

*****Adopted*****

AMENDMENT No. 1 PROPOSED TO

Senate Bill NO. 2770

By Representative(s) Committee

85 **Amend by striking all after the enacting clause and inserting**
86 **in lieu thereof the following:**

87

88 SECTION 1. The provisions of this section shall be codified
89 as Section 25-11-115.2, Mississippi Code of 1972:

90 25-11-115.2. (1) It is the intent of the Public Employees'
91 Retirement System to provide benefit payments in an efficient
92 manner consistent with the member's best interest. The system
93 shall not knowingly allow payments to be made directly to persons
94 who are determined legally incompetent or incapable of managing or
95 directing the management of benefits. Any person applying for or
96 receiving benefits who comes to be known as incapable of applying
97 for, managing or directing the management of benefits by reason of
98 mental or physical impairment, as certified by a medical doctor,
99 shall be directed to obtain a conservator or legal guardian for
100 purposes of applying for, receiving, managing and/or directing
101 benefit payments. In the absence of a conservator or legal
102 guardian or valid durable power of attorney, the Public Employees'
103 Retirement System may designate a representative payee for such
104 purposes. The benefit recipient may nominate a representative
105 payee for consideration by the system in selecting a payee, and
106 the system is responsible for selecting a payee, including an
107 agency, organization, or institution, that will serve the interest

108 of the benefit recipient. The system may also accept the Social
109 Security Administration's designation of a representative payee to
110 manage and direct funds paid by the system. The system shall have
111 the authority to establish rules for the administration of this
112 section.

113 (2) A representative payee shall be directed to apply
114 benefits paid from the system only for the use and benefit of the
115 benefit recipient. The system's obligations to a benefit
116 recipient shall be discharged when it makes a correct payment to a
117 representative payee on the benefit recipient's behalf. The
118 system is without liability for the theft or misuse of benefits if
119 the benefits were properly paid based upon the information
120 available to the system at the time the payments were made.

121 (3) In the absence of a conservator, legal guardian or valid
122 durable power of attorney, an unmarried benefit applicant who is
123 deemed to be incapable of applying for, managing or directing his
124 or her benefits, shall be entitled to receive annuity payments in
125 an amount equal to a retirement allowance based on the maximum
126 benefit payable to the member for life and with any remaining
127 benefit at the death of the member payable pursuant to Section
128 25-11-117.1(1). Such payments shall be paid to the representative
129 payee, designated by the system in accordance with the provisions
130 of this section during the period of the benefit recipient's
131 incapacity.

132 (4) In the absence of a conservator, legal guardian or valid
133 durable power of attorney, any married benefit applicant who is
134 deemed to be incapable of applying for, managing or directing his
135 or her benefits, shall be paid a reduced retirement allowance
136 under Option 2 as provided in Section 25-11-115, with the lawful
137 spouse as the beneficiary. Such payments shall be paid to a
138 representative payee as designated by the system in accordance
139 with the provisions of this section during the period of the
140 benefit recipient's incapacity.

141 SECTION 2. The provisions of this section shall be codified
142 as Section 25-11-117.1, Mississippi Code of 1972:

143 25-11-117.1. (1) Except as otherwise provided in subsection
144 (2) of this section, where benefits are payable to a designated
145 beneficiary or beneficiaries under this article and the designated
146 beneficiary or beneficiaries as provided by the member on the most
147 recent form filed with the system is deceased or otherwise
148 disqualified at the time such benefits become payable, the
149 following persons, in descending order of precedence, shall be
150 eligible to receive such benefits:

151 (a) The surviving spouse of the member/retiree;

152 (b) The children of the member/retiree or their
153 descendants, per stirpes;

154 (c) The brothers and sisters of the member/retiree or
155 their descendants, per stirpes;

156 (d) The parents of the member/retiree;

157 (e) The executor or administrator on behalf of the
158 member/retiree's estate;

159 (f) The persons entitled by law to distribution of the
160 member/retiree's estate.

161 (2) Any monthly benefits payable to a beneficiary who dies
162 prior to cashing his or her final check(s) and/or any additional
163 benefits payable pursuant to Section 25-11-112 still payable at
164 the death of a beneficiary receiving monthly benefits shall be
165 paid as follows:

166 (a) The surviving spouse of the beneficiary;

167 (b) The children of the beneficiary or their
168 descendants, per stirpes;

169 (c) The brothers and sisters of the member/retiree or
170 their descendants, per stirpes;

171 (d) The parents of the beneficiary;

172 (e) The executor or administrator on behalf of the
173 beneficiary's estate;

174 (f) The persons entitled by law to distribution of the
175 beneficiary's estate.

176 (3) In the event no claim is made by any individual listed
177 in subsection (2) of this section, a distribution may be made

178 pursuant to the provisions of subsection (1) of this section.

179 (4) Payment under the provisions of this section shall bar
180 recovery by any other person of the benefits distributed. Payment
181 of benefits made to one or more members of a class of individuals
182 are made on behalf of all members of the class. Any members of
183 the class coming forward after payment is made must look to those
184 who received the payment.

185 SECTION 3. The provisions of this section shall be codified
186 as Section 25-11-311.1, Mississippi Code of 1972:

187 25-11-311.1. (1) Except as provided in subsection (2) of
188 this section, where benefits are payable to a designated
189 beneficiary or beneficiaries and the designated beneficiary or
190 beneficiaries as provided by the member on the most recent form
191 filed with the system are deceased or otherwise disqualified at
192 the time such benefits become payable, the following persons, in
193 descending order of precedence, shall be eligible to receive such
194 benefits:

195 (a) The surviving spouse of the member/retiree;

196 (b) The children of the member/retiree or their
197 descendants, per stirpes;

198 (c) The brothers and sisters of the member/retiree or
199 their descendants, per stirpes;

200 (d) The parents of the member/retiree;

201 (e) The executor or administrator on behalf of the
202 member/retiree's estate;

203 (f) The persons entitled by law to distribution of the
204 member/retiree's estate.

205 (2) Any monthly benefits payable to a beneficiary who dies
206 prior to cashing his or her final check(s) and/or any additional
207 benefits payable pursuant to Section 25-11-112 still payable at
208 the death of a beneficiary receiving monthly benefits shall be
209 paid as follows:

210 (a) The surviving spouse of the beneficiary;

211 (b) The children of the beneficiary or their
212 descendants, per stirpes;

213 (c) The brothers and sisters of the beneficiary or
214 their descendants, per stirpes;

215 (d) The parents of the beneficiary;

216 (e) The executor or administrator on behalf of the
217 beneficiary's estate;

218 (f) The persons entitled by law to distribution of the
219 beneficiary's estate.

220 (3) In the event no claim is made by any individual listed
221 in subsection (2) of this section, a distribution may be made
222 pursuant to the provisions of subsection (1) of this section.

223 (4) Payment under the provisions above shall bar recovery by
224 any other person of the benefits distributed. Payment of benefits
225 made to one or more members of a class of individuals are made on
226 behalf of all members of the class. Any members of the class
227 coming forward after payment is made must look to those who
228 received the payment.

229 SECTION 4. The provisions of this section shall be codified
230 as Section 25-13-21.1, Mississippi Code of 1972:

231 25-13-21.1. (1) Except as otherwise provided in subsection
232 (2) of this section, where benefits are payable to a designated
233 beneficiary or beneficiaries under this article and the designated
234 beneficiary or beneficiaries as provided by the member on the most
235 recent form filed with the system are deceased or otherwise
236 disqualified at the time such benefits become payable, the
237 following persons, in descending order of precedence, shall be
238 eligible to receive such benefits:

239 (a) The surviving spouse of the member/retiree;

240 (b) The children of the member/retiree or their
241 descendants, per stirpes;

242 (c) The brothers and sisters of the member/retiree or
243 their descendants, per stirpes;

244 (d) The parents of the member/retiree;

245 (e) The executor or administrator on behalf of the
246 member/retiree's estate;

247 (f) The persons entitled by law to distribution of the

248 member/retiree's estate.

249 (2) Any monthly benefits payable to a beneficiary who dies
250 prior to cashing his or her final check(s) and/or any additional
251 benefits payable pursuant to Section 25-13-12 still payable at the
252 death of a beneficiary receiving monthly benefits shall be paid as
253 follows:

254 (a) The surviving spouse of the beneficiary;

255 (b) The children of the beneficiary or their
256 descendants, per stirpes;

257 (c) The brothers and sisters of the member/retiree or
258 their descendants, per stirpes;

259 (d) The parents of the beneficiary;

260 (e) The executor or administrator on behalf of the
261 beneficiary's estate;

262 (f) The persons entitled by law to distribution of the
263 beneficiary's estate.

264 (3) In the event no claim is made by any individual listed
265 in subsection (2) of this section, a distribution may be made
266 pursuant to the provisions of subsection (1) of this section.

267 (4) Payment under the provisions of this section shall bar
268 recovery by any other person of the benefits distributed. Payment
269 of benefits made to one or more members of a class of individuals
270 are made on behalf of all members of the class. Any members of
271 the class coming forward after payment is made must look to those
272 who received the payment.

273 SECTION 5. The provisions of this section shall be codified
274 as Section 25-11-312, Mississippi Code of 1972:

275 25-11-312. From and after July 1, 2000, subject to the rules
276 adopted by the board, the supplemental legislative retirement plan
277 shall accept an eligible rollover distribution or a direct
278 transfer of funds from another qualified plan in payment of all or
279 a portion of the cost to reinstate previously withdrawn service
280 credit as permitted by the plan. The plan may only accept
281 rollover payments in an amount equal to or less than the balance
282 due for reinstatement of service credit. The rules adopted by the

283 board of trustees shall condition the acceptance of a rollover or
284 transfer from another qualified plan on the receipt from the other
285 plan of information necessary to enable the plan to determine the
286 eligibility of any transferred funds for tax-free rollover
287 treatment or other treatment under federal income tax law.

288 SECTION 6. Section 25-11-103, Mississippi Code of 1972, is
289 amended as follows:

290 25-11-103. The following words and phrases as used in
291 Articles 1 and 3, unless a different meaning is plainly required
292 by the context, shall have the following meanings:

293 (a) "Accumulated contributions" shall mean the sum of
294 all the amounts deducted from the compensation of a member and
295 credited to his individual account in the annuity savings account,
296 together with regular interest thereon as provided in Section
297 25-11-123.

298 (b) "Actuarial cost" shall mean the amount of funds
299 presently required to provide future benefits as determined by the
300 board based on applicable tables and formulas provided by the
301 actuary.

302 (c) "Actuarial equivalent" shall mean a benefit of
303 equal value to the accumulated contributions, annuity or benefit,
304 as the case may be, when computed upon the basis of such mortality
305 tables as shall be adopted by the board of trustees, and regular
306 interest.

307 (d) "Actuarial tables" shall mean such tables of
308 mortality and rates of interest as shall be adopted by the board
309 in accordance with the recommendation of the actuary.

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

312 (f) "Average compensation" shall mean the average of
313 the four (4) highest years of earned compensation reported for an
314 employee in a fiscal or calendar year period, or combination
315 thereof which do not overlap, or the last forty-eight (48)
316 consecutive months of earned compensation reported for an
317 employee. The four (4) years need not be successive or joined

318 years of service. In no case shall the average compensation so
319 determined be in excess of One Hundred Twenty-five Thousand
320 Dollars (\$125,000.00). In computing the average compensation, any
321 amount paid in a lump sum for personal leave shall be included in
322 the calculation to the extent that such amount does not exceed an
323 amount which is equal to thirty (30) days of earned compensation
324 and to the extent that it does not cause the employees' earned
325 compensation to exceed the maximum reportable amount specified in
326 Section 25-11-103(k); provided, however, that such thirty-day
327 limitation shall not prevent the inclusion in the calculation of
328 leave earned under federal regulations prior to July 1, 1976, and
329 frozen as of that date as referred to in Section 25-3-99. Only
330 the amount of lump sum pay for personal leave due and paid upon
331 the death of a member attributable for up to one hundred fifty
332 (150) days shall be used in the deceased member's average
333 compensation calculation in determining the beneficiary's
334 benefits. In computing the average compensation, no amounts shall
335 be used which are in excess of the amount on which contributions
336 were required and paid. If any member who is or has been granted
337 any increase in annual salary or compensation of more than eight
338 percent (8%) retires within twenty-four (24) months from the date
339 that such increase becomes effective, then the board shall exclude
340 that part of the increase in salary or compensation that exceeds
341 eight percent (8%) in calculating that member's average
342 compensation for retirement purposes. The board may enforce this
343 provision by rule or regulation. However, increases in
344 compensation in excess of eight percent (8%) per year granted
345 within twenty-four (24) months of the date of retirement may be
346 included in such calculation of average compensation if
347 satisfactory proof is presented to the board showing that the
348 increase in compensation was the result of an actual change in the
349 position held or services rendered, or that such compensation
350 increase was authorized by the State Personnel Board or was
351 increased as a result of statutory enactment, and the employer
352 furnishes an affidavit stating that such increase granted within

353 the last twenty-four (24) months was not contingent on a promise
354 or agreement of the employee to retire. Nothing in Section
355 25-3-31 shall affect the calculation of the average compensation
356 of any member for the purposes of this article. The average
357 compensation of any member who retires before July 1, 1992, shall
358 not exceed the annual salary of the Governor.

