To: Appropriations

MISSISSIPPI LEGISLATURE
REGULAR SESSION 2002

By: Representative Jennings

HOUSE BILL NO. 1141

AN ACT TO AMEND SECTION 25-11-123, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT AFTER A MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM HAS THIRTY OR MORE YEARS OF CREDITABLE SERVICE IN THE SYSTEM AS A RESULT OF SERVICE AS A PUBLIC SCHOOL TEACHER, THE MEMBER SHALL NOT HAVE ANY ADDITIONAL EMPLOYEE'S CONTRIBUTIONS MADE FROM THE MEMBER'S SALARY; TO PROVIDE THAT AFTER A MEMBER HAS THIRTY-FIVE OR MORE YEARS OF CREDITABLE SERVICE IN THE SYSTEM AS A RESULT OF SERVICE AS A PUBLIC SCHOOL TEACHER, THE MEMBER SHALL NOT HAVE ANY ADDITIONAL EMPLOYER'S CONTRIBUTIONS MADE ON BEHALF OF THE MEMBER; TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THOSE MEMBERS FOR WHOM NO ADDITIONAL EMPLOYEE'S AND EMPLOYER'S CONTRIBUTIONS ARE BEING MADE SHALL CONTINUE TO EARN CREDITABLE SERVICE FOR SERVICE AS A TEACHER; TO AMEND SECTION 37-19-7, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IN ADDITION TO THE REGULAR TEACHER'S SALARY, ANY TEACHER WHO HAS THIRTY-FIVE OR MORE YEARS OF CREDITABLE SERVICE IN THE RETIREMENT SYSTEM AS A RESULT OF SERVICE AS A TEACHER SHALL RECEIVE AN ADDITIONAL PAYMENT EACH MONTH FROM THE SCHOOL DISTRICT IN WHICH THE TEACHER IS EMPLOYED, EQUAL TO THAT PERCENTAGE OF THE TEACHER'S SALARY THAT OTHERWISE WOULD BE SUBJECT TO THE EMPLOYER'S CONTRIBUTION TO THE RETIREMENT SYSTEM; AND FOR RELATED PURPOSES.

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

SECTION 1. Section 25-11-123, Mississippi Code of 1972, is amended as follows:

25-11-123. All of the assets of the system shall be credited according to the purpose for which they are held to one (1) of four (4) reserves; namely, the annuity savings account, the annuity reserve, the employer's accumulation account, and the expense account.

(a) Annuity savings account. In the annuity savings account shall be accumulated the contributions made by members to provide for their annuities, including interest thereon which shall be posted monthly. Credits to and charges against the annuity savings account shall be made as follows:

(1) Beginning July 1, 1991, the employer shall cause to be deducted from the salary of each member on each and every
payroll of the employer for each and every payroll period seven
and one-fourth percent (7-1/4%) of earned compensation as defined
in Section 25-11-103. Future contributions shall be fixed
biennially by the board on the basis of the liabilities of the
retirement system for the various allowances and benefits as shown
by actuarial valuation; * * * however, * * * any member earning at
a rate less than Sixteen Dollars and Sixty-seven Cents ($16.67)
per month, or Two Hundred Dollars ($200.00) per year, shall
contribute not less than One Dollar ($1.00) per month, or Twelve
Dollars ($12.00) per year. After a member has thirty (30) or more
years of creditable service in the Public Employees' Retirement
System as a result of service as a public school teacher, the
employer shall not make any additional deductions from the
member's salary under this paragraph (1).

(2) The deductions provided herein shall be made
notwithstanding that the minimum compensation provided by law for
any member is reduced thereby. Every member shall be deemed to
consent and agree to the deductions made and provided for herein
and shall receipt for his full salary or compensation, and payment
of salary or compensation less the deduction shall be a full and
complete discharge and acquittance of all claims and demands
whatsoever for the services rendered by the person during the
period covered by the payment, except as to the benefits provided
under Articles 1 and 3. The board shall provide by rules for the
methods of collection of contributions from members and the
employer. The board shall have full authority to require the
production of evidence necessary to verify the correctness of
amounts contributed.

(b) Annuity reserve. The annuity reserve shall be the
account representing the actuarial value of all annuities in
force, and to it shall be charged all annuities and all benefits
in lieu of annuities, payable as provided in this article. If a
beneficiary retired on account of disability is restored to active
service with a compensation not less than his average final
compensation at the time of his last retirement, the remainder of
his contributions shall be transferred from the annuity reserve to
the annuity savings account and credited to his individual account
therein, and the balance of his annuity reserve shall be
transferred to the employer's accumulation account.

(c) **Employer's accumulation account.** The employer's
accumulation account shall represent the accumulation of all
reserves for the payment of all retirement allowances and other
benefits payable from contributions made by the employer, and
against this account shall be charged all retirement allowances
and other benefits on account of members. Credits to and charges
against the employer's accumulation account shall be made as
follows:

(1) On account of each member there shall be paid
monthly into the employer's accumulation account by the employers
for the preceding fiscal year an amount equal to a certain
percentage of the total earned compensation, as defined in Section
25-11-103, of each member. The percentage rate of those
contributions shall be fixed biennially by the board on the basis
of the liabilities of the retirement system for the various
allowances and benefits as shown by actuarial valuation. Beginning
January 1, 1990, the rate shall be fixed at nine and three-fourths
percent (9-3/4%). After a member has thirty-five (35) or more
years of creditable service in the Public Employees' Retirement
System as a result of service as a public school teacher, the
employer shall not make any additional payments into the
employer's accumulation account on behalf of the member under this
paragraph (1). Political subdivisions joining Article 3 of the
Public Employees' Retirement System after July 1, 1968, may adjust
the employer's contributions by agreement with the Board of
Trustees of the Public Employees' Retirement System to provide
service credits for any period before execution of the agreement
based upon an actuarial determination of employer's contribution rates.

(2) On the basis of regular interest and of such mortality and other tables as are adopted by the board of trustees, the actuary engaged by the board to make each valuation required by this article during the period over which the accrued liability contribution is payable, immediately after making that valuation, shall determine the uniform and constant percentage of the earnable compensation of each member which, if contributed by the employer on the basis of compensation of the member throughout his entire period of membership service, would be sufficient to provide for the payment of any retirement allowance payable on his account for that service. The percentage rate so determined shall be known as the "normal contribution rate." After the accrued liability contribution has ceased to be payable, the normal contribution rate shall be the percentage rate of the salary of all members obtained by deducting from the total liabilities on account of membership service the amount in the employer's accumulation account, and dividing the remainder by one percent (1%) of the present value of the prospective future salaries of all members as computed on the basis of the mortality and service tables adopted by the board of trustees and regular interest. The normal rