

By: Representative Montgomery (15th)

To: Appropriations

HOUSE BILL NO. 497

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,
 2 TO ALLOW ANY MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO
 3 IS A TEACHER OF VOCATIONAL EDUCATION IN A MISSISSIPPI PUBLIC
 4 SCHOOL TO RECEIVE CREDITABLE SERVICE FOR WORK EXPERIENCE IN THE
 5 PRIVATE SECTOR IN THE SAME FIELD OF THE MEMBER'S VOCATIONAL
 6 EDUCATION INSTRUCTION BEFORE BECOMING A VOCATIONAL EDUCATION
 7 TEACHER; TO PROVIDE THAT THE MEMBER WILL RECEIVE FOUR MONTHS OF
 8 CREDITABLE SERVICE FOR EVERY TWELVE MONTHS OF WORK EXPERIENCE; TO
 9 REQUIRE THE MEMBER TO PAY TO THE RETIREMENT SYSTEM THE ACTUARIAL
 10 COST OF THAT CREDITABLE SERVICE; AND FOR RELATED PURPOSES.

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

12 **SECTION 1.** Section 25-11-109, Mississippi Code of 1972, is
 13 amended as follows:

14 25-11-109. (1) Under such rules and regulations as the
 15 board of trustees shall adopt, each person who becomes a member of
 16 this retirement system, as provided in Section 25-11-105, on or
 17 prior to July 1, 1953, or who becomes a member and contributes to
 18 the system for a minimum period of four (4) years, shall receive
 19 credit for all state service rendered before February 1, 1953. To
 20 receive such credit, such member shall file a detailed statement
 21 of all services as an employee rendered by him in the state
 22 service before February 1, 1953. For any member who joined the
 23 system after July 1, 1953, any creditable service for which the
 24 member is not required to make contributions shall not be credited
 25 to the member until the member has contributed to the system for a
 26 minimum period of at least four (4) years.

27 (2) In the computation of membership service or prior
 28 service under the provisions of this article, the total months of
 29 accumulative service during any fiscal year shall be calculated in
 30 accordance with the schedule as follows: ten (10) or more months
 31 of creditable service during any fiscal year shall constitute a



32 year of creditable service; seven (7) months to nine (9) months
33 inclusive, three-quarters (3/4) of a year of creditable service;
34 four (4) months to six (6) months inclusive, one-half-year of
35 creditable service; one (1) month to three (3) months inclusive,
36 one-quarter (1/4) of a year of creditable service. In no case
37 shall credit be allowed for any period of absence without
38 compensation except for disability while in receipt of a
39 disability retirement allowance, nor shall less than fifteen (15)
40 days of service in any month, or service less than the equivalent
41 of one-half (1/2) of the normal working load for the position and
42 less than one-half (1/2) of the normal compensation for the
43 position in any month, constitute a month of creditable service,
44 nor shall more than one (1) year of service be creditable for all
45 services rendered in any one (1) fiscal year; provided that for a
46 school employee, substantial completion of the legal school term
47 when and where the service was rendered shall constitute a year of
48 service credit for both prior service and membership service. Any
49 state or local elected official shall be deemed a full-time
50 employee for the purpose of creditable service for prior service
51 or membership service. However, an appointed or elected official
52 compensated on a per diem basis only shall not be allowed
53 creditable service for terms of office.

54 In the computation of any retirement allowance or any annuity
55 or benefits provided in this article, any fractional period of
56 service of less than one (1) year shall be taken into account and
57 a proportionate amount of such retirement allowance, annuity or
58 benefit shall be granted for any such fractional period of
59 service.

60 In the computation of unused leave for creditable service
61 authorized in Section 25-11-103, the following shall govern:
62 twenty-one (21) days of unused leave shall constitute one (1)
63 month of creditable service and in no case shall credit be allowed
64 for any period of unused leave of less than fifteen (15) days.



65 The number of months of unused leave shall determine the number of
66 quarters or years of creditable service in accordance with the
67 above schedule for membership and prior service. In order for the
68 member to receive creditable service for the number of days of
69 unused leave, the system must receive certification from the
70 governing authority.

71 For the purpose of this subsection, for members of the system
72 who are elected officers and who retire on or after July 1, 1987,
73 the following shall govern:

74 (a) For service prior to July 1, 1984, the members
75 shall receive credit for leave (combined personal and major
76 medical) for service as an elected official prior to that date at
77 the rate of thirty (30) days per year.

78 (b) For service on and after July 1, 1984, the member
79 shall receive credit for personal and major medical leave
80 beginning July 1, 1984, at the rates authorized in Sections
81 25-3-93 and 25-3-95, computed as a full-time employee.

