

By: Walls

To: Finance

SENATE BILL NO. 2679

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 AS A LAW ENFORCEMENT
 4 OFFICER, A FIREFIGHTER OR AN EMERGENCY SERVICES EMPLOYEE AT THE
 5 TIME OF SUCH EMPLOYEES' WITHDRAWAL FROM SERVICE, MAY RETIRE IF
 6 SUCH EMPLOYEE HAS COMPLETED AT LEAST 20 YEARS OF CREDITABLE
 7 SERVICE AS A LAW ENFORCEMENT OFFICER AT THE TIME OF SUCH
 8 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) Except as otherwise provided in this
 13 subsection, any member upon withdrawal from service upon or after
 14 attainment of the age of sixty (60) years who shall have completed
 15 at least four (4) years of creditable service, or any member upon
 16 withdrawal from service regardless of age who shall have completed
 17 at least twenty-five (25) years of creditable service, shall be
 18 entitled to receive a retirement allowance computed in accordance
 19 with the formula set forth in this section which shall begin on
 20 the first of the month following the date the member's application
 21 for the allowance is received by the board, but in no event before
 22 withdrawal from service.

23 (2) Any member upon withdrawal from service, regardless
 24 of age, who was employed as a law enforcement officer, a

25 firefighter or an emergency services employee and certified as a
26 law enforcement officer under Chapter 6, Title 45, Mississippi
27 Code of 1972, at the time of such withdrawal from service and who
28 has completed at least twenty (20) years of creditable service as
29 a law enforcement officer, a firefighter or an emergency services
30 employee shall be entitled to receive a retirement allowance
31 computed in accordance with the formula set forth in this section
32 which shall begin on the first of the month following the date the
33 member's application for the said allowance is received by the
34 board, but in no event before withdrawal from service.

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

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

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

55 (1) A member's annuity which shall be the actuarial

56 equivalent of the accumulated contributions of the member at the
57 time of retirement computed according to the actuarial table in
58 use by the system; and

59 (2) An employer's annuity which, together with the
60 member's annuity provided above, shall be equal to one and
61 seven-eighths percent (1-7/8%) of the average compensation for
62 each year of state service up to and including twenty-five (25)
63 years of membership service, and two and one-fourth percent
64 (2-1/4%) of the average compensation for each year of state
65 service exceeding twenty-five (25) years of membership service.
66 However, after the board of trustees has begun implementing the
67 changes in the computation of the retirement allowance as provided
68 in subsection (e), the employer's annuity shall be equal to:

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

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

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

83 (3) A prior service annuity equal to one and

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

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

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

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

107 (4) Any retired member or beneficiary thereof who was
108 eligible to receive a retirement allowance before July 1, 1991,
109 and who is still receiving a retirement allowance on July 1, 1992,
110 shall receive an increase in the annual retirement allowance of
111 the retired member equal to one-eighth of one percent (1/8 of 1%)

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

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

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

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

154 RETIREMENT ALLOWANCE COMPUTATION

155 IMPLEMENTATION TABLE

156	(A)	(B)	
157	PHASE	2% FOR YEARS	PERCENTAGE
158		ABOVE THIS	FOR YEARS
159		NUMBER AND	ABOVE 25
160		≤25 YEARS	YEARS
161	<hr/>		
162	Phase 1	20 years	2.250%
163	Phase 2	15 years	2.250%
164	Phase 3	10 years	2.250%
165	Phase 4	5 years	2.250%
166	Phase 5	0 years	2.250%
167	Phase 6	0 years	2.375%

168 Phase 7 0 years 2.500%

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

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

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

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

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

193 (2) Any waiver pursuant to this subsection shall apply
194 only to the person executing the waiver and any beneficiary shall
195 be entitled to benefits according to the option selected by the

196 member at the time of retirement. However, a beneficiary may, at
197 the option of the beneficiary, execute a waiver of benefits
198 pursuant to this subsection.

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

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

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