (1) It provides that all services which constitute
440 employment as defined in Section 25-11-5 and are performed in the
441 employ of the political subdivision or instrumentality, by any
442 employees thereof, shall be covered by the plan; with the
443 exception of municipal employees who are already covered by
444 existing retirement plans; provided, however, those employees in
445 this class may elect to come under the provisions of this article;

446 (2) It specifies the source or sources from which
447 the funds necessary to make the payments required by subsection
448 (d) of Section 25-11-123 and of subsections (f)(5)b and c of this
449 section are expected to be derived and contains reasonable
450 assurance that such sources will be adequate for such purpose;

451 (3) It provides for such methods of administration
452 of the plan by the political subdivision or instrumentality as are
453 found by the board of trustees to be necessary for the proper and
454 efficient administration thereof;

455 (4) It provides that the political subdivision or
456 instrumentality will make such reports, in such form and

457 containing such information, as the board of trustees may from
458 time to time require;

459 (5) It authorizes the board of trustees to
460 terminate the plan in its entirety in the discretion of the board
461 if it finds that there has been a failure to comply substantially
462 with any provision contained in such plan, such termination to
463 take effect at the expiration of such notice and on such
464 conditions as may be provided by regulations of the board and as
465 may be consistent with applicable federal law.

466 A. The board of trustees shall not finally
467 refuse to approve a plan submitted under subsection (f), and shall
468 not terminate an approved plan without reasonable notice and
469 opportunity for hearing to each political subdivision or
470 instrumentality affected thereby. The board's decision in any
471 such case shall be final, conclusive and binding unless an appeal
472 be taken by the political subdivision or instrumentality aggrieved
473 thereby to the Circuit Court of Hinds County, Mississippi, in
474 accordance with the provisions of law with respect to civil causes
475 by certiorari.

476 B. Each political subdivision or
477 instrumentality as to which a plan has been approved under this
478 section shall pay into the contribution fund, with respect to
479 wages (as defined in Section 25-11-5), at such time or times as
480 the board of trustees may by regulation prescribe, contributions
481 in the amounts and at the rates specified in the applicable
482 agreement entered into by the board.

483 C. Every political subdivision or
484 instrumentality required to make payments under subsection (f)(5)b

485 hereof is authorized, in consideration of the employees' retention
486 in or entry upon employment after enactment of Articles 1 and 3,
487 to impose upon its employees, as to services which are covered by
488 an approved plan, a contribution with respect to wages (as defined
489 in Section 25-11-5) not exceeding the amount provided in Section
490 25-11-123(d) if such services constituted employment within the
491 meaning of Articles 1 and 3, and to deduct the amount of such
492 contribution from the wages as and when paid. Contributions so
493 collected shall be paid into the contribution fund as partial
494 discharge of the liability of such political subdivisions or
495 instrumentality under subsection (f)(5)b hereof. Failure to
496 deduct such contribution shall not relieve the employee or
497 employer of liability thereof.

498 D. Any state agency, school, political
499 subdivision, instrumentality or any employer that is required to
500 submit contribution payments or wage reports under any section of
501 this chapter shall be assessed interest on delinquent payments or
502 wage reports as determined by the board of trustees in accordance
503 with rules and regulations adopted by the board and such assessed
504 interest may be recovered by action in a court of competent
505 jurisdiction against such reporting agency liable therefor or may,
506 upon due certification of delinquency and at the request of the
507 board of trustees, be deducted from any other monies payable to
508 such reporting agency by any department or agency of the state.

509 E. Each political subdivision of the state
510 and each instrumentality of the state or a political subdivision
511 or subdivisions which submits a plan for approval of the board, as
512 provided in this section, shall reimburse the board for coverage

513 into the expense account, its pro rate share of the total expense
514 of administering Articles 1 and 3 as provided by regulations of
515 said board.

516 (g) The board may, in its discretion, deny the right of
517 membership in this system to any class of employees whose
518 compensation is only partly paid by the state or who are occupying
519 positions on a part-time or intermittent basis. The board may, in
520 its discretion, make optional with employees in any such classes
521 their individual entrance into this system.

522 (h) An employee whose membership in this system is
523 contingent on his own election, and who elects not to become a
524 member, may thereafter apply for and be admitted to membership;
525 but no such employee shall receive prior service credit unless he
526 becomes a member prior to July 1, 1953, except as provided in
527 subsection (b).

528 (i) In the event any member of this system should
529 change his employment to any agency of the state having an
530 actuarially funded retirement system, the board of trustees may
531 authorize the transfer of the member's creditable service and of
532 the present value of the member's employer's accumulation account
533 and of the present value of the member's accumulated membership
534 contributions to such other system, provided the employee agrees
535 to the transfer of his accumulated membership contributions and
536 provided such other system is authorized to receive and agrees to
537 make such transfer.

538 In the event any member of any other actuarially funded
539 system maintained by an agency of the state changes his employment
540 to an agency covered by this system, the board of trustees may

541 authorize the receipt of the transfer of the member's creditable
542 service and of the present value of the member's employer's
543 accumulation account and of the present value of the member's
544 accumulated membership contributions from such other system,
545 provided the employee agrees to the transfer of his accumulated
546 membership contributions to this system and provided the other
547 system is authorized and agrees to make such transfer.

548 (j) Wherever herein state employment is referred to, it
549 shall include joint employment by state and federal agencies of
550 all kinds.

551 (k) Employees of a political subdivision or
552 instrumentality who were employed by such political subdivision or
553 instrumentality prior to an agreement between such entity and the
554 Public Employees' Retirement System to extend the benefits of this
555 article to its employees, and which agreement provides for the
556 establishment of retroactive service credit, and who have been
557 members of the retirement system and have remained contributors to
558 the retirement system for four (4) years, may receive credit for
559 such retroactive service with such political subdivision or
560 instrumentality, provided the employee and/or employer, as
561 provided under the terms of the modification of the joinder
562 agreement in allowing such coverage, pay into the retirement
563 system the employer's and employee's contributions on wages paid
564 the member during such previous employment, together with interest
565 or actuarial cost as determined by the board covering the period
566 from the date the service was rendered until the payment for the
567 credit for such service was made. Such wages shall be verified by
568 the Social Security Administration or employer payroll records.

569 Effective July 1, 1998, upon eligibility as noted above, a member
570 may receive credit for such retroactive service with such
571 political subdivision or instrumentality provided:

572 (1) The member shall furnish proof satisfactory to
573 the board of trustees of certification of such services from the
574 political subdivision or instrumentality where the services were
575 rendered or verification by the Social Security Administration;
576 and

577 (2) The member shall pay to the retirement system
578 on the date he or she is eligible for such credit or at any time
579 thereafter prior to the date of retirement the actuarial cost for
580 each year of such creditable service. The provisions of this
581 subparagraph (2) shall be subject to the limitations of Section
582 415 of the Internal Revenue Code and regulations promulgated
583 thereunder.

584 Nothing contained in this paragraph (k) shall be construed to
585 limit the authority of the board to allow the correction of
586 reporting errors or omissions based on the payment of employee and
587 employer contributions plus applicable interest. Payment for such
588 time shall be made in increments of not less than one-quarter
589 (1/4) year of creditable service beginning with the most recent
590 service. Upon the payment of all or part of such required
591 contributions, plus interest or the actuarial cost as provided
592 above, the member shall receive credit for the period of
593 creditable service for which full payment has been made to the
594 retirement system.

595 (1) Through June 30, 1998, any state service eligible
596 for retroactive service credit, no part of which has ever been

597 reported, and requiring the payment of employee and employer
598 contributions plus interest, or, from and after July 1, 1998, any
599 state service eligible for retroactive service credit, no part of
600 which has ever been reported to the retirement system, and
601 requiring the payment of the actuarial cost for such creditable
602 service, may, at the member's option, be purchased in quarterly
603 increments as provided above at such time as its purchase is
604 otherwise allowed.

605 (m) All rights to purchase retroactive service credit
606 or repay a refund as provided in Section 25-11-101 et seq. shall
607 terminate upon retirement.

608 **II. THOSE WHO ARE NOT ELIGIBLE FOR MEMBERSHIP**

609 The following classes of employees and officers shall not
610 become members of this retirement system, any other provisions of
611 Articles 1 and 3 to the contrary notwithstanding:

612 (a) Patient or inmate help in state charitable, penal
613 or correctional institutions;

614 (b) Students of any state educational institution
615 employed by any agency of the state for temporary, part-time or
616 intermittent work;

617 (c) Participants of Comprehensive Employment and
618 Training Act of 1973 (CETA) being Public Law 93-203, who enroll on
619 or after July 1, 1979.

620 **III. TERMINATION OF MEMBERSHIP**

621 Membership in this system shall cease by a member withdrawing
622 his accumulated contributions, or by a member withdrawing from
623 active service with a retirement allowance, or by a member's
624 death.

625 SECTION 4. Section 25-11-127, Mississippi Code of 1972, is
626 amended as follows:[LR3]

627 25-11-127. No person who is being paid a retirement
628 allowance, or a pension after retirement under this article, shall
629 be employed or paid for any service by the State of Mississippi,
630 except as provided in this section or in Section 25-11-126. This
631 section shall not apply to any pensioner who has been elected to
632 public office after retirement, nor to any person employed because
633 of special knowledge or experience. This section shall not be
634 construed to mean that any person employed or elected under the
635 above exceptions shall become a member under Article 3 of the
636 retirement system, nor shall any retirant of this retirement
637 system who is reemployed or is reelected to office, after
638 retirement continue to draw retirement benefits while so
639 reemployed or reelected except those persons who choose to
640 continue receiving a retirement allowance during their employment
641 as teachers as authorized by Section 25-11-126. Any person who
642 has been retired under the provisions of Articles 1 and 3 and who
643 is later reemployed in service covered by this article shall cease
644 to receive benefits hereunder unless he chooses to continue
645 receiving a retirement allowance during his employment as a
646 teacher as authorized by Section 25-11-126, and the person shall
647 again become a contributing member of the retirement system; and
648 when the person again retires, if he has been a contributing
649 member of the retirement system during his reemployment and his
650 reemployment exceeds six (6) months, he shall have his benefit
651 recomputed, including service after again becoming a member.
652 Provided, further, that the total retirement allowance paid to the

653 retired member in his previous retirement shall be deducted from
654 his retirement reserve and taken into consideration in
655 recalculating the retirement allowance under a new option
656 selected. Nothing contained in this section shall be construed as
657 prohibiting any county or city not a member of the Public
658 Employees' Retirement System from employing persons up to the age
659 of seventy-three (73); and provided further that, through June 30,
660 1988, nothing contained in this section shall be construed as
661 prohibiting any governmental unit which is a member from employing
662 persons up to the age of seventy-three (73) who are not eligible
663 for membership at the time of employment under Article 3.

664 The board of trustees of the retirement system shall have the
665 right to prescribe rules and regulations for the carrying out of
666 this provision.

667 The provisions of this section shall not be construed to
668 prohibit any retirant regardless of age from being employed and
669 from drawing retirement allowance either (a) for a period of time
670 not to exceed one hundred twenty (120) days in any fiscal year,
671 but less than one-half (1/2) of the normal working days for the
672 position in any fiscal year, or (b) for a period of time in any
673 fiscal year sufficient in length to permit a retirant to earn not
674 in excess of twenty-five percent (25%) of retirant's average
675 compensation or the current rate of the salary in effect for the
676 regular position filled. Notice shall be given in writing to the
677 executive director of the system, setting forth the facts upon
678 which the * * * employment is being made, and such notice shall be
679 given within five (5) days from the date of employment and also
680 from the date of termination of said employment. It is further

681 provided that any member who has attained seventy (70) years of
682 age and who has forty (40) or more years of creditable service may
683 continue in office or employment or be reemployed or elected
684 provided such person files annually, in writing, in the office of
685 the employer and the office of the executive director of the
686 system prior to such services, a waiver of all salary or
687 compensation and elects to receive in lieu of such salary or
688 compensation a retirement allowance as provided in this section,
689 in which event no salary or compensation shall thereafter be due
690 or payable for such services and provided, further, that any such
691 officer or employee may receive in addition to such retirement
692 allowance any per diem, office expense allowance, mileage or
693 travel expense authorized by any statute of the State of
694 Mississippi. Any other member may continue in municipal or county
695 office or employment or be reemployed or elected in a municipality
696 or county provided such person files annually, in writing, in the
697 office of the employer and the office of the executive director of
698 the system prior to such services, a waiver of all salary or
699 compensation and elects to receive in lieu of such salary or
700 compensation a retirement allowance as provided in this section,
701 in which event no salary or compensation shall thereafter be due
702 or payable for such services and provided, further, that any such
703 officer or employee may receive in addition to such retirement
704 allowance any per diem, office expense allowance, mileage or
705 travel expense authorized by any statute of the State of
706 Mississippi.

707 SECTION 5. Section 37-19-7, Mississippi Code of 1972, is
708 amended as follows:

709 37-19-7. (1) The allowance in the minimum education program
 710 for teachers' salaries in each county and separate school district
 711 shall be determined and paid in accordance with the scale for
 712 teachers' salaries as provided in this subsection for the number
 713 of teachers employed not in excess of the number of teacher units
 714 allotted. For teachers holding the following types of licenses or
 715 the equivalent as determined by the State Board of Education, and
 716 the following number of years of teaching experience, the scale
 717 shall be as follows:

718 **1999-2000 School Year**

719 **and School Years Thereafter**

720 **Less Than 25 Years of Teaching Experience**

721	AAAA.....	\$25,790.00
722	AAA.....	24,940.00
723	AA.....	24,090.00
724	A.....	23,040.00

725 **25 or More Years of Teaching Experience**

726	AAAA.....	\$26,790.00
727	AAA.....	25,940.00
728	AA.....	25,090.00
729	A.....	24,040.00

730 It is the intent of the Legislature that any state funds made
 731 available for salaries of licensed personnel in excess of the
 732 funds paid for such salaries for the 1986-1987 school year shall
 733 be paid to licensed personnel pursuant to a personnel appraisal
 734 and compensation system implemented by the State Board of
 735 Education. The State Board of Education shall have the authority
 736 to adopt and amend rules and regulations as are necessary to

737 establish, administer and maintain the system.

738 All teachers employed on a full-time basis shall be paid a
739 minimum salary in accordance with the above scale. However, no
740 school district shall receive any funds under this section for any
741 school year during which the local supplement paid to any
742 individual teacher shall have been reduced to a sum less than that
743 paid to that individual teacher for performing the same duties
744 from local supplement during the immediately preceding school
745 year. The amount actually spent for the purposes of group health
746 and/or life insurance shall be considered as a part of the
747 aggregate amount of local supplement but shall not be considered
748 a part of the amount of individual local supplement.

749 For teachers holding a Class AAAA license, the minimum base
750 pay specified in this subsection shall be increased by the sum of
751 Six Hundred Sixty Dollars (\$660.00) for each year of teaching
752 experience possessed by the person holding such license until such
753 person shall have twenty-five (25) years of teaching experience.

754 For teachers holding a Class AAA license, the minimum base
755 pay specified in this subsection shall be increased by the sum of
756 Five Hundred Ninety-five Dollars (\$595.00) for each year of
757 teaching experience possessed by the person holding such license
758 until such person shall have twenty-five (25) years of teaching
759 experience.

760 For teachers holding a Class AA license, the minimum base pay
761 specified in this subsection shall be increased by the sum of Five
762 Hundred Thirty Dollars (\$530.00) for each year of teaching
763 experience possessed by the person holding such license until such
764 person shall have twenty-five (25) years of teaching experience.

765 For teachers holding a Class A license, the minimum base pay
766 specified in this subsection shall be increased by the sum of Four
767 Hundred Thirty-five Dollars (\$435.00) for each year of teaching
768 experience possessed by the person holding such license until such
769 person shall have twenty-one (21) years of teaching experience.

770 The level of professional training of each teacher to be used
771 in establishing the salary allotment for the teachers for each
772 year shall be determined by the type of valid teacher's license
773 issued to those teachers on or before October 1 of the current
774 school year.

775 (2) (a) The following employees shall receive an annual
776 salary supplement in the amount of Six Thousand Dollars
777 (\$6,000.00), plus fringe benefits, in addition to any other
778 compensation to which the employee may be entitled:

779 (i) Any licensed teacher who has met the
780 requirements and acquired a Master Teacher certificate from the
781 National Board for Professional Teaching Standards and who is
782 employed by a local school board or the State Board of Education
783 as a teacher and not as an administrator. In the 1999-2000 and
784 2000-2001 school year, such teacher shall submit documentation to
785 the State Department of Education that the certificate was
786 received prior to April 15 in order to be eligible for the full
787 salary supplement in the current school year. In the 2001-2002
788 school year and in school years thereafter, such teacher shall
789 submit documentation to the State Department of Education that the
790 certificate was received prior to October 15 in order to be
791 eligible for the full salary supplement in the current school
792 year, or the teacher shall submit such documentation to the State

793 Department of Education prior to February 15 in order to be
794 eligible for a prorated salary supplement beginning with the
795 second term of the school year.

796 (ii) From and after July 1, 1999, any licensed
797 school counselor who has met the requirements and acquired a
798 National Certified School Counselor (NCSC) endorsement from the
799 National Board of Certified Counselors and who is employed by a
800 local school board or the State Board of Education as a counselor
801 and not as an administrator. Such licensed school counselor
802 shall submit documentation to the State Department of Education
803 that the endorsement was received prior to October 15 in order to
804 be eligible for the full salary supplement in the current school
805 year, or the licensed school counselor shall submit such
806 documentation to the State Department of Education prior to
807 February 15 in order to be eligible for a prorated salary
808 supplement beginning with the second term of the school year.
809 However, the salary supplement authorized under this item shall be
810 discontinued two (2) years after the date on which the National
811 Board for Professional Teaching Standards offers a certification
812 process for a Master Teacher certificate for school counselors,
813 and any school counselor receiving the salary supplement will be
814 required to complete the Master Teacher certificate process under
815 item (i) of this paragraph in order to continue receiving such
816 salary supplement.

817 (iii) From and after July 1, 1999, any licensed
818 speech-language pathologist and audiologist who has met the
819 requirements and acquired a Certificate of Clinical Competence
820 from the American Speech-Language-Hearing Association and who is

821 employed by a local school board. Such licensed speech-language
822 pathologist and audiologist shall submit documentation to the
823 State Department of Education that the certificate or endorsement
824 was received prior to October 15 in order to be eligible for the
825 full salary supplement in the current school year, or the licensed
826 speech-language pathologist and audiologist shall submit such
827 documentation to the State Department of Education prior to
828 February 15 in order to be eligible for a prorated salary
829 supplement beginning with the second term of the school year.
830 However, the salary supplement authorized under this item shall be
831 discontinued two (2) years after the date on which the National
832 Board for Professional Teaching Standards offers a certification
833 process for a Master Teacher certificate for school speech
834 pathologists and audiologists, and any school speech pathologist
835 and audiologist receiving the salary supplement will be required
836 to complete the Master Teacher certificate process under item (i)
837 of this paragraph in order to continue receiving such salary
838 supplement.

839 (b) An employee shall be reimbursed one (1) time for
840 the actual cost of completing the process of acquiring the
841 certificate or endorsement, excluding any costs incurred for
842 postgraduate courses, not to exceed Five Hundred Dollars (\$500.00)
843 for a school counselor or speech-language pathologist and
844 audiologist, regardless of whether or not the process resulted in
845 the award of the certificate or endorsement. A local school
846 district or any private individual or entity may pay the cost of
847 completing the process of acquiring the certificate or endorsement
848 for any employee of the school district described under paragraph

849 (a), and the State Department of Education shall reimburse the
850 school district for such cost, regardless of whether or not the
851 process resulted in the award of the certificate or endorsement.
852 If a private individual or entity has paid the cost of completing
853 the process of acquiring the certificate or endorsement for an
854 employee, the local school district may agree to directly
855 reimburse the individual or entity for such cost on behalf of the
856 employee.

857 (c) All salary supplements, fringe benefits and process
858 reimbursement authorized under this subsection shall be paid
859 directly by the State Department of Education to the local school
860 district and shall be in addition to its minimum education program
861 allotments and not a part thereof in accordance with regulations
862 promulgated by the State Board of Education, and subject to
863 appropriation by the Legislature. Local school districts shall
864 not reduce the local supplement paid to any employee receiving
865 such salary supplement, and the employee shall receive any local
866 supplement to which employees with similar training and experience
867 otherwise are entitled.

868 (d) The State Department of Education may not pay any
869 process reimbursement to a school district for an employee who
870 does not complete the certification or endorsement process
871 required to be eligible for the certificate or endorsement. If an
872 employee for whom such cost has been paid in full or in part by a
873 local school district or private individual or entity fails to
874 complete the certification or endorsement process, the employee
875 shall be liable to the school district or individual or entity for
876 all amounts paid by the school district or individual or entity on

877 behalf of that employee toward his or her certificate or
878 endorsement.

879 (3) (a) Notwithstanding any provision in this section to
880 the contrary, any person who is receiving a retirement allowance
881 from the Public Employees' Retirement System who is employed as a
882 teacher after his retirement, and chooses to continue receiving
883 the retirement allowance during his employment as a teacher after
884 his retirement, as authorized by subsection (1)(a) of Section
885 25-11-126, shall be paid a salary equal to the amount of the
886 salary that the person received during the school year immediately
887 preceding his retirement. No increase in the salary of any such
888 person shall be allowed for any teaching experience obtained after
889 the date of his employment as a teacher after his retirement.

890 (b) Notwithstanding any provision in this section to
891 the contrary, any person who is employed as a teacher and becomes
892 eligible to receive a retirement allowance from the Public
893 Employees' Retirement System during his employment as a teacher
894 who chooses to receive the retirement allowance during his
895 employment as a teacher, as authorized by subsection (1)(b) of
896 Section 25-11-126, shall be paid a salary equal to the amount of
897 the salary that the person received during the school year
898 immediately preceding the date that the person began receiving the
899 retirement allowance. No increase in the salary of any such
900 person shall be allowed for any teaching experience obtained after
901 the date that he began receiving the retirement allowance.

902 SECTION 6. This act shall take effect and be in force from
903 and after July 1, 2000.