359 (g) "Beneficiary" shall mean any person entitled to
360 receive a retirement allowance, an annuity or other benefit as
361 provided by Articles 1 and 3. In the event of the death prior to
362 retirement of any member whose spouse and/or children are not
363 entitled to a retirement allowance on the basis that the member
364 has less than four (4) years of service credit and/or has not been
365 married for a minimum of one (1) year or the spouse has waived his
366 or her entitlement to a retirement allowance pursuant to Section
367 25-11-114, the lawful spouse of a member at the time of the death
368 of such member shall be the beneficiary of such member unless the
369 member has designated another beneficiary subsequent to the date
370 of marriage in writing, and filed such writing in the office of
371 the executive director of the board of trustees. No designation
372 or change of beneficiary shall be made in any other manner.

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

376 (i) "Creditable service" shall mean "prior service,"
377 "retroactive service" and all lawfully credited unused leave not
378 exceeding the accrual rates and limitations provided in Section
379 25-3-91 et seq., as of the date of withdrawal from service plus
380 "membership service" for which credit is allowable as provided in
381 Section 25-11-109. Except to limit creditable service reported to
382 the system for the purpose of computing an employee's retirement
383 allowance or annuity or benefits provided in this article, nothing
384 in this paragraph shall limit or otherwise restrict the power of
385 the governing authority of a municipality or other political
386 subdivision of the state to adopt such vacation and sick leave
387 policies as it deems necessary.

388 (j) "Child" means either a natural child of the member,
389 a child that has been made a child of the member by applicable
390 court action before the death of the member, or a child under the
391 permanent care of the member at the time of the latter's death,
392 which permanent care status shall be determined by evidence
393 satisfactory to the board.

394 (k) "Earned compensation" shall mean the full amount
395 earned by an employee for a given pay period including any
396 maintenance furnished up to a maximum of One Hundred Twenty-five
397 Thousand Dollars (\$125,000.00) per year, and proportionately for
398 less than one (1) year of service. The value of such maintenance
399 when not paid in money shall be fixed by the employing state
400 agency, and, in case of doubt, by the board of trustees as defined
401 in Section 25-11-15. In any case, earned compensation shall be
402 limited to the regular periodic compensation paid, exclusive of
403 litigation fees, bond fees, and other similar extraordinary
404 nonrecurring payments. In addition, any member in a covered
405 position, as defined by Public Employees' Retirement System laws
406 and regulations, who is also employed by another covered agency or
407 political subdivision shall have the earnings of that additional
408 employment reported to the Public Employees' Retirement System
409 regardless of whether the additional employment is sufficient in
410 itself to be a covered position. In the case of fee officials,
411 the net earnings from their office after deduction of expenses
412 shall apply, except that in no case shall earned compensation be
413 less than the total direct payments made by the state or
414 governmental subdivisions to the official, and employer and
415 employee contributions shall be paid thereon. In the case of
416 members of the state Legislature, all remuneration or amounts
417 paid, except mileage allowance, shall apply. The amount by which
418 an eligible employee's salary is reduced pursuant to a salary
419 reduction agreement authorized under Section 25-17-5 shall be
420 included as earned compensation under this paragraph, provided
421 this inclusion does not conflict with federal law, including
422 federal regulations and federal administrative interpretations

423 thereunder, pertaining to the Federal Insurance Contributions Act
424 or to Internal Revenue Code Section 125 cafeteria plans.
425 Compensation in addition to an employee's base salary that is paid
426 to the employee pursuant to the vacation and sick leave policies
427 of a municipality or other political subdivision of the state that
428 employs him which exceeds the maximums authorized by Section
429 25-3-91 et seq., shall be excluded from the calculation of earned
430 compensation under this article. The maximum salary applicable
431 for retirement purposes before July 1, 1992, shall be the salary
432 of the Governor. Nothing in Section 25-3-31 shall affect the
433 determination of the earned compensation of any member for the
434 purposes of this article.

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

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

441 (n) "Executive director" shall mean the secretary to
442 the board of trustees, as provided in Section 25-11-15(9), and the
443 administrator of the Public Employees' Retirement System and all
444 systems under the management of the board of trustees. Wherever
445 the term "Executive Secretary of the Public Employees' Retirement
446 System" or "executive secretary" appears in this article or in any
447 other provision of law, it shall be construed to mean the
448 Executive Director of the Public Employees' Retirement System.

449 (o) "Fiscal year" shall mean the period beginning on
450 July 1 of any year and ending on June 30 of the next succeeding
451 year.

452 (p) "Medical board" shall mean the board of physicians
453 or any governmental or nongovernmental disability determination
454 service designated by the board of trustees that is qualified to
455 make disability determinations as provided for in Section
456 25-11-119.

457 (q) "Member" shall mean any person included in the

458 membership of the system as provided in Section 25-11-105.

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

461 (s) "Position" means any office or any employment in
462 the state service, or two (2) or more of them, the duties of which
463 call for services to be rendered by one (1) person, including
464 positions jointly employed by federal and state agencies
465 administering federal and state funds. The employer shall
466 determine upon initial employment and during the course of
467 employment of an employee who does not meet the criteria for
468 coverage in the Public Employees' Retirement System based on the
469 position held, whether the employee is or becomes eligible for
470 coverage in the Public Employees' Retirement System based upon any
471 other employment in a covered agency or political subdivision. If
472 or when the employee meets the eligibility criteria for coverage
473 in such other position, then the employer must withhold
474 contributions and report wages from the noncovered position in
475 accordance with the provisions for reporting of earned
476 compensation. Failure to deduct and report those contributions
477 shall not relieve the employee or employer of liability thereof.
478 The board shall adopt such rules and regulations as necessary to
479 implement and enforce this provision.

480 (t) "Prior service" shall mean service rendered before
481 February 1, 1953, for which credit is allowable under Sections
482 25-11-105 and 25-11-109, and which shall allow prior service for
483 any person who is now or becomes a member of the Public Employees'
484 Retirement System and who does contribute to the system for a
485 minimum period of four (4) years.

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

489 (v) "Retirement allowance" shall mean an annuity for
490 life as provided in this article, payable each year in twelve (12)
491 equal monthly installments beginning as of the date fixed by the
492 board. The retirement allowance shall be calculated in accordance

493 with Section 25-11-111. Provided, any spouse who received a
494 spouse retirement benefit in accordance with Section 25-11-111(d)
495 prior to March 31, 1971, and said benefits were terminated because
496 of eligibility for a social security benefit, may again receive
497 his spouse retirement benefit from and after making application
498 with the board of trustees to reinstate such spouse retirement
499 benefit.

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

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

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

508 (z) "State service" shall mean all offices and
509 positions of trust or employment in the employ of the state, or
510 any political subdivision or instrumentality thereof, which elect
511 to participate as provided by Section 25-11-105(f), including the
512 position of elected or fee officials of the counties and their
513 deputies and employees performing public services or any
514 department, independent agency, board or commission thereof, and
515 shall also include all offices and positions of trust or
516 employment in the employ of joint state and federal agencies
517 administering state and federal funds and service rendered by
518 employees of the public schools. Effective July 1, 1973, all
519 nonprofessional public school employees, such as bus drivers,
520 janitors, maids, maintenance workers and cafeteria employees,
521 shall have the option to become members in accordance with Section
522 25-11-105(b), and shall be eligible to receive credit for services
523 prior to July 1, 1973, provided the contributions and interest are
524 paid by the employee in accordance with said section; provided,
525 further, that the county or municipal separate school district may
526 pay the employer contribution and pro rata share of interest of
527 the retroactive service from available funds. From and after July

528 1, 1998, retroactive service credit shall be purchased at the
529 actuarial cost in accordance with Section 25-11-105(b).

530 (aa) "Withdrawal from service" shall mean complete
531 severance of employment in the state service of any member by
532 resignation, dismissal or discharge.

533 (bb) The masculine pronoun, wherever used, shall
534 include the feminine pronoun.

535 SECTION 7. Section 25-11-111, Mississippi Code of 1972, is
536 amended as follows:

537 25-11-111. (a) Any member upon withdrawal from service upon
538 or after attainment of the age of sixty (60) years who shall have
539 completed at least four (4) years of creditable service, or any
540 member upon withdrawal from service regardless of age who shall
541 have completed at least twenty-five (25) years of creditable
542 service, shall be entitled to receive a retirement allowance which
543 shall begin on the first of the month following the date the
544 member's application for the allowance is received by the board,
545 but in no event before withdrawal from service.

546 (b) Any member whose withdrawal from service occurs prior to
547 attaining the age of sixty (60) years who shall have completed
548 four (4) or more years of creditable service and shall not have
549 received a refund of his accumulated contributions shall be
550 entitled to receive a retirement allowance, beginning upon his
551 attaining the age of sixty (60) years, of the amount earned and
552 accrued at the date of withdrawal from service.

553 (c) Any member in service who has qualified for retirement
554 benefits may select any optional method of settlement of
555 retirement benefits by notifying the Executive Director of the
556 Board of Trustees of the Public Employees' Retirement System in
557 writing, on a form prescribed by the board, of the option he has
558 selected and by naming the beneficiary of such option and
559 furnishing necessary proof of age. Such option, once selected,
560 may be changed at any time prior to actual retirement or death,
561 but upon the death or retirement of the member, the optional
562 settlement shall be placed in effect upon proper notification to

563 the executive director.

564 (d) The annual amount of the retirement allowance shall
565 consist of:

566 (1) A member's annuity which shall be the actuarial
567 equivalent of the accumulated contributions of the member at the
568 time of retirement computed according to the actuarial table in
569 use by the system; and

570 (2) An employer's annuity which, together with the
571 member's annuity provided above, shall be equal to one and
572 seven-eighths percent (1-7/8%) of the average compensation for
573 each year of state service up to and including twenty-five (25)
574 years of membership service, and two and one-fourth percent
575 (2-1/4%) of the average compensation for each year of state
576 service exceeding twenty-five (25) years of membership service.
577 However, after the board of trustees has begun implementing the
578 changes in the computation of the retirement allowance as provided
579 in subsection (e), the employer's annuity shall be equal to:

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

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

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

594 (3) A prior service annuity equal to one and
595 seven-eighths percent (1-7/8%) of the average compensation for
596 each year of state service up to and including twenty-five (25)
597 years of prior service, and two and one-four percent (2-1/4%) of

598 the average compensation for each year of state service exceeding
599 twenty-five (25) years of prior service for which the member is
600 allowed credit. However, after the board of trustees has begun
601 implementing the changes in the computation of the retirement
602 allowance as provided in subsection (e), the prior service annuity
603 shall be equal to:

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

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

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

618 (4) Any retired member or beneficiary thereof who was
619 eligible to receive a retirement allowance before July 1, 1991,
620 and who is still receiving a retirement allowance on July 1, 1992,
621 shall receive an increase in the annual retirement allowance of
622 the retired member equal to one-eighth of one percent (1/8 of 1%)
623 of the average compensation for each year of state service in
624 excess of twenty-five (25) years of membership service up to and
625 including thirty (30) years. The maximum increase shall be
626 five-eighths of one percent (5/8 of 1%). In no case shall a
627 member who has been retired prior to July 1, 1987, receive less
628 than Ten Dollars (\$10.00) per month for each year of creditable
629 service and proportionately for each quarter year thereof.

630 Persons retired on or after July 1, 1987, shall receive at least
631 Ten Dollars (\$10.00) per month for each year of service and
632 proportionately for each quarter year thereof reduced for the

633 option selected. However, such Ten Dollars (\$10.00) minimum per
634 month for each year of creditable service shall not apply to a
635 retirement allowance computed under Section 25-11-114 based on a
636 percentage of the member's average compensation.

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

644 (6) Any member upon withdrawal from service upon or
645 after attaining the age of sixty (60) years who has completed at
646 least four (4) years of creditable service, or any member upon
647 withdrawal from service regardless of age who has completed at
648 least twenty-five (25) years of creditable service, shall be
649 entitled to receive a retirement allowance computed in accordance
650 with the formula set forth in this section. Such retirement
651 allowance otherwise payable may be converted into a retirement
652 allowance of equivalent actuarial value in such an amount that,
653 with the member's benefit under Title II of the federal Social
654 Security Act, the member will receive, so far as possible,
655 approximately the same amount annually before and after the
656 earliest age at which the member becomes eligible to receive a
657 social security benefit.

658 (e) Beginning on July 1, 2000, the board of trustees shall
659 implement changes in the computation of the amount of the annual
660 retirement allowance, which changes shall be implemented in phases
661 as set forth in the table in this subsection. The board of
662 trustees shall implement the phases systematically upon July 1
663 after the board's actuary certifies that implementation of a phase
664 will not cause the unfunded accrued actuarial liability
665 amortization period for the retirement system to exceed twenty-two
666 (22) years. The board of trustees shall have the exclusive
667 authority to set the assumptions that are used in the actuarial

668 evaluation in accordance with Section 25-11-119(9). The board of
669 trustees shall recalculate the retirement allowance of any retired
670 member or beneficiary of such a member as each phase is
671 implemented.