82 (3) Subject to the above restrictions and to such other
83 rules and regulations as the board may adopt, the board shall
84 verify, as soon as practicable after the filing of such statements
85 of service, the services therein claimed.

86 (4) Upon verification of the statement of prior service, the
87 board shall issue a prior service certificate certifying to each
88 member the length of prior service for which credit shall have
89 been allowed on the basis of his statement of service. So long as
90 membership continues, a prior service certificate shall be final
91 and conclusive for retirement purposes as to such service,
92 provided that any member may within five (5) years from the date
93 of issuance or modification of such certificate request the board
94 of trustees to modify or correct his prior service certificate.
95 Any modification or correction authorized shall only apply
96 prospectively.



97 When membership ceases, such prior service certificates shall
98 become void. Should the employee again become a member, he shall
99 enter the system as an employee not entitled to prior service
100 credit except as provided in Sections 25-11-105(I), 25-11-113 and
101 25-11-117.

102 (5) Creditable service at retirement, on which the
103 retirement allowance of a member shall be based, shall consist of
104 the membership service rendered by him since he last became a
105 member, and also, if he has a prior service certificate which is
106 in full force and effect, the amount of the service certified on
107 his prior service certificate.

108 (6) Anything in this article to the contrary
109 notwithstanding, any member who served on active duty in the Armed
110 Forces of the United States, or who served in maritime service
111 during periods of hostility in World War II, shall be entitled to
112 creditable service at no cost for his service on active duty in
113 the Armed Forces or in such maritime service, provided he entered
114 state service after his discharge from the Armed Forces or entered
115 state service after he completed such maritime service. The
116 maximum period for such creditable service for all military
117 service as defined in this subsection (6) shall not exceed four
118 (4) years unless positive proof can be furnished by such person
119 that he was retained in the Armed Forces during World War II or in
120 maritime service during World War II by causes beyond his control
121 and without opportunity of discharge. The member shall furnish
122 proof satisfactory to the board of trustees of certification of
123 military service or maritime service records showing dates of
124 entrance into active duty service and the date of discharge. From
125 and after July 1, 1993, no creditable service shall be granted for
126 any military service or maritime service to a member who qualifies
127 for a retirement allowance in another public retirement system
128 administered by the Board of Trustees of the Public Employees'
129 Retirement System based in whole or in part on such military or



130 maritime service. In no case shall the member receive creditable
131 service if the member received a dishonorable discharge from the
132 Armed Forces of the United States.

133 (7) (a) Any member of the Public Employees' Retirement
134 System whose membership service is interrupted as a result of
135 qualified military service within the meaning of Section 414(u)(5)
136 of the Internal Revenue Code, and who has received the maximum
137 service credit available under subsection (6) of this section,
138 shall receive creditable service for the period of qualified
139 military service that does not qualify as creditable service under
140 subsection (6) of this section upon reentering membership service
141 in an amount not to exceed five (5) years if:

142 (i) The member pays the contributions he would
143 have made to the retirement system if he had remained in
144 membership service for the period of qualified military service
145 based upon his salary at the time his membership service was
146 interrupted;

147 (ii) The member returns to membership service
148 within ninety (90) days of the end of his qualified military
149 service; and

150 (iii) The employer at the time the member's
151 service was interrupted and to which employment the member returns
152 pays the contributions it would have made into the retirement
153 system for such period based on the member's salary at the time
154 the service was interrupted.

155 (b) The payments required to be made in paragraph
156 (a)(i) of this subsection may be made over a period beginning with
157 the date of return to membership service and not exceeding three
158 (3) times the member's qualified military service; provided,
159 however, that in no event shall such period exceed fifteen (15)
160 years.

161 (c) The member shall furnish proof satisfactory to the
162 board of trustees of certification of military service showing



163 dates of entrance into qualified service and the date of discharge
164 as well as proof that the member has returned to active employment
165 within the time specified.

