

By: Senator(s) Turner

To: Judiciary

COMMITTEE SUBSTITUTE  
FOR  
SENATE BILL NO. 2683

1 AN ACT TO AMEND SECTIONS 25-15-3 AND 25-15-15, MISSISSIPPI  
2 CODE OF 1972, TO PROVIDE THAT A JUDGE WHO RESIGNS DUE TO A  
3 DISABILITY SHALL CONTINUE TO RECEIVE STATE INSURANCE COVERAGE FOR  
4 THE REMAINDER OF THE TERM TO WHICH SUCH JUDGE WAS ELECTED; AND FOR  
5 RELATED PURPOSES.

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

7 SECTION 1. Section 25-15-3, Mississippi Code of 1972, is  
8 amended as follows:

9 25-15-3. For the purposes of this article, the words and  
10 phrases used herein shall have the following meanings:

11 (a) "Employee" means a person who works full time for  
12 the State of Mississippi and receives his compensation in a direct  
13 payment from a department, agency or institution of the state  
14 government and any person who works full time for any school  
15 district, community/junior college, public library or  
16 university-based program authorized under Section 37-23-31 for  
17 deaf, aphasic and emotionally disturbed children or any regular  
18 nonstudent bus driver. This shall include legislators, employees  
19 of the legislative branch and the judicial branch of the state and  
20 "employees" shall include full-time salaried judges and full-time  
21 district attorneys and their staff and full-time compulsory school  
22 attendance officers and judges who resign due to a disability for  
23 the remainder of the term to which the judge was elected. For the  
24 purposes of this article, any "employee" making contributions to  
25 the State of Mississippi retirement plan shall be considered a  
26 full-time employee.

27 (b) "Department" means the Department of Finance and  
28 Administration.



29 (c) "Plan" means the State and School Employees Life  
30 and Health Insurance Plan created under this article.

31 (d) "Fund" means the State and School Employees  
32 Insurance Fund set up under this article.

33 (e) "Retiree" means any employee retired under the  
34 Mississippi retirement plan.

35 (f) "Board" means the State and School Employees Health  
36 Insurance Management Board created under Section 25-15-303.

37 SECTION 2. Section 25-15-15, Mississippi Code of 1972, is  
38 amended as follows:

39 25-15-15. (1) The board is authorized to determine the  
40 manner in which premiums and contributions by the state agencies,  
41 local school districts, colleges, universities, community/junior  
42 colleges and public libraries shall be collected to provide the  
43 self-insured health insurance program for employees as provided  
44 under this article. The state shall provide fifty percent (50%)  
45 of the cost of the above life insurance plan and one hundred  
46 percent (100%) of the cost of the above health insurance plan for  
47 all active full-time employees, and the employees shall be given  
48 the opportunity to purchase coverage for their eligible dependents  
49 with the premiums for such dependent coverage as well as the  
50 employee's fifty percent (50%) share for his life insurance  
51 coverage to be deductible from the employee's salary by the  
52 agency, department or institution head, which deductions, together  
53 with the fifty percent (50%) share of such life insurance premiums  
54 of such employing agency, department or institution head from  
55 funds appropriated to or authorized to be expended by such  
56 employing agency, department or institution head, shall be  
57 deposited directly into a depository bank or special fund in the  
58 State Treasury, as determined by the board. These funds and  
59 interest earned on these funds may be used for the disbursement of  
60 claims and shall be exempt from the appropriation process.



61           (2) The state shall provide annually, by line item in the  
62 Mississippi Library Commission appropriation bill, such funds to  
63 pay one hundred percent (100%) of the cost of health insurance  
64 under the State and School Employees Health Insurance Plan for all  
65 full-time library staff members in each public library in  
66 Mississippi. The commission shall allot to each public library a  
67 sufficient amount of those funds appropriated to pay the costs of  
68 insurance for eligible employees. Any funds so appropriated by  
69 line item which are not expended during the fiscal year for which  
70 such funds were appropriated shall be carried forward for the same  
71 purposes during the next succeeding fiscal year. If any premiums  
72 for the health insurance and/or late charges and interest  
73 penalties are not paid by a public library in a timely manner, as  
74 defined by the board, the Mississippi Library Commission, upon  
75 notice by the board, shall immediately withhold all subsequent  
76 disbursements of funds to that public library.