672 RETIREMENT ALLOWANCE COMPUTATION

673 IMPLEMENTATION TABLE

674	(A)	(B)
675 PHASE	2% FOR YEARS	PERCENTAGE
676	ABOVE THIS	FOR YEARS
677	NUMBER AND	ABOVE 25
678	≤25 YEARS	YEARS

680	Phase 1	20 years	2.250%
681	Phase 2	15 years	2.250%
682	Phase 3	10 years	2.250%
683	Phase 4	5 years	2.250%
684	Phase 5	0 years	2.250%
685	Phase 6	0 years	2.375%
686	Phase 7	0 years	2.500%

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

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

695 (f) No member, except members excluded by the Age
696 Discrimination in Employment Act Amendments of 1986 (Public Law
697 99-592), under either Article 1 or Article 3 in state service
698 shall be required to retire because of age.

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

702 (h) (1) A retiree or beneficiary may, on a form prescribed

703 by and filed with the retirement system, irrevocably waive all or
704 a portion of any benefits from the retirement system to which the
705 retiree or beneficiary is entitled. * * * Such waiver shall be
706 binding on the heirs and assigns of any retiree or beneficiary and
707 the same must agree to forever hold harmless the Public Employees'
708 Retirement System of Mississippi from any claim to such waived
709 retirement benefits.

710 (2) Any waiver pursuant to this subsection shall apply
711 only to the person executing the waiver. A beneficiary shall be
712 entitled to benefits according to the option selected by the
713 member at the time of retirement. However, a beneficiary may, at
714 the option of the beneficiary, execute a waiver of benefits
715 pursuant to this subsection.

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

719 (4) The board of trustees may provide rules and
720 regulations for the administration of waivers under this
721 subsection.

722 SECTION 8. Section 25-11-115, Mississippi Code of 1972, is
723 amended as follows:

724 25-11-115. (1) Upon application for superannuation or
725 disability retirement, any member may elect to receive his benefit
726 in a retirement allowance payable throughout life with no further
727 payments to anyone at his death, except that in the event his
728 total retirement payments under this article do not equal his
729 total contributions under this article, his named beneficiary
730 shall receive the difference in cash at his death. Or he may
731 elect upon retirement, or upon becoming eligible for retirement,
732 to receive the actuarial equivalent subject to the provisions of
733 subsection (3) of this section of his retirement allowance in a
734 reduced retirement allowance payable throughout life with the
735 provision that:

736 **Option 1.** If he dies before he has received in annuity
737 payment the value of the member's annuity savings account as it

738 was at the time of his retirement, the balance shall be paid to
739 his legal representative or to such person as he shall nominate by
740 written designation duly acknowledged and filed with the board; or

741 **Option 2.** Upon his death, his reduced retirement allowance
742 shall be continued throughout the life of, and paid to, such
743 person as he has nominated by written designation duly
744 acknowledged and filed with the board of trustees at the time of
745 his retirement;

746 **Option 3.** Upon his death, one-half (1/2) of his reduced
747 retirement allowance shall be continued throughout the life of,
748 and paid to, such person as he shall have nominated by written
749 designation duly acknowledged and filed with the board of trustees
750 at the time of his retirement, and the other one-half (1/2) of his
751 reduced retirement allowance to some other designated beneficiary;

752 **Option 4-A.** Upon his death, one-half (1/2) of his reduced
753 retirement allowance, or such other specified amount, shall be
754 continued throughout the life of, and paid to, such person as he
755 shall have nominated by written designation duly acknowledged and
756 filed with the board of trustees at the time of his retirement; or

757 **Option 4-B.** A reduced retirement allowance shall be
758 continued throughout the life of the retirant, but with the
759 further guarantee of payments to the named beneficiary,
760 beneficiaries or to the estate for a specified number of years
761 certain. If the retired member or the last designated beneficiary
762 receiving annuity payments dies prior to receiving all guaranteed
763 payments due, the actuarial equivalent of the remaining payments
764 shall be paid pursuant to Section 25-11-117.1(1);

765 **Option 4-C.** Such retirement allowance otherwise payable may
766 be converted into a retirement allowance of equivalent actuarial
767 value in such an amount that, with the member's benefit under
768 Title II of the federal Social Security Act, the member will
769 receive, so far as possible, approximately the same amount
770 annually before and after the earliest age at which the member
771 becomes eligible to receive a social security benefit.

772 **Option 6.** Any member who has at least twenty-eight (28)

773 years of creditable service at the time of retirement or who is at
774 least sixty-three (63) years of age and eligible to retire, may
775 select the maximum retirement benefit or an optional benefit as
776 provided in this subsection together with a partial lump sum
777 distribution. The amount of the lump sum distribution under this
778 subsection shall be equal to the maximum monthly benefit
779 multiplied by twelve (12), twenty-four (24) or thirty-six (36) as
780 selected by the member. The maximum benefit shall be actuarially
781 reduced to reflect the partial lump sum payment selected and
782 further reduced for any optional benefit payment selected. The
783 annuity and lump sum shall be computed to result in no actuarial
784 loss to the system. The lump sum distribution shall be made as a
785 single payment payable at the time the first monthly annuity
786 payment is paid to the retiree. The amount of the lump sum
787 distribution shall be deducted from the member's annuity savings
788 account in computing what contributions remain at the death of the
789 retiree and/or a beneficiary. The lump sum distribution option
790 may be elected only once by a member upon initial retirement, and
791 may not be elected by a retiree, by members applying for a
792 disability retirement annuity, by survivors or by a member
793 selecting Option 4-C.

794 (2) No change in the option selected shall be permitted
795 after the member's death or after the member has received his
796 first retirement check except as provided in subsections (3) and
797 (4) of this section and in Section 25-11-127. However, any
798 retired member who is receiving a retirement allowance under
799 Option 2 or Option 4-A upon July 1, 1992, and whose designated
800 beneficiary predeceased him or whose marriage to a spouse who is
801 his designated beneficiary is terminated by divorce or other
802 dissolution, upon written notification to the retirement system of
803 the death of the designated beneficiary or of the termination of
804 his marriage to his designated beneficiary, the retirement
805 allowance payable to the member after receipt of such notification
806 by the retirement system shall be equal to the retirement
807 allowance which would have been payable had the member not elected

808 the option. In addition, any retired member who is receiving the
809 maximum retirement allowance for life, a retirement allowance
810 under Option 1 or who is receiving a retirement allowance under
811 Option 2 or Option 4-A on July 1, 1992, may elect to provide
812 survivor benefits under Option 2 or Option 4-A to a spouse who was
813 not previously the member's beneficiary and whom the member
814 married before July 1, 1992.

815 (3) Any retired member who is receiving a reduced retirement
816 allowance under Option 2 or Option 4-A whose designated
817 beneficiary predeceases him, or whose marriage to a spouse who is
818 his designated beneficiary is terminated by divorce or other
819 dissolution, may elect to cancel his reduced retirement allowance
820 and receive the maximum retirement allowance for life in an amount
821 equal to the amount that would have been payable if the member had
822 not elected Option 2 or Option 4-A. Such election must be made in
823 writing to the office of the executive director of the system on a
824 form prescribed by the board. Any such election shall be
825 effective the first of the month following the date the election
826 is received by the system.

827 (4) Any retired member who is receiving the maximum
828 retirement allowance for life, or a retirement allowance under
829 Option 1, and who marries after his retirement may elect to cancel
830 his maximum retirement allowance and receive a reduced retirement
831 allowance under Option 2 or Option 4-A to provide continuing
832 lifetime benefits to his spouse. Such election must be made in
833 writing to the office of the executive director of the system on a
834 form prescribed by the board not earlier than the date of the
835 marriage. Any such election shall be effective the first of the
836 month following the date the election is received by the system.
837 The amount of the reduced retirement allowance shall be the
838 actuarial equivalent, taking into account that the member received
839 the maximum retirement allowance for a period of time before
840 electing to receive a reduced retirement allowance.

841 (5) In the event the election of an optional benefit is made
842 after the member has attained the age of sixty-five (65) years,

843 the actuarial equivalent factor shall be used to compute the
844 reduced retirement allowance as if the election had been made on
845 his sixty-fifth birthday. However, if a retiree marries or
846 remarries after retirement and elects either Option 2 or Option
847 4-A as provided in subsection (2) or (4) of this section, the
848 actuarial equivalent factor used to compute the reduced retirement
849 allowance shall be the factor for the age of the retiree and his
850 or her beneficiary at the time such election for recalculation of
851 benefits is made.

852 (6) Notwithstanding any provision of Section 25-11-1 et
853 seq., no payments may be made for a retirement allowance on a
854 monthly basis for a period of time in excess of that allowed by
855 federal law.

856 (7) If a retirant and his eligible beneficiary, if any, both
857 die before they have received in annuity payments a total amount
858 equal to the accumulated contributions standing to the retirant's
859 credit in the annuity savings account at the time of his
860 retirement, the difference between the accumulated contributions
861 and the total amount of annuities received by them shall be paid
862 to such persons as the retirant has nominated by written
863 designation duly executed and filed in the office of the executive
864 director. If no designated person survives the retirant and his
865 beneficiary, the difference, if any, shall be paid pursuant to
866 Section 25-11-117.1(1).

867 (8) Any retired member who retired on Option 2(5) or 4-A(5)
868 prior to July 1, 1992, who is still receiving a retirement
869 allowance on July 1, 1994, shall receive an increase in the annual
870 retirement allowance effective July 1, 1994, equal to the amount
871 they would have received under Option 2 or Option 4-A without a
872 reduction for Option 5 based on the ages at retirement of the
873 retiree and beneficiary and option factors in effect on July 1,
874 1992. Such increase shall be prospective only.

875 SECTION 9. Section 25-11-120, Mississippi Code of 1972, is
876 amended as follows:

877 25-11-120. (1) Any individual aggrieved by an

878 administrative determination, including a determination of the
879 medical board, relating to the eligibility for or payment of
880 benefits, or the calculation of creditable service or other
881 similar matters relating to the Public Employees' Retirement
882 System or any other retirement system or program administered by
883 the board, may request a hearing before a hearing officer
884 designated by the board. Such hearings shall be conducted in
885 accordance with rules and regulations adopted by the board and
886 formal rules of evidence shall not apply. The hearing officer is
887 authorized to administer oaths, hear testimony of witnesses and
888 receive documentary and other evidence. After the hearing, the
889 hearing officer shall certify the record to the board, which shall
890 include the hearing officer's proposed statement of facts,
891 conclusions of law and recommendation. The record may include a
892 taped recording of the proceedings of the hearing in lieu of a
893 transcribed copy of the proceedings. The board shall receive the
894 record and make its determination based solely on matters
895 contained therein.

896 (2) Any individual aggrieved by the determination of the
897 board may appeal to the Circuit Court of the First Judicial
898 District of Hinds County, Mississippi, in accordance with the
899 Uniform Circuit Court Rules governing appeals to the circuit court
900 in civil cases. Such appeal shall be made solely on the record
901 before the board and this procedure shall be the exclusive method
902 of appealing determinations of the board.

903 (3) The board is authorized to appoint a committee of the
904 board to serve as hearing officer or to employ or contract with
905 qualified personnel to perform the duties of hearing officer and
906 court reporter as may be necessary for conducting, recording and
907 transcribing such hearings. The board may assess and collect fees
908 to offset costs related to such hearings. Those fees shall be
909 deposited to the credit of the Public Employees' Retirement
910 System.

911 (4) In no case shall the amount, recovered by an attorney in
912 fees for an appearance before the administrative body, exceed the

913 lesser of twenty-five percent (25%) of the accrued benefits due as
914 of the date of a final award of benefits by the retirement system
915 or a court of law, or Three Thousand Five Hundred Dollars
916 (\$3,500.00).

917 SECTION 10. Section 25-11-121, Mississippi Code of 1972, is
918 amended as follows:

919 25-11-121. (1) The board shall, from time to time,
920 determine the current requirements for benefit payments and
921 administrative expense which shall be maintained as a cash working
922 balance, except that such cash working balance shall not exceed at
923 any time an amount necessary to meet the current obligations of
924 the system for a period of ninety (90) days. Any amounts in
925 excess of such cash working balance shall be invested, as follows,
926 at such periodic intervals as the board may determine, provided
927 however, all purchases shall be made from competitive offerings
928 except short-term obligations referred to in Section 25-11-121(d):

929 (a) Bonds, notes, certificates and other valid general
930 obligations of the State of Mississippi, or of any county, or of
931 any city, or of any supervisors district of any county of the
932 State of Mississippi, or of any school district bonds of the State
933 of Mississippi; notes or certificates of indebtedness issued by
934 the Veterans' Home Purchase Board of Mississippi, provided such
935 notes or certificates of indebtedness are secured by the pledge of
936 collateral equal to two hundred percent (200%) of the amount of
937 the loan, which collateral is also guaranteed at least for fifty
938 percent (50%) of the face value by the United States government,
939 and provided that not more than five percent (5%) of the total
940 investment holdings of the system shall be in Veterans' Home
941 Purchase Board notes or certificates at any time; real estate
942 mortgage loans one hundred percent (100%) insured by the Federal
943 Housing Administration on single family homes located in the State
944 of Mississippi, where monthly collections and all servicing
945 matters are handled by Federal Housing Administration approved
946 mortgagees authorized to make such loans in the State of
947 Mississippi;

948 (b) State of Mississippi highway bonds;

949 (c) Funds may be deposited in federally insured
950 institutions domiciled in the State of Mississippi or a custodial
951 bank;

952 (d) Corporate bonds and taxable municipal bonds of
953 investment grade as rated by Standard and Poor's or by Moody's
954 Investment Service, with bonds rated BAA/BBB not to exceed five
955 percent (5%) of the book value of the total fixed income
956 investments; or corporate short-term obligations of corporations
957 or of wholly-owned subsidiaries of corporations, whose short-term
958 obligations are rated A-3 or better by Standard and Poor's or
959 rated P-3 or better by Moody's Investment Service;

960 (e) Bonds of the Tennessee Valley Authority;

961 (f) Bonds, notes, certificates and other valid
962 obligations of the United States, and other valid obligations of
963 any federal instrumentality that issues securities under authority
964 of an act of Congress and are exempt from registration with the
965 Securities and Exchange Commission;

966 (g) Bonds, notes, debentures and other securities
967 issued by any federal instrumentality and fully guaranteed by the
968 United States;

969 (h) Interest-bearing bonds or notes which are general
970 obligations of any other state in the United States or of any city
971 or county therein, provided such city or county had a population
972 as shown by the federal census next preceding such investment of
973 not less than twenty-five thousand (25,000) inhabitants and
974 provided that such state, city or county has not defaulted for a
975 period longer than thirty (30) days in the payment of principal or
976 interest on any of its general obligation indebtedness during a
977 period of ten (10) calendar years immediately preceding such
978 investment;

979 (i) Shares of stocks, common and/or preferred, of
980 corporations created by or existing under the laws of the United
981 States or any state, district or territory thereof; provided

982 (i) The maximum investments in stocks shall not

983 exceed fifty percent (50%) of the book value of the total
984 investment fund of the system;

985 (ii) The stock of such corporation shall:

986 A. Be listed on a national stock exchange; or

987 B. Be traded in the over-the-counter market,

988 provided price quotations for such over-the-counter stocks are
989 quoted by the National Association of Securities Dealers Automated
990 Quotation System (NASDAQ);

991 (iii) The outstanding shares of such corporation
992 shall have a total market value of not less than Fifty Million
993 Dollars (\$50,000,000.00);

994 (iv) The amount of investment in any one (1)
995 corporation shall not exceed three percent (3%) of the book value
996 of the assets of the system; and

997 (v) The shares of any one (1) corporation owned by
998 the system shall not exceed five percent (5%) of that
999 corporation's outstanding stock;

1000 (j) Bonds rated Single A or better, stocks and
1001 convertible securities of established non-United States companies,
1002 which companies are listed on only primary national stock
1003 exchanges of foreign nations; and in foreign government securities
1004 rated Single A or better by a recognized rating agency; provided
1005 that the total book value of investments under this paragraph
1006 shall at no time exceed thirty percent (30%) of the total book
1007 value of all investments of the system. The board may take
1008 requisite action to effectuate or hedge such transactions through
1009 foreign banks, including the purchase and sale, transfer,
1010 exchange, or otherwise disposal of, and generally deal in foreign
1011 exchange through the use of foreign currency, interbank forward
1012 contracts, futures contracts, options contracts, swaps and other
1013 related derivative instruments, notwithstanding any other
1014 provisions of this article to the contrary;

1015 (k) Covered call and put options on securities traded
1016 on one or more of the regulated exchanges;

1017 (l) Pooled or commingled funds managed by a corporate

1018 trustee or by a Securities and Exchange Commission registered
1019 investment advisory firm retained as an investment manager by the
1020 board of trustees, and shares of investment companies and unit
1021 investment trusts registered under the Investment Company Act of
1022 1940, where such pooled or commingled funds or shares are
1023 comprised of common or preferred stocks, bonds, money market
1024 instruments or other investments authorized under this section.
1025 Such investment in commingled funds or shares shall be held in
1026 trust; provided that the total book value of investments under
1027 this paragraph shall at no time exceed five percent (5%) of the
1028 total book value of all investments of the system. Any investment
1029 manager approved by the board of trustees shall invest such
1030 commingled funds or shares as a fiduciary;

1031 (m) Pooled or commingled real estate funds or real
1032 estate securities managed by a corporate trustee or by a
1033 Securities and Exchange Commission registered investment advisory
1034 firm retained as an investment manager by the board of trustees.
1035 Such investment in commingled funds or shares shall be held in
1036 trust; provided that the total book value of investments under
1037 this paragraph shall at no time exceed five percent (5%) of the
1038 total book value of all investments of the system. Any investment
1039 manager approved by the board of trustees shall invest such
1040 commingled funds or shares as a fiduciary. The five percent (5%)
1041 limitation in this subsection shall not be subject to the five
1042 percent (5%) limitation in paragraph (1) of this paragraph.

1043 (2) All investments shall be acquired by the board at prices
1044 not exceeding the prevailing market values for such securities.

1045 (3) Any limitations herein set forth shall be applicable
1046 only at the time of purchase and shall not require the liquidation
1047 of any investment at any time. All investments shall be clearly
1048 marked to indicate ownership by the system and to the extent
1049 possible shall be registered in the name of the system.

1050 (4) Subject to the above terms, conditions, limitations and
1051 restrictions, the board shall have power to sell, assign, transfer
1052 and dispose of any of the securities and investments of the

1053 system, provided that said sale, assignment or transfer has the
1054 majority approval of the entire board. The board may employ or
1055 contract with investment managers, evaluation services or other
1056 such services as determined by the board to be necessary for the
1057 effective and efficient operation of the system.

1058 (5) Except as otherwise provided herein, no trustee and no
1059 employee of the board shall have any direct or indirect interest
1060 in the income, gains or profits of any investment made by the
1061 board, nor shall any such person receive any pay or emolument for
1062 his services in connection with any investment made by the board.

1063 No trustee or employee of the board shall become an endorser or
1064 surety, or in any manner an obligor for money loaned by or
1065 borrowed from the system.

1066 (6) All interest derived from investments and any gains from
1067 the sale or exchange of investments shall be credited by the board
1068 to the account of the system.

1069 (7) The board of trustees annually shall credit regular
1070 interest on the mean amount for the preceding year in each of the
1071 reserves maintained by the board, with the exception of the
1072 expense account. This credit shall be made annually from interest
1073 and other earnings on the invested assets of the system. Any
1074 additional amount required to meet the regular interest on the
1075 funds of the system shall be charged to the employer's
1076 accumulation account, and any excess of earnings over such regular
1077 interest required shall be credited to the employer's accumulation
1078 account. Regular interest shall mean such per centum rate to be
1079 compounded annually as shall be determined by the board of
1080 trustees on the basis of the interest earnings of the system for
1081 the preceding year.

1082 (8) The board of trustees shall be the custodian of the
1083 funds of the system. All expense vouchers and retirement
1084 allowance payrolls shall be certified by the executive secretary
1085 who shall furnish the board a surety bond in a company authorized
1086 to do business in Mississippi in such an amount as shall be
1087 required by the board, the premium to be paid by the board from

1088 the expense account.

1089 (9) For the purpose of meeting disbursements for retirement
1090 allowances, annuities and other payments, cash may be kept
1091 available, not exceeding the requirements of the system for a
1092 period of ninety (90) days, on deposit in one or more banks or
1093 trust companies organized under the laws of the State of
1094 Mississippi or the laws of the United States, provided that the
1095 sum on deposit in any one (1) bank or trust company shall not
1096 exceed thirty-five percent (35%) of the paid-up capital and
1097 regular surplus of such bank or trust company.

1098 (10) Except as otherwise provided, the monies or properties
1099 of the Public Employees' Retirement System of Mississippi
1100 deposited in any bank or banks of the United States shall, where
1101 possible, be safeguarded and guaranteed by the posting as security
1102 by the depository of bonds, notes and other securities purchasable
1103 by the system, as provided elsewhere in this section. The bonds,
1104 notes and other securities offered as security shall be posted to
1105 the credit of the system by the depository with the board or with
1106 an unaffiliated bank or trust company domiciled within the United
1107 States or the State of Mississippi acceptable to both the board
1108 and to the fiscal agent bank. In the event the board and the
1109 fiscal agent bank cannot reach an agreement, the bonds, notes and
1110 other securities shall be deposited in a bank or trust company
1111 designated by the State Commissioner of Banking and Consumer
1112 Finance. Provided, however, that bonds or notes of the United
1113 States government owned by the system may be deposited for
1114 safekeeping in any federal reserve bank.

1115 (11) The board of trustees shall determine the degree of
1116 collateralization necessary for both foreign and domestic demand
1117 deposit accounts in addition to that which is guaranteed by the
1118 Federal Deposit Insurance Corporation or such other federal
1119 insurance program as may be in effect.

1120 (12) The board, the executive secretary and employees shall
1121 discharge their duties with respect to the investments of the
1122 system solely for the interest of the system with the care, skill,

1123 prudence and diligence under the circumstances then prevailing
1124 that a prudent person acting in a like capacity and familiar with
1125 such matters would use in the conduct of an enterprise of a like
1126 character and with like aims, including diversifying the
1127 investments of the system so as to minimize the risk of large
1128 losses, unless under the circumstances it is clearly prudent not
1129 to do so.

1130 SECTION 11. Section 25-11-131, Mississippi Code of 1972, is
1131 amended as follows:

1132 25-11-131. (1) Any person or corporation who shall receive
1133 and retain any payment, after the death of a member or after the
1134 death of the beneficiary of any member, which amount is not
1135 lawfully due, shall be liable for the repayment of such amount to
1136 the retirement system plus interest thereon at ten percent (10%)
1137 per annum plus all costs of collection. Any person who shall
1138 knowingly make any false statement or shall falsify or permit to
1139 be falsified any record or records of this retirement system in
1140 any attempt to defraud such system as a result of such act shall
1141 be guilty of a misdemeanor if the amount obtained or attempted to
1142 be obtained does not exceed the amount of Five Hundred Dollars
1143 (\$500.00), and, on conviction thereof by any court of competent
1144 jurisdiction, shall be punished by a fine not exceeding Five
1145 Hundred Dollars (\$500.00) or imprisonment in the county jail not
1146 exceeding six (6) months, or both; if such amount obtained or
1147 attempted to be obtained shall exceed the sum of Five Hundred
1148 Dollars (\$500.00), such person or persons shall be guilty of a
1149 felony and, on conviction thereof by any court of competent
1150 jurisdiction, shall be punished by a fine not exceeding Ten
1151 Thousand Dollars (\$10,000.00) or by imprisonment in the State
1152 Penitentiary not exceeding five (5) years, or both.

1153 (2) Should any change or error in the records result in any
1154 member or beneficiary receiving from the retirement system more or
1155 less than he would have been entitled to receive had the records
1156 been correct, the board of trustees shall correct such error upon
1157 detection, regardless of the length of time between the reporting

1158 error or the time payment started and the time the board became
1159 aware of the error, and, as far as practicable, adjust the payment
1160 in such a manner that the actuarial equivalent of the benefit to
1161 which such member or beneficiary was correctly entitled shall be
1162 paid. This responsibility is, and has been, the duty of the board
1163 since the creation of the retirement system.

1164 SECTION 12. Section 25-11-139, Mississippi Code of 1972, is
1165 amended as follows:

1166 25-11-139. Any retirement allowance or other annuity or
1167 benefit provided by Articles 1 and 3 shall be paid in equal
1168 monthly installments for life and shall not be increased,
1169 decreased, revoked or repealed, except for error upon detection,
1170 regardless of the length of time between the reporting error or
1171 the time payment started and the time the board became aware of
1172 the error, or except where specifically otherwise provided by said
1173 articles. This responsibility is, and has been, the duty of the
1174 board since the creation of the retirement system.

1175 Pursuant to Section 25-11-111, Mississippi Code of 1972, it
1176 is and has been the sole responsibility of the member or
1177 beneficiary thereof to apply for benefits and no benefits shall be
1178 paid for any period prior to the first of the month following the
1179 receipt of such application for such benefits, but in no event
1180 prior to termination of employment, except as authorized in
1181 Section 25-11-114.

1182 SECTION 13. Section 25-11-311, Mississippi Code of 1972, is
1183 amended as follows:

1184 25-11-311. (1) A member may be paid a refund of the amount
1185 of accumulated contributions to the credit of the member in the
1186 annuity savings account, provided the member has withdrawn from
1187 state service and further provided the member has not returned to
1188 state service on the date the refund of the accumulated
1189 contributions would be paid. Such refund of the contributions to
1190 the credit of the member in the annuity savings account shall be
1191 paid within ninety (90) days from receipt in the office of the
1192 retirement system of the properly completed form requesting such

1193 payment. In the event of death prior to retirement of any member
1194 whose spouse and/or children are not entitled to a retirement
1195 allowance, the accumulated contributions to the credit of the
1196 deceased member in the annuity savings account shall be paid to
1197 the designated beneficiary on file in writing in the office of
1198 executive secretary of the board of trustees within ninety (90)
1199 days from receipt of a properly completed form requesting such
1200 payment. If there is no such designated beneficiary on file for
1201 such deceased member in the office of the system, upon the filing
1202 of a proper request with the board, the contributions to the
1203 credit of the deceased member in the annuity savings account shall
1204 be refunded pursuant to Section 25-11-311.1(1). The payment of
1205 the refund shall discharge all obligations of the retirement
1206 system to the member on account of any creditable service rendered
1207 by the member prior to the receipt of the refund. By the
1208 acceptance of the refund, the member shall waive and relinquish
1209 all accrued rights in the plan.

1210 (2) Pursuant to the Unemployment Compensation Amendments of
1211 1992 (P.L. 102-318 (UCA)), a member or eligible beneficiary making
1212 application for a refund under this section may elect, on a form
1213 prescribed by the board under rules and regulations established by
1214 the board, to have an eligible rollover distribution of
1215 accumulated contributions payable under this section paid directly
1216 to an eligible retirement plan or individual retirement account.
1217 If the member or eligible beneficiary makes such election and
1218 specifies the eligible retirement plan or individual retirement
1219 account to which such distribution is to be paid, the distribution
1220 will be made in the form of a direct trustee-to-trustee transfer
1221 to the specified eligible retirement plan. Flexible rollovers
1222 under this subsection shall not be considered assignments under
1223 Section 25-11-129.

1224 (3) If any person who has received a refund is reelected to
1225 the Legislature or as President of the Senate and again becomes a
1226 member of the plan * * *, the member may repay all or part of the
1227 amounts previously received as a refund, together with regular

1228 interest covering the period from the date of refund to the date
1229 of repayment; provided, however, that the amounts that are repaid
1230 by the member and the creditable service related thereto, shall
1231 not be used in any benefit calculation or determination until the
1232 member has remained a contributor to the system for a period of at
1233 least four (4) years subsequent to such member's reentry into
1234 state service. Repayment for such time shall be made in
1235 increments of not less than one-quarter (1/4) year of creditable
1236 service beginning with the most recent service for which refund
1237 has been made. Upon the repayment of all or part of such refund
1238 and interest, the member shall again receive credit for the * * *
1239 period of creditable service for which full repayment has been
1240 made to the system.

1241 SECTION 14. Section 25-13-16, Mississippi Code of 1972, is
1242 amended as follows:

1243 25-13-16. (1) Upon application for superannuation or
1244 disability retirement, any member who retires after July 1, 1990,
1245 may elect to receive his benefit pursuant to the provisions of
1246 Sections 25-13-11 and 25-13-13 * * *. Or he may elect upon
1247 retirement, or upon becoming eligible for retirement, to receive
1248 the actuarial equivalent, subject to the provisions of subsection
1249 (3) of this section, of his retirement allowance in a reduced
1250 retirement allowance payable throughout life with the provision
1251 that:

1252 **Option 1.** If he dies before he has received in annuity
1253 payment the value of the member's annuity savings account as it
1254 was at the time of his retirement, the balance shall be paid to
1255 his legal representative or to such person as he shall nominate by
1256 written designation duly acknowledged and filed with the board; or

1257 **Option 2.** Upon his death, his reduced retirement allowance
1258 shall be continued throughout the life of, and paid to, such
1259 person as he has nominated by written designation duly
1260 acknowledged and filed with the board of trustees at the time of
1261 his retirement;

1262 **Option 3.** Upon his death, one-half (1/2) of his reduced

1263 retirement allowance shall be continued throughout the life of,
1264 and paid to, such person as he shall have nominated by written
1265 designation duly acknowledged and filed with the board of trustees
1266 at the time of his retirement, and the other one-half (1/2) of his
1267 reduced retirement allowance to some other designated beneficiary;

1268 **Option 4-A.** Upon his death, one-half (1/2) of his reduced
1269 retirement allowance, or such other specified amount, shall be
1270 continued throughout the life of, and paid to, such person as he
1271 shall have nominated by written designation duly acknowledged and
1272 filed with the board of trustees at the time of his retirement; or

1273 **Option 4-B.** A reduced retirement allowance shall be
1274 continued throughout the life of the retirant, but with the
1275 further guarantee of payments to the named beneficiary,
1276 beneficiaries or to the estate for a specified number of years
1277 certain. If the retired member or the last designated beneficiary
1278 receiving annuity payments dies prior to receiving all guaranteed
1279 payments due, the actuarial equivalent of the remaining payments
1280 shall be paid pursuant to Section 25-13-21.1(1).

1281 **Option 4-C.** Such retirement allowance otherwise payable may
1282 be converted into a retirement allowance of equivalent actuarial
1283 value in such an amount that, with the member's benefit under
1284 Title II of the federal Social Security Act, the member will
1285 receive, so far as possible, approximately the same amount
1286 annually before and after the earliest age at which the member
1287 becomes eligible to receive a social security benefit.

1288 **Option 6.** Any member who is eligible to retire with an
1289 unreduced benefit may select the maximum retirement benefit or an
1290 optional benefit as provided in this subsection together with a
1291 partial lump sum distribution. The amount of the lump sum
1292 distribution under this subsection shall be equal to the maximum
1293 monthly benefit multiplied by twelve (12), twenty-four (24) or
1294 thirty-six (36) as selected by the member. The maximum benefit
1295 shall be actuarially reduced to reflect the partial lump sum
1296 payment selected and further reduced for any optional benefit
1297 payment selected. The annuity and lump sum shall be computed to

1298 result in no actuarial loss to the system. The lump sum
1299 distribution shall be made as a single payment payable at the time
1300 the first monthly annuity payment is paid to the retiree. The
1301 amount of the lump sum distribution shall be deducted from the
1302 member's annuity savings account in computing what contributions
1303 remain at the death of the retiree and/or a beneficiary. The lump
1304 sum distribution option may be elected only once by a member upon
1305 initial retirement, and may not be elected by a retiree, by
1306 members applying for a disability retirement annuity, by survivors
1307 or by a member selecting Option 4-C.

1308 (2) No change in the option selected shall be permitted
1309 after the member's death or after the member has received his
1310 first retirement check, except as provided in subsections (3) and
1311 (4) of this section. However, any retired member who is receiving
1312 a retirement allowance under Option 2 or Option 4-A upon July 1,
1313 1999, and whose designated beneficiary predeceased him or whose
1314 marriage to a spouse who is his designated beneficiary is
1315 terminated by divorce or other dissolution, upon written
1316 notification to the retirement system of the death of the
1317 designated beneficiary or of the termination of his marriage to
1318 his designated beneficiary, the retirement allowance payable to
1319 the member after receipt of such notification by the retirement
1320 system shall be equal to the retirement allowance that would have
1321 been payable if the member had not elected the option. In
1322 addition, any retired member who is receiving the maximum
1323 retirement allowance for life, a retirement allowance under Option
1324 1 or who is receiving a retirement allowance under Option 2 or
1325 Option 4-A on July 1, 1999, may elect to provide survivor benefits
1326 under Option 2 or Option 4-A to a spouse who was not previously
1327 the member's beneficiary and who the member married before July 1,
1328 1999. Should a member retired on disability be returned to active
1329 service, the option previously selected shall be null and void.
1330 Upon subsequent retirement a new option may be selected.

1331 (3) Any retired member who is receiving a reduced retirement
1332 allowance under Option 2 or Option 4-A whose designated

1333 beneficiary predeceases him, or whose marriage to a spouse who is
1334 his designated beneficiary is terminated by divorce or other
1335 dissolution, may elect to cancel his reduced retirement allowance
1336 and receive the maximum retirement allowance for life in an amount
1337 equal to the amount that would have been payable if the member had
1338 not elected Option 2 or Option 4-A. Such election must be made in
1339 writing to the office of the executive director of the system on a
1340 form prescribed by the board. Any such election shall be
1341 effective the first of the month following the date the election
1342 is received by the system.

1343 (4) Any retired member who is receiving the maximum
1344 retirement allowance for life, or a retirement allowance under
1345 Option 1, and who marries after his retirement may elect to cancel
1346 his maximum retirement allowance and receive a reduced retirement
1347 allowance under Option 2 or Option 4-A to provide continuing
1348 lifetime benefits to his spouse. Such election must be made in
1349 writing to the office of the executive director of the system on a
1350 form prescribed by the board not earlier than the date of the
1351 marriage. Any such election shall be effective the first of the
1352 month following the date the election is received by the system.
1353 The amount of the reduced retirement allowance shall be the
1354 actuarial equivalent, taking into account that the member received
1355 the maximum retirement allowance for a period of time before
1356 electing to receive a reduced retirement allowance. However, if a
1357 retiree marries or remarries after retirement and elects either
1358 Option 2 or Option 4-A as provided in subsection (2) or (4) of
1359 this section, the actuarial equivalent factor used to compute the
1360 reduced retirement allowance shall be the factor for the age of
1361 the retiree and his or her beneficiary at the time such election
1362 for recalculation of benefits is made.

1363 (5) Any member in service who has qualified for retirement
1364 benefits may select any optional method of settlement of
1365 retirement benefits by notifying the Executive Director of the
1366 Board of Trustees of the Public Employees' Retirement System in
1367 writing, on a form prescribed by the board, of the option he has

1368 selected and by naming the beneficiary of such option and
1369 furnishing necessary proof of age. Such option, once selected,
1370 may be changed at any time prior to actual retirement or death,
1371 but upon the death or retirement of the member, the optional
1372 settlement shall be placed in effect upon proper notification to
1373 the executive director.

1374 (6) Notwithstanding any provision of Section 25-13-1 et
1375 seq., no payments may be made for a retirement allowance on a
1376 monthly basis for a period of time in excess of that allowed by
1377 federal law.

1378 (7) If a retirant and his eligible beneficiary, if any, both
1379 die before they have received in annuity payments a total amount
1380 equal to the accumulated contributions standing to the retirant's
1381 credit in the annuity savings account at the time of his
1382 retirement, the difference between the accumulated contributions
1383 and the total amount of annuities received by them shall be paid
1384 to such persons as the retirant has nominated by written
1385 designation duly executed and filed in the office of the executive
1386 director. If no designated person survives the retirant and his
1387 beneficiary, the difference, if any, shall be paid pursuant to
1388 Section 25-13-21.1(1).

1389 (8) Any retired member who retired on Option 2(5) or 4-A(5)
1390 before July 1, 1999, who is still receiving a retirement allowance
1391 as of July 1, 1999, shall receive an increase in the annual
1392 retirement allowance effective July 1, 1999, equal to the amount
1393 they would have received under Option 2 or Option 4-A without a
1394 reduction for Option 5 based on the ages at retirement of the
1395 retiree and beneficiary and option factors in effect on July 1,
1396 1999. Such increase shall be prospective only.

1397 (9) For purposes of this section:

1398 (a) "Beneficiary" means any person designated to
1399 receive a retirement allowance, an annuity or other benefit as
1400 provided by this chapter. Such designation shall be in writing
1401 filed in the office of the Executive Director of the Board of
1402 Trustees of the Public Employees' Retirement System, and no

1403 designation or change of beneficiary shall be made in any other
1404 manner; however, notwithstanding any provision of this chapter to
1405 the contrary, the lawful spouse of a member at the time of the
1406 death of a member shall be the beneficiary of such member unless
1407 the member has designated another beneficiary subsequent to the
1408 date of marriage.

1409 (b) "Actuarial equivalent" shall mean a benefit of
1410 equal value to the accumulated contributions, annuity or benefit,
1411 as the case may be, when computed upon the basis of such mortality
1412 tables as shall be adopted by the board of trustees, and regular
1413 interest.

1414 (c) "Actuarial tables" shall mean such tables of
1415 mortality and rates of interest as shall be adopted by the board
1416 in accordance with the recommendation of the actuary.

1417 SECTION 15. Section 25-11-112, Mississippi Code of 1972, is
1418 amended as follows:

1419 25-11-112. (1) Any member who is receiving a retirement
1420 allowance for service or disability retirement, or any beneficiary
1421 thereof, who has received a monthly benefit for at least one (1)
1422 full fiscal year, shall be eligible to receive an additional
1423 benefit, on December 1 or July 1 of the year as provided in
1424 subsection (3) of this section, equal to the greater of the
1425 amounts calculated under paragraph (a) or (b) below:

1426 (a) An amount equal to four percent (4%) of the annual
1427 retirement allowance multiplied by the number of full fiscal years
1428 in retirement through June 30, 1998; or

1429 (b) The sum of:

1430 (i) An amount equal to three percent (3%) of the
1431 annual retirement allowance multiplied by the number of full
1432 fiscal years in retirement before the end of the fiscal year in
1433 which the member reaches age fifty-five (55), plus

1434 (ii) An additional amount equal to three percent
1435 (3%) compounded by the number of full fiscal years in retirement
1436 beginning with the fiscal year in which the member reaches age
1437 fifty-five (55), multiplied by the amount of the annual retirement

1438 allowance.

1439 (2) The calculation of the beneficiary's additional benefit
1440 under subsection (1)(b)(i) or (1)(b)(ii) of this section shall be
1441 based on the member's age and full fiscal years in retirement as
1442 if the member had lived.