166 (8) Any member of the Public Employees' Retirement System
167 who has at least four (4) years of membership service credit shall
168 be entitled to receive a maximum of five (5) years creditable
169 service for service rendered in another state as a public employee
170 of such other state, or a political subdivision, public education
171 system or other governmental instrumentality thereof, or service
172 rendered as a teacher in American overseas dependent schools
173 conducted by the Armed Forces of the United States for children of
174 citizens of the United States residing in areas outside the
175 continental United States, provided that:

176 (a) The member shall furnish proof satisfactory to the
177 board of trustees of certification of such services from the
178 state, public education system, political subdivision or
179 retirement system of the state where the services were performed
180 or the governing entity of the American overseas dependent school
181 where the services were performed; and

182 (b) The member is not receiving or will not be entitled
183 to receive from the public retirement system of the other state or
184 from any other retirement plan, including optional retirement
185 plans, sponsored by the employer, a retirement allowance including
186 such services; and

187 (c) The member shall pay to the retirement system on
188 the date he or she is eligible for credit for such out-of-state
189 service or at any time thereafter prior to date of retirement the
190 actuarial cost as determined by the actuary for each year of
191 out-of-state creditable service. The provisions of this
192 subsection are subject to the limitations of Section 415 of the
193 Internal Revenue Code and regulations promulgated thereunder.

194 (9) Any member of the Public Employees' Retirement System
195 who has at least four (4) years of membership service credit and



196 who receives, or has received, professional leave without
197 compensation for professional purposes directly related to the
198 employment in state service shall receive creditable service for
199 the period of professional leave without compensation provided:

200 (a) The professional leave is performed with a public
201 institution or public agency of this state, or another state or
202 federal agency;

203 (b) The employer approves the professional leave
204 showing the reason for granting the leave and makes a
205 determination that the professional leave will benefit the
206 employee and employer;

207 (c) Such professional leave shall not exceed two (2)
208 years during any ten-year period of state service;

209 (d) The employee shall serve the employer on a
210 full-time basis for a period of time equivalent to the
211 professional leave period granted immediately following the
212 termination of the leave period;

213 (e) The contributing member shall pay to the retirement
214 system the actuarial cost as determined by the actuary for each
215 year of professional leave. The provisions of this subsection are
216 subject to the regulations of the Internal Revenue Code
217 limitations;

218 (f) Such other rules and regulations consistent
219 herewith as the board may adopt and in case of question, the board
220 shall have final power to decide the questions.

221 Any actively contributing member participating in the School
222 Administrator Sabbatical Program established in Section 37-9-77
223 shall qualify for continued participation under this subsection
224 (9).

225 (10) Any member of the Public Employees' Retirement System
226 who has at least four (4) years of credited membership service
227 shall be entitled to receive a maximum of ten (10) years
228 creditable service for:



229 (a) Any service rendered as an employee of any
230 political subdivision of this state, or any instrumentality
231 thereof, which does not participate in the Public Employees'
232 Retirement System; or

233 (b) Any service rendered as an employee of any
234 political subdivision of this state, or any instrumentality
235 thereof, which participates in the Public Employees' Retirement
236 System but did not elect retroactive coverage; or

237 (c) Any service rendered as an employee of any
238 political subdivision of this state, or any instrumentality
239 thereof, for which coverage of the employee's position was or is
240 excluded; provided that the member pays into the retirement system
241 the actuarial cost as determined by the actuary for each year, or
242 portion thereof, of such service. Payment for such service may be
243 made in increments of one-quarter-year of creditable service.
244 After a member has made full payment to the retirement system for
245 all or any part of such service, the member shall receive
246 creditable service for the period of such service for which full
247 payment has been made to the retirement system.

248 (11) Any member of the Public Employees' Retirement System
249 who is a teacher of vocational education in a public school
250 located in Mississippi and who has at least four (4) years of
251 membership service credit shall be entitled to receive a maximum
252 of five (5) years creditable service for work experience in the
253 private sector in the same field of the member's vocational
254 education instruction before becoming a vocational education
255 teacher, provided that:

256 (a) The member will receive four (4) months of
257 creditable service for every twelve (12) months of work
258 experience, and a proportional amount of creditable service for
259 work experience for periods of less than twelve (12) months; and

260 (b) The member must furnish proof satisfactory to the
261 board of trustees verifying the member's work experience; and



262 (c) The member is not receiving or will not be entitled
263 to receive from any other retirement system or plan, including
264 optional retirement plans sponsored by the employer, a retirement
265 allowance that includes the member's work experience; and

266 (d) The member shall pay to the retirement system on
267 the date he or she is eligible for credit for the work experience
268 or at any time thereafter before the date of retirement the
269 actuarial cost as determined by the actuary for each year, or
270 portion thereof, of that creditable service. Payment for that
271 creditable service may be made in increments of one-fourth (1/4)
272 year of creditable service. The provisions of this subsection are
273 subject to the limitations of Section 415 of the Internal Revenue
274 Code and regulations promulgated under that section.

275 **SECTION 2.** This act shall take effect and be in force from
276 and after July 1, 2002.