77           (3) The state shall annually provide one hundred percent  
78 (100%) of the cost of the health insurance plan for all public  
79 school district employees who work no less than twenty (20) hours  
80 during each week and regular nonstudent school bus drivers. Where  
81 federal funding is allowable to defray, in full or in part, the  
82 cost of participation in the program by district employees who  
83 work no less than twenty (20) hours during the week and regular  
84 nonstudent bus drivers, whose salaries are paid, in full or in  
85 part, by federal funds, the allowance under this section shall be  
86 reduced to the extent of such federal funding. Where the use of  
87 federal funds is allowable but not available, it is the intent of  
88 the Legislature that school districts contribute the cost of  
89 participation for such employees from local funds, except that  
90 parent fees for child nutrition programs shall not be increased to  
91 cover such cost.

92           (4) The state shall provide annually, by line item in the  
93 community/junior college appropriation bill, such funds to pay one



94 hundred percent (100%) of the cost of the health insurance plan  
95 for all community/junior college district employees who work no  
96 less than twenty (20) hours during each week.

97 (5) When the use of federal funding is allowable to defray,  
98 in full or in part, the cost of participation in the insurance  
99 plan by community/junior college district employees who work no  
100 less than twenty (20) hours during each week, whose salaries are  
101 paid, in full or in part, by federal funds, the allowance under  
102 this section shall be reduced to the extent of the federal  
103 funding. Where the use of federal funds is allowable but not  
104 available, it is the intent of the Legislature that  
105 community/junior college districts contribute the cost of  
106 participation for such employees from local funds.

107 (6) Any community/junior college district may contribute to  
108 the cost of coverage for any district employee from local  
109 community/junior college district funds, and any public school  
110 district may contribute to the cost of coverage for any district  
111 employee from nonminimum program funds. Any part of the cost of  
112 such coverage for participating employees of public school  
113 districts and public community/junior college districts that is  
114 not paid by the state shall be paid by the participating  
115 employees, which shall be deducted from the salaries of the  
116 employees in a manner determined by the board.

117 (7) Any funds appropriated for the cost of insurance by line  
118 item in the community/junior colleges appropriation bill which are  
119 not expended during the fiscal year for which such funds were  
120 appropriated shall be carried forward for the same purposes during  
121 the next succeeding fiscal year.

122 (8) The board may establish and enforce late charges and  
123 interest penalties or other penalties for the purpose of requiring  
124 the prompt payment of all premiums for life and health insurance  
125 permitted under Chapter 15 of Title 25. All funds in excess of  
126 the amount needed for disbursement of claims shall be deposited in



127 a special fund in the State Treasury to be known as the State and  
128 School Employees Insurance Fund. The State Treasurer shall invest  
129 all funds in the State and School Employees Insurance Fund and all  
130 interest earned shall be credited to the State and School  
131 Employees Insurance Fund. Such funds shall be placed with one or  
132 more depositories of the state and invested on the first day such  
133 funds are available for investment in certificates of deposit,  
134 repurchase agreements or in United States Treasury bills or as  
135 otherwise authorized by law for the investment of Public  
136 Employees' Retirement System funds, as long as such investment is  
137 made from competitive offering and at the highest and best market  
138 rate obtainable consistent with any available investment  
139 alternatives; however, such investments shall not be made in  
140 shares of stock, common or preferred, or in any other investments  
141 which would mature more than one (1) year from the date of  
142 investment. The board shall have the authority to draw from this  
143 fund periodically such funds as are necessary to operate the  
144 self-insurance plan or to pay to the insurance carrier the cost of  
145 operation of this plan, it being the purpose to limit the amount  
146 of participation by the state to fifty percent (50%) of the cost  
147 of the life insurance program and not to limit the contracting for  
148 additional benefits where the cost will be paid in full by the  
149 employee. The state shall not share in the cost of coverage for  
150 retired employees.

151 (9) The board shall also provide for the creation of an  
152 Insurance Reserve Fund and funds therein shall be invested by the  
153 State Treasurer with all interest earned credited to the State and  
154 School Employees Insurance Fund.

155 (10) Except as otherwise provided by subsection (11) for  
156 disabled judges, any retired employee electing to purchase retired  
157 life and health insurance will have the full cost of such  
158 insurance deducted monthly from his State of Mississippi  
159 retirement plan check or direct billed for the cost of the premium



160 if the retirement check is insufficient to pay for the premium.  
161 If the board determines actuarially that the premium paid by the  
162 participating retirees adversely affects the overall cost of the  
163 plan to the state, then the department may impose a premium  
164 surcharge, not to exceed fifteen percent (15%), upon such  
165 participating retired employees who are under the age for Medicare  
166 eligibility.

167 (11) For purposes of insurance coverage under this section,  
168 a judge who resigns due to disability shall be considered an  
169 active full-time employee for the remainder of the term to which  
170 the judge was elected, provided the resigning judge pays the cost  
171 of the insurance premiums monthly during the period of  
172 entitlement.

173 SECTION 3. This act shall take effect and be in force from  
174 and after July 1, 2001.