1443 (3) The additional benefit provided for under this section
1444 shall be paid in one (1) payment in December of each year to those
1445 persons who are receiving a retirement allowance on December 1 of
1446 that year, unless an election is made under this subsection.
1447 However, if a retiree who is receiving a retirement allowance that
1448 will terminate upon the retiree's death is receiving the
1449 additional benefit in one (1) payment and dies on or after July 1
1450 but before December 1, the beneficiary designated on the
1451 retirement application, if any, shall receive in a single payment
1452 a fractional part of the additional benefit based on the number of
1453 months in which a retirement allowance was received during the
1454 fiscal year. Likewise, if a retiree is receiving a retirement
1455 allowance that will terminate upon his or her death in two (2) to
1456 six (6) monthly installments, any remaining payments of the
1457 additional benefit will be paid in a lump sum to the beneficiary
1458 designated on the application, or if none, pursuant to Section
1459 25-11-117.1(1). Any similar remaining payments of additional
1460 benefits payable under this section to a deceased beneficiary who
1461 was receiving a monthly benefit shall be payable in accordance
1462 with the provisions of Section 25-11-117.1(2).

1463 Retired members or beneficiaries thereof who on July 1, 1999,
1464 or July 1 of any fiscal year thereafter, are receiving a
1465 retirement allowance, may elect by an irrevocable agreement in
1466 writing filed in the office of the Public Employees' Retirement
1467 System no less than thirty (30) days before July 1 of the
1468 appropriate year, to begin receiving the additional benefit
1469 provided for under this section in twelve (12) equal monthly
1470 installments beginning July 1, 1999, or July 1 of any fiscal year
1471 thereafter. This irrevocable agreement shall be binding on the
1472 member and subsequent beneficiaries. Payment of those monthly

1473 installments shall not extend beyond the month in which a
1474 retirement allowance is due and payable.

1475 (4) The additional payment or payments provided for under
1476 this section are for the fiscal year in which they are paid.

1477 (5) The amount provided for under subsection (1)(b)(ii) of
1478 this section is calculated using the following formula:

1479 $[(1.03)^n - 1] \times [\text{annual retirement allowance}]$,

1480 where n is the number of full fiscal years in retirement beginning
1481 with the fiscal year in which the member reaches age fifty-five
1482 (55).

1483 (6) Any retired member or beneficiary thereof who has
1484 previously elected to receive the additional annual payment in
1485 monthly installments may elect, upon application on a form
1486 prescribed by the board of trustees, to have that payment made in
1487 one (1) additional payment each year. This written election must
1488 be filed in the office of the Public Employees' Retirement System
1489 before June 1, 2000, and shall be effective for the fiscal year
1490 beginning July 1, 2000.

1491 (7) In the event of death of a retired member or a
1492 beneficiary thereof who is receiving the additional annual payment
1493 in two (2) to six (6) monthly installments pursuant to an election
1494 made before July 1, 1999, and who would otherwise be eligible to
1495 receive the additional benefit provided for under this section in
1496 one (1) payment in December of the current fiscal year, any
1497 remaining amounts shall be paid in a lump sum to the designated
1498 beneficiary.

1499 SECTION 16. Section 25-11-114, Mississippi Code of 1972, is
1500 amended as follows:

1501 25-11-114. (1) The applicable benefits provided in
1502 subsections (2) and (3) of this section shall be paid to eligible
1503 beneficiaries of any member who has completed four (4) or more
1504 years of creditable service and who dies before retirement and who
1505 has not filed a Pre-Retirement Optional Retirement Form as
1506 provided in Section 25-11-111.

1507 (2) (a) The member's surviving spouse who has been married

1508 to the member for not less than one (1) year immediately preceding
1509 his death shall receive an annuity computed in accordance with
1510 paragraph (d) of this subsection (2) as if the member:

1511 (i) Had retired on the date of his death with
1512 entitlement to an annuity provided for in Section 25-11-111,
1513 notwithstanding that he might not have attained age sixty (60) or
1514 acquired twenty-five (25) years of creditable service;

1515 (ii) Had nominated his spouse as beneficiary; and

1516 (b) If, at the time of the member's death, there are no
1517 dependent children, and the surviving spouse, who otherwise would
1518 receive the annuity under this subsection (2), has filed with the
1519 system a signed written waiver of his or her rights to the annuity
1520 and that waiver was in effect at the time of the member's death, a
1521 lump sum distribution of the deceased member's accumulated
1522 contributions shall be refunded in accordance with Section
1523 25-11-117.

1524 (c) The spouse annuity shall begin on the first day of
1525 the month following the date of the member's death, but in case of
1526 late filing, retroactive payments will be made for a period of not
1527 more than one (1) year.

1528 (d) The spouse annuity shall be the greater of twenty
1529 percent (20%) of the deceased member's average compensation as
1530 defined in Section 25-11-103 at the time of death or Fifty Dollars
1531 (\$50.00) monthly. If the spouse dies or if the spouse remarries
1532 before age sixty (60), the spouse annuity shall terminate.

1533 (e) However, the spouse may elect by an irrevocable
1534 agreement on a form prescribed by the board of trustees to receive
1535 a monthly allowance as computed under either paragraph (d) or this
1536 paragraph. Such irrevocable agreement shall constitute a waiver
1537 by the spouse to any current and future monthly allowance under
1538 the paragraph not elected and such waiver shall be a complete and
1539 full discharge of all obligations of the retirement system under
1540 such paragraph.

1541 Any member who has completed four (4) or more years of
1542 creditable service and who dies before retirement and leaves a

1543 spouse who has been married to the member for not less than one
1544 (1) year immediately preceding his death and has not exercised any
1545 other option shall be deemed to have exercised Option 2 under
1546 Section 25-11-115 for the benefit of his spouse, which spouse
1547 shall be paid Option 2 settlement benefits under this article
1548 beginning on the first of the month following the date of death,
1549 but in case of late filing, retroactive payments will be made for
1550 a period of not more than one (1) year. The method of calculating
1551 such retirement benefits shall be on the same basis as provided in
1552 Section 25-11-111(d). However, if the member dies before being
1553 qualified for full unreduced benefits, then the benefits shall be
1554 reduced by three percent (3%) per year for the lesser of either
1555 the years of service or age required for full unreduced benefits
1556 in Section 25-11-111(d).

1557 (3) (a) Subject to the maximum limitation provided in this
1558 paragraph, the member's dependent children each shall receive an
1559 annuity of the greater of ten percent (10%) of the member's
1560 average compensation as defined in Section 25-11-103 at the time
1561 of the death of the member or Fifty Dollars (\$50.00) monthly;
1562 however, if there are more than three (3) dependent children, each
1563 dependent child shall receive an equal share of a total annuity
1564 equal to thirty percent (30%) of the member's average
1565 compensation, provided that such total annuity shall not be less
1566 than One Hundred Fifty Dollars (\$150.00) per month for all
1567 children.

1568 (b) A child shall be considered to be a dependent child
1569 until marriage, or the attainment of age nineteen (19), whichever
1570 comes first; however, this age limitation shall be extended beyond
1571 age nineteen (19), but in no event beyond the attainment of age
1572 twenty-three (23), as long as the child is a student regularly
1573 pursuing a full-time course of resident study or training in an
1574 accredited high school, trade school, technical or vocational
1575 institute, junior or community college, college, university or
1576 comparable recognized educational institution duly licensed by a
1577 state. A student child whose birthday falls during the school

1578 year (September 1 through June 30) is considered not to reach age
1579 twenty-three (23) until the July 1 following the actual
1580 twenty-third birthday. A full-time course of resident study or
1581 training means a day or evening noncorrespondence course that
1582 includes school attendance at the rate of at least thirty-six (36)
1583 weeks per academic year or other applicable period with a subject
1584 load sufficient, if successfully completed, to attain the
1585 educational or training objective within the period generally
1586 accepted as minimum for completion, by a full-time day student, of
1587 the academic or training program concerned. Any child who is
1588 physically or mentally incompetent, as adjudged by either a
1589 Mississippi court of competent jurisdiction or by the board, shall
1590 receive benefits for as long as the incompetency exists.

1591 (c) If there are more than three (3) dependent
1592 children, upon a child's ceasing to be a dependent child, his
1593 annuity shall terminate and there shall be a redetermination of
1594 the amounts payable to any remaining dependent children.

1595 (d) Annuities payable under this subsection (3) shall
1596 begin the first day of the month following the date of the
1597 member's death or in case of late filing, retroactive payments
1598 will be made for a period of not more than one (1) year. Such
1599 benefits may be paid to a surviving parent or the lawful custodian
1600 of a dependent child for the use and benefit of such child without
1601 the necessity of appointment as guardian.

1602 (4) (a) Death benefits in the line of duty. Regardless of
1603 the number of years of the member's creditable service, the spouse
1604 and/or the dependent children of an active member who is killed in
1605 the line of performance of duty or dies as a direct result of an
1606 accident occurring in the line of performance of duty shall
1607 qualify, on approval of the board, for a retirement allowance on
1608 the first of the month following the date of death, but in the
1609 case of late filing, retroactive payments will be made for a
1610 period of not more than one (1) year. The spouse shall receive a
1611 retirement allowance equal to one-half (1/2) of the average
1612 compensation as defined in Section 25-11-103. In addition to the

1613 retirement allowance for the spouse, or if there is no surviving
1614 spouse, the member's dependent child shall receive a retirement
1615 allowance in the amount of one-fourth (1/4) of the member's
1616 average compensation as defined in Section 25-11-103; however, if
1617 there are two (2) or more dependent children, each dependent child
1618 shall receive an equal share of a total annuity equal to one-half
1619 (1/2) of the member's average compensation. If there are more
1620 than two (2) dependent children, upon a child's ceasing to be a
1621 dependent child, his annuity shall terminate and there shall be a
1622 redetermination of the amounts payable to any remaining dependent
1623 children. Such benefits shall cease to be paid for the support
1624 and maintenance of each child upon such child attaining the age of
1625 nineteen (19) years; however, the spouse shall continue to be
1626 eligible for the aforesaid retirement allowance. Such benefits
1627 may be paid to a surviving parent or lawful custodian of such
1628 children for the use and benefit of the children without the
1629 necessity of appointment as guardian. Such retirement allowance
1630 shall cease to the spouse upon remarriage but continue to be
1631 payable for each dependent child until the age of nineteen (19)
1632 years.

1633 (b) A child shall be considered to be a dependent child
1634 until marriage, or the attainment of age nineteen (19), whichever
1635 comes first; however, this age limitation shall be extended beyond
1636 age nineteen (19), but in no event beyond the attainment of age
1637 twenty-three (23), as long as the child is a student regularly
1638 pursuing a full-time course of resident study or training in an
1639 accredited high school, trade school, technical or vocational
1640 institute, junior or community college, college, university or
1641 comparable recognized educational institution duly licensed by a
1642 state. A student child whose birthday falls during the school
1643 year (September 1 through June 30) is considered not to reach age
1644 twenty-three (23) until the July 1 following the actual
1645 twenty-third birthday. A full-time course of resident study or
1646 training means a day or evening noncorrespondence course that
1647 includes school attendance at the rate of a least thirty-six (36)

1648 weeks per academic year or other applicable period with a subject
1649 load sufficient, if successfully completed, to attain the
1650 educational or training objective within the period generally
1651 accepted as minimum for completion, by a full-time day student, of
1652 the academic or training program concerned. Any child who is
1653 physically or mentally incompetent, as adjudged by either a
1654 Mississippi court of competent jurisdiction or by the board, shall
1655 receive benefits for as long as the incompetency exists.

1656 (5) If all the annuities provided for in this section
1657 payable on account of the death of a member terminate before there
1658 has been paid an aggregate amount equal to the member's
1659 accumulated contributions standing to the member's credit in the
1660 annuity savings account at the time of the member's death, the
1661 difference between the accumulated contributions and the aggregate
1662 amount of annuity payments shall be paid to such person as the
1663 member has nominated by written designation duly executed and
1664 filed with the board. If there is no designated beneficiary
1665 surviving at termination of benefits, the difference shall be
1666 payable pursuant to Section 25-11-117.1(1).

1667 (6) Regardless of the number of years of creditable service
1668 upon the application of a member or employer, any active member
1669 who becomes disabled as a direct result of an accident or
1670 traumatic event resulting in a physical injury occurring in the
1671 line of performance of duty, provided the medical board or other
1672 designated governmental agency after a medical examination
1673 certifies that the member is mentally or physically incapacitated
1674 for the further performance of duty and such incapacity is likely
1675 to be permanent, may be retired by the board of trustees on the
1676 first of the month following the date of filing such application
1677 but in no event shall the retirement allowance commence before the
1678 termination of state service. The retirement allowance shall
1679 equal the allowance on disability retirement as provided in
1680 Section 25-11-113 but shall not be less than fifty percent (50%)
1681 of average compensation.

1682 Permanent and total disability resulting from a

1683 cardiovascular, pulmonary or musculo-skeletal condition which was
1684 not a direct result of a traumatic event occurring in the
1685 performance of duty shall be deemed an ordinary disability. A
1686 mental disability based exclusively on employment duties occurring
1687 on an ongoing basis shall be deemed an ordinary disability.

1688 (7) In the event the deceased or disabled member has less
1689 than four (4) years of creditable service, the average
1690 compensation as defined in Section 25-11-103 shall be the average
1691 of all annual earned compensation in state service for the
1692 purposes of benefits provided in this section.

1693 (8) In case of death or total and permanent disability under
1694 subsection (4) or subsection (6) of this section and before the
1695 board shall consider any application for a retirement allowance,
1696 the employer must certify to the board that the member's death or
1697 disability was a direct result of an accident or a traumatic event
1698 occurring during and as a result of the performance of the regular
1699 and assigned duties of the employee and that the death or
1700 disability was not the result of the willful negligence of the
1701 employee.

1702 (9) The application for such retirement allowance must be
1703 filed within one (1) year after death of an active member who is
1704 killed in the line of performance of duty or dies as a direct
1705 result of an accident occurring in the line of performance of duty
1706 or traumatic event; but the board of trustees may consider an
1707 application for disability filed after the one-year period if it
1708 can be factually demonstrated to the satisfaction of the board of
1709 trustees that the disability is due to the accident and that the
1710 filing was not accomplished within the one-year period due to a
1711 delayed manifestation of the disability or to circumstances beyond
1712 the control of the member. However, in case of late filing,
1713 retroactive payments will be made for a period of not more than
1714 one (1) year only.

1715 (10) Notwithstanding any other section of this article and
1716 in lieu of any payments to a designated beneficiary for a refund
1717 of contributions under Section 25-11-117, the spouse and/or

1718 children shall be eligible for the benefits payable pursuant to
1719 this section, and the spouse may elect, for both the spouse and/or
1720 children, to receive benefits in accordance with either
1721 subsections (2) and (3) or subsection (4) of this section;
1722 otherwise, the contributions to the credit of the deceased member
1723 shall be refunded in accordance with Section 25-11-117.

1724 (11) If the member has previously received benefits from the
1725 system to which he was not entitled and has not repaid in full all
1726 amounts payable by him to the system, the annuity amounts
1727 otherwise provided by this section shall be withheld and used to
1728 effect repayment until the total of the withholdings repays in
1729 full all amounts payable by him to the system.

1730 SECTION 17. Section 25-11-117, Mississippi Code of 1972, is
1731 amended as follows:

1732 25-11-117. (1) A member may be paid a refund of the amount
1733 of accumulated contributions to the credit of the member in the
1734 annuity savings account provided the member has withdrawn from
1735 state service and further provided the member has not returned to
1736 state service on the date the refund of the accumulated
1737 contributions would be paid. Such refund of the contributions to
1738 the credit of the member in the annuity savings account shall be
1739 paid within ninety (90) days from receipt in the office of the
1740 retirement system of the properly completed form requesting such
1741 payment. In the event of death prior to retirement of any member
1742 whose spouse and/or children are not entitled to a retirement
1743 allowance, the accumulated contributions to the credit of the
1744 deceased member in the annuity savings account shall be paid to
1745 the designated beneficiary on file in writing in the office of
1746 executive director of the board of trustees within ninety (90)
1747 days from receipt of a properly completed form requesting such
1748 payment. If there is no such designated beneficiary on file for
1749 such deceased member in the office of the system, upon the filing
1750 of a proper request with the board, the contributions to the
1751 credit of the deceased member in the annuity savings account shall
1752 be refunded pursuant to Section 25-11-117.1(1). The payment of

1753 the refund shall discharge all obligations of the retirement
1754 system to the member on account of any creditable service rendered
1755 by the member prior to the receipt of the refund. By the
1756 acceptance of the refund, the member shall waive and relinquish
1757 all accrued rights in the system.

1758 (2) Pursuant to the Unemployment Compensation Amendments of
1759 1992 (P.L. 102-318 (UCA)), a member or eligible beneficiary
1760 eligible for a refund under this section may elect on a form
1761 prescribed by the board under rules and regulations established by
1762 the board, to have an eligible rollover distribution of
1763 accumulated contributions payable under this section paid directly
1764 to an eligible retirement plan or individual retirement account.
1765 If the member or eligible beneficiary makes such election and
1766 specifies the eligible retirement plan or individual retirement
1767 account to which such distribution is to be paid, the distribution
1768 will be made in the form of a direct trustee-to-trustee transfer
1769 to the specified eligible retirement plan. Flexible rollovers
1770 under this subsection shall not be considered assignments under
1771 Section 25-11-129.

1772 (3) If any person who has received a refund reenters the
1773 state service and again becomes a member of the system, the member
1774 may repay all or part of the amounts previously received as a
1775 refund, together with regular interest covering the period from
1776 the date of refund to the date of repayment; provided, however,
1777 that the amounts that are repaid by the member and the creditable
1778 service related thereto shall not be used in any benefit
1779 calculation or determination until the member has remained a
1780 contributor to the system for a period of at least four (4) years
1781 subsequent to such member's reentry into state service. Repayment
1782 for such time shall be made in increments of not less than
1783 one-quarter (1/4) year of creditable service beginning with the
1784 most recent service for which refund has been made. Upon the
1785 repayment of all or part of such refund and interest, the member
1786 shall again receive credit for the period of creditable service
1787 for which full repayment has been made to the system.

1788 SECTION 18. Section 25-13-12, Mississippi Code of 1972, is
1789 amended as follows:

1790 25-13-12. (1) Patrol officers who have retired and who on
1791 December 1 of each year, or July 1 of each year as provided for in
1792 subsection (7) of this section, are receiving a retirement
1793 allowance for service or disability retirement, or their
1794 beneficiaries, shall receive in one (1) additional payment an
1795 amount equal to two and one-half percent (2-1/2%) of the annual
1796 retirement allowance for each full fiscal year of retirement.

1797 (2) Persons who on December 1 of each year are receiving a
1798 retirement allowance for service or disability retirement, or
1799 their beneficiaries, may receive, in addition to the amount
1800 provided in subsection (1) of this section, a payment, as
1801 determined by the board, calculated in increments of one-quarter
1802 of one percent (1/4 of 1%), not to exceed one and one-half percent
1803 (1-1/2%) of the annual retirement allowance, for each full year of
1804 retirement, provided that any such payment shall be contingent
1805 upon the reserve for annuities in force for retired members and
1806 beneficiaries providing sufficient investment gains in excess of
1807 the accrued actuarial liabilities for the previous fiscal year as
1808 certified by the actuary and determined by the board.

1809 (3) The percentages in this section shall be based on each
1810 full fiscal year that the retired member or beneficiary has
1811 actually drawn retirement payments from the date of
1812 retirement * * *.

1813 (4) If a retiree who is receiving a retirement allowance
1814 that will terminate upon the retiree's death is receiving the
1815 additional payments under subsections (1) and (2) of this section
1816 in one (1) payment and dies on or after July 1 but before December
1817 1, the beneficiary designated on the retirement application shall
1818 receive in a single payment a fractional part of the additional
1819 payments based on the number of months in which a retirement
1820 allowance was received during the fiscal year. If there is no
1821 surviving beneficiary, payment shall be made pursuant to Section
1822 25-13-21.1(1). Any similar remaining payments of additional

1823 benefit payable under this section to a deceased beneficiary who
1824 was receiving a monthly benefit, shall be payable in accordance
1825 with the provisions of Section 25-13-21.1(2).

1826 (5) Each retired member or beneficiary thereof who receives
1827 an annual retirement allowance based on the average compensation
1828 for a period of five (5) successive or joined years and who
1829 receives a retirement allowance for the month of June, 1986, shall
1830 receive an ad hoc increase of three percent (3%) in such
1831 retirement allowance effective July 1, 1986.

1832 (6) Persons eligible to receive the payments provided in
1833 subsections (1) and (2) of this section shall receive such
1834 payments in one (1) additional payment, except that such person
1835 may elect by an irrevocable agreement on a form prescribed by the
1836 board of trustees to receive such payments in not less than equal
1837 monthly installments not to exceed six (6) months during the
1838 remaining months of the current fiscal year. In the event of
1839 death of a retiree * * * receiving monthly benefits, any remaining
1840 amounts shall be paid in a lump sum to the * * * beneficiary
1841 designated on the retirement application, or if none, pursuant to
1842 Section 25-13-21.1(1). Any similar remaining payments of
1843 additional benefit payable under this section to a deceased
1844 beneficiary who was receiving a monthly benefit, shall be payable
1845 in accordance with the provisions of Section 25-13-21.1(2).

1846 (7) Retired persons or beneficiaries thereof who on July 1,
1847 1997, or July 1 of any fiscal year thereafter, are receiving a
1848 retirement allowance, may elect by an irrevocable agreement in
1849 writing filed in the office of the Public Employees' Retirement
1850 System no less than thirty (30) days before July 1 of the
1851 appropriate year, to begin receiving the payments provided for in
1852 subsection (1) of this section in twelve (12) equal installments
1853 beginning July 1, 1997, or July 1 of any fiscal year thereafter.
1854 This irrevocable agreement shall be binding on the member and
1855 subsequent beneficiaries. The cumulative percentage provided in
1856 subsection (1) of this section and paid in twelve (12) equal
1857 installments for any particular year shall not be less than the

1858 cumulative percentage provided for the previous year. However,
1859 payment of the installments shall not extend beyond the month in
1860 which a retirement allowance is due and payable. Any additional
1861 amounts approved by the board under subsection (2) of this section
1862 shall be paid in one (1) lump sum payment to retirees and
1863 beneficiaries in accordance with subsection (2) of this section.

1864 SECTION 19. Section 25-13-13, Mississippi Code of 1972, is
1865 amended as follows:

1866 25-13-13. (1) Upon the death of any highway patrolman who
1867 has retired for service or disability and who has not elected any
1868 other option under Section 25-13-16, his widow shall receive
1869 one-half (1/2) the benefit which he was receiving and each child
1870 not having attained his nineteenth birthday shall receive
1871 one-fourth (1/4) of his benefit, but not more than one-half (1/2)
1872 of the benefits shall be paid for the support and maintenance of
1873 two (2) or more children. Upon each child's attaining the age of
1874 nineteen (19) years, the child shall no longer be eligible for
1875 such benefit, and when all of such children have attained their
1876 nineteenth birthday, only the widow shall be eligible for one-half
1877 (1/2) the amount of his benefit. She shall continue to be
1878 eligible for such benefit in the amount of fifty percent (50%) of
1879 his retirement benefit so long as she may live and until she
1880 remarries. In the event of her remarriage at any time, her
1881 eligibility for the fifty percent (50%) benefits shall cease and
1882 terminate, but she will be eligible to continue to receive
1883 benefits for their children until the last child attains his or
1884 her nineteenth birthday in the manner aforesaid.

1885 (2) Upon the death of any highway patrolman who has served
1886 the minimum retirement period required for eligibility for such
1887 retirement program, his spouse and family shall receive all the
1888 benefits payable to the highway patrolman's beneficiaries as if he
1889 had retired at the time of his death. Such benefits cease as to
1890 the spouse upon remarriage but continue to be payable to each
1891 child until he reaches the age of nineteen (19) years. Such
1892 benefits are payable on a monthly basis.

1893 (3) The spouse and/or the dependent children of an active
1894 member who is killed in the line of performance of duty or dies as
1895 a direct result of an accident occurring in the line of
1896 performance of duty shall qualify, on approval of the board, for a
1897 retirement allowance on the first of the month following the date
1898 of death, but not before receipt of application by the board. The
1899 spouse shall receive a retirement allowance equal to one-half
1900 (1/2) of the average compensation of the deceased highway
1901 patrolman. In addition to the retirement allowance for the
1902 spouse, or if there is no surviving spouse, a retirement allowance
1903 shall be paid in the amount of one-fourth (1/4) of the average
1904 compensation for the support and maintenance of one (1) child or
1905 in the amount of one-half (1/2) of the average compensation for
1906 the support and maintenance of two (2) or more children. Such
1907 benefits shall cease to be paid for the support and maintenance of
1908 each child upon such child attaining the age of nineteen (19)
1909 years; however, the spouse shall continue to be eligible for the
1910 aforesaid retirement allowance. Benefits may be paid to a
1911 surviving parent or lawful custodian of such children for the use
1912 and benefit of the children without the necessity of appointment
1913 as guardian. Such retirement allowance shall cease to the spouse
1914 upon remarriage but continue to be payable for each dependent
1915 child until the age of nineteen (19) years.

1916 (4) All benefits accruing to any child under the provisions
1917 of this chapter shall be paid to the parent custodian of the
1918 children or the legal guardian.

1919 (5) Children receiving the benefits provided herein, who are
1920 permanently or totally disabled, shall continue to receive such
1921 benefits for as long as the medical board or other designated
1922 governmental agency certifies that such disability continues. The
1923 age limitation for benefits payable to a child under any provision
1924 of this section shall be extended beyond age nineteen (19), but in
1925 no event beyond the attainment of age twenty-three (23), as long
1926 as the child is a student regularly pursuing a full-time course of
1927 resident study or training in an accredited high school, trade

1928 school, technical or vocational institute, junior or community
1929 college, college, university or comparable recognized educational
1930 institution duly licensed by a state. A student child whose
1931 birthday falls during the school year (September 1 through June
1932 30) is considered not to reach age twenty-three (23) until the
1933 July 1 following the actual twenty-third birthday. A full-time
1934 course of resident study or training means a day or evening
1935 noncorrespondence course that includes school attendance at the
1936 rate of a least thirty-six (36) weeks per academic year or other
1937 applicable period with a subject load sufficient, if successfully
1938 completed, to attain the educational or training objective within
1939 the period generally accepted as minimum for completion, by a
1940 full-time day student, of the academic or training program
1941 concerned.

1942 (6) If all the annuities provided for in this section
1943 payable on the account of the death of a member terminate before
1944 there has been paid an aggregate amount equal to the member's
1945 accumulated contributions standing to the member's credit in the
1946 annuity savings account at the time of the member's death, the
1947 difference between the accumulated contributions and the aggregate
1948 amount of annuity payments shall be paid to such person as the
1949 member has nominated by written designation duly executed and
1950 filed with the board of trustees in the office of the Public
1951 Employees' Retirement System. If there is no designated
1952 beneficiary surviving at termination of benefits, the difference
1953 shall be payable pursuant to Section 25-13-21.1(1).

1954 (7) All benefits paid to a spouse or child due to the death
1955 of a member before or after retirement shall be paid in accordance
1956 with the statutory provisions set forth as of the date of death.

1957 SECTION 20. Section 25-13-21, Mississippi Code of 1972, is
1958 amended as follows:

1959 25-13-21. In the event a highway patrolman ceases to work
1960 for the Highway Safety Patrol for any reason other than
1961 occupational disease contracted or for any accident sustained by
1962 the patrolman by reason of his service or discharge of his duty in

1963 the Highway Patrol, and if the highway patrolman is not eligible
1964 for retirement either for service or disability, he shall be
1965 refunded the amount of his total contribution under the provisions
1966 of this chapter, including any credit transferred to his account
1967 in this system from any other system, at his request; and should
1968 he die before retirement, such fund is to be refunded to any
1969 beneficiary he may name. If there is no surviving designated
1970 beneficiary, the contributions to the credit of the deceased
1971 member shall be refunded pursuant to Section 25-13-21.1(1).

1972 Pursuant to the Unemployment Compensation Amendments of 1992
1973 (P.L. 102-318 (UCA)), a member or eligible beneficiary eligible
1974 for a refund under this section may elect on a form prescribed by
1975 the board under rules and regulations established by the board, to
1976 have an eligible roll over distribution of accumulated
1977 contributions payable under this section paid directly to an
1978 eligible retirement plan or individual retirement account. If the
1979 member or eligible beneficiary makes such election and specifies
1980 the eligible retirement plan or individual retirement account to
1981 which such distribution is to be paid, the distribution will be
1982 made in the form of a direct trustee to trustee transfer to the
1983 specified eligible retirement plan. Flexible roll overs under
1984 this subsection shall not be considered assignments under Section
1985 25-13-31.

1986 If any highway patrolman who shall receive a refund reenters
1987 the service of the Highway Safety Patrol and again becomes a
1988 member of the system, he may repay all amounts previously received
1989 by him as a refund, together with regular interest covering the
1990 period from the date of refund to the date of repayment; however,
1991 the amounts that are repaid by the member and the creditable
1992 service related thereto shall not be used in any benefit
1993 calculation or determination until the member has remained a
1994 contributor to the system for a period of at least five (5) years
1995 after such member's reentry into state service. Repayment for
1996 such time shall be made in increments of not less than one-quarter
1997 (1/4) year of creditable service beginning with the most recent

1998 service for which refund has been made. Upon the repayment of all
1999 or part of such refund and interest, the highway patrolman shall
2000 again receive credit for the period of creditable service for
2001 which full repayment has been made to the system.

2002 SECTION 21. The Board of Trustees of the Public Employees'
2003 Retirement System shall conduct a comprehensive study of the
2004 feasibility of providing one (1) health insurance program for all
2005 retired public employees, using funds appropriated by the
2006 Legislature. The study shall be completed by December 15, 2000,
2007 and copies of the study shall be provided to the Legislature.

2008 SECTION 22. This act shall take effect and be in force from
2009 and after July 1, 2000.

**Further, amend by striking the title in its entirety and
inserting in lieu thereof the following:**

1 AN ACT TO CREATE NEW SECTION 25-11-115.2, MISSISSIPPI CODE OF
2 21972, TO PROVIDE THAT THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
3 SHALL NOT KNOWINGLY ALLOW BENEFIT PAYMENTS TO BE MADE DIRECTLY TO
4 PERSONS WHO ARE DETERMINED TO BE LEGALLY INCOMPETENT; TO PROVIDE
5 THAT ANY PERSON WHO COMES TO BE KNOWN BY THE SYSTEM AS INCAPABLE
6 OF APPLYING FOR, MANAGING OR DIRECTING THE MANAGEMENT OF BENEFITS
7 BY REASON OF MENTAL OR PHYSICAL IMPAIRMENT SHALL BE DIRECTED TO
8 OBTAIN A CONSERVATOR OR LEGAL GUARDIAN; TO PROVIDE THAT THE SYSTEM
9 MAY DESIGNATE A REPRESENTATIVE PAYEE FOR SUCH PERSON UNDER CERTAIN
10 CIRCUMSTANCES; TO PROVIDE THAT CERTIFICATION BY A MEDICAL DOCTOR
11 OF INCAPACITY TO APPLY FOR, MANAGE OR DIRECT THE MANAGEMENT OF
12 BENEFITS SHALL BE REQUIRED BY THE SYSTEM BEFORE APPOINTMENT OF A
13 REPRESENTATIVE PAYEE; TO REQUIRE A REPRESENTATIVE PAYEE TO APPLY
14 BENEFITS PAID ONLY FOR THE USE AND BENEFIT OF THE BENEFIT
15 RECIPIENT; TO LIMIT THE LIABILITY OF THE RETIREMENT SYSTEM FOR
16 PAYMENTS MADE TO A REPRESENTATIVE PAYEE; TO PROVIDE OPTION UNDER
17 WHICH ANNUITY PAYMENTS SHALL BE PAID TO AN INCAPACITATED PERSON IN
18 THE ABSENCE OF A CONSERVATOR, LEGAL GUARDIAN OR DURABLE POWER OF
19 ATTORNEY; TO CREATE NEW SECTIONS 25-11-117.1, 25-11-311.1 AND
20 23-13-21.1, MISSISSIPPI CODE OF 1972, TO DESIGNATE TO WHOM
21 BENEFITS ARE PAYABLE IN THE EVENT OF THE DEATH OF THE RETIREE AND
22 THE DESIGNATED BENEFICIARY OF THE RETIREE UNDER THE PUBLIC
23 EMPLOYEES' RETIREMENT SYSTEM, THE SUPPLEMENTAL LEGISLATIVE
24 RETIREMENT PLAN AND THE MISSISSIPPI HIGHWAY SAFETY PATROL
25 RETIREMENT SYSTEM; TO CREATE NEW SECTION 25-11-312, MISSISSIPPI
26 CODE OF 1972, TO AUTHORIZE THE BOARD OF TRUSTEES OF THE PUBLIC
27 EMPLOYEES' RETIREMENT SYSTEM TO ACCEPT AN ELIGIBLE ROLLOVER
28 DISTRIBUTION OR A DIRECT TRANSFER OF FUNDS FROM ANOTHER QUALIFIED
29 PLAN IN PAYMENT OF ALL OR A PORTION OF THE COST TO REINSTATE
30 PREVIOUSLY WITHDRAWN SERVICE CREDIT IN THE SUPPLEMENTAL
31 LEGISLATIVE RETIREMENT PLAN; TO PROVIDE THAT SUCH PLAN MAY ACCEPT
32 SUCH PAYMENTS IN AN AMOUNT EQUAL TO OR LESS THAN THE BALANCE DUE
33 FOR REINSTATEMENT OF SERVICE CREDIT; TO AMEND SECTION 25-11-103,
34 MISSISSIPPI CODE OF 1972, TO CLARIFY WHO IS DESIGNATED AS THE
35 BENEFICIARY OF A MEMBER IN CERTAIN SITUATIONS; TO AMEND SECTION
36 25-11-111, MISSISSIPPI CODE OF 1972, TO AUTHORIZE A RETIREE OR
37 BENEFICIARY TO IRREVOCABLY WAIVE ALL OR A PORTION OF THE
38 RETIREMENT BENEFITS TO WHICH THE RETIREE OR BENEFICIARY IS
39 ENTITLED; TO AMEND SECTION 25-11-115, MISSISSIPPI CODE OF 1972, TO

40 ESTABLISH A NEW RETIREMENT OPTION UNDER THE PUBLIC EMPLOYEES'
41 RETIREMENT SYSTEM TO ALLOW A MEMBER WHO HAS AT LEAST 28 YEARS OF
42 CREDITABLE SERVICE AT THE TIME OF RETIREMENT, OR WHO IS AT LEAST
43 63 YEARS OF AGE AT THE TIME OF RETIREMENT, TO RECEIVE A PARTIAL
44 LUMP SUM DISTRIBUTION; TO PROVIDE THAT THE LUMP SUM DISTRIBUTION
45 SHALL BE EQUAL TO THE MAXIMUM MONTHLY BENEFIT MULTIPLIED BY 12, 24
46 OR 36; TO PROVIDE THAT THE MEMBER'S BENEFIT SHALL BE REDUCED TO
47 REFLECT THE PAYMENT SELECTED COMPUTED TO RESULT IN NO ACTUARIAL
48 LOSS TO THE SYSTEM; TO AMEND SECTION 25-11-120, MISSISSIPPI CODE
49 OF 1972, TO LIMIT THE AMOUNT OF FEES THAT AN ATTORNEY MAY CHARGE
50 FOR AN APPEARANCE AT A HEARING RELATING TO ELIGIBILITY, PAYMENT OF
51 BENEFITS OR CALCULATION OF CREDITABLE SERVICE; TO AMEND SECTION
52 25-11-121, MISSISSIPPI CODE OF 1972, TO INCREASE THE AMOUNT OF
53 CERTAIN FOREIGN INVESTMENTS THAT THE RETIREMENT SYSTEM MAY MAKE TO
54 30% OF THE TOTAL BOOK VALUE OF ALL INVESTMENTS OF THE SYSTEM; TO
55 AMEND SECTIONS 25-11-131 AND 25-11-139, MISSISSIPPI CODE OF 1972,
56 TO CLARIFY THAT THE BOARD OF TRUSTEES OF THE PUBLIC EMPLOYEES'
57 RETIREMENT SYSTEM HAS THE DUTY TO CORRECT ERRORS IN PAYMENTS OF
58 BENEFITS; TO PROVIDE THAT SUCH CORRECTIONS SHALL BE MADE UPON
59 DETECTION OF THE ERROR, WITHOUT REGARD TO THE LENGTH IT TAKES FOR
60 THE BOARD TO BECOME AWARE OF THE ERROR; TO AMEND SECTION
61 25-11-311, MISSISSIPPI CODE OF 1972, TO AUTHORIZE A MEMBER OR
62 BENEFICIARY ELIGIBLE FOR A REFUND UNDER THE SUPPLEMENTAL
63 LEGISLATIVE RETIREMENT PLAN TO HAVE AN ELIGIBLE ROLLOVER
64 DISTRIBUTION OF ACCUMULATED CONTRIBUTIONS PAYABLE PAID DIRECTLY
65 INTO AN ELIGIBLE RETIREMENT PLAN OR INDIVIDUAL RETIREMENT ACCOUNT;
66 TO PROVIDE THE MANNER IN WHICH A MEMBER OF THE SUPPLEMENTAL
67 LEGISLATIVE RETIREMENT PLAN WHO HAS RECEIVED A REFUND AND IS
68 REELECTED TO THE LEGISLATURE MAY REPURCHASE CREDITABLE SERVICE IN
69 THE SUPPLEMENTAL LEGISLATIVE RETIREMENT PLAN; TO AMEND SECTION
70 25-13-16, MISSISSIPPI CODE OF 1972, TO ESTABLISH A NEW RETIREMENT
71 OPTION UNDER THE HIGHWAY SAFETY PATROL RETIREMENT SYSTEM TO ALLOW
72 A MEMBER WHO IS ELIGIBLE TO RETIRE WITH AN UNREDUCED BENEFIT AT 58
73 YEARS OF AGE TO RECEIVE A PARTIAL LUMP SUM DISTRIBUTION; TO
74 PROVIDE THAT THE LUMP SUM DISTRIBUTION SHALL BE EQUAL TO THE
75 MAXIMUM MONTHLY BENEFIT MULTIPLIED BY 12, 24 OR 36; TO PROVIDE
76 THAT THE MEMBER'S BENEFIT SHALL BE REDUCED TO REFLECT THE PAYMENT
77 SELECTED COMPUTED TO RESULT IN NO ACTUARIAL LOSS TO THE SYSTEM; TO
78 AMEND SECTIONS 25-11-112, 25-11-114, 25-11-117, 25-13-12, 25-13-13
79 AND 25-13-21, MISSISSIPPI CODE OF 1972, IN CONFORMITY TO THE
80 PROVISIONS OF THIS ACT; TO DIRECT THE BOARD OF TRUSTEES OF THE
81 PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO CONDUCT A COMPREHENSIVE
82 STUDY OF THE FEASIBILITY OF PROVIDING ONE HEALTH INSURANCE PROGRAM
83 FOR ALL RETIRED PUBLIC EMPLOYEES; AND FOR RELATED PURPOSES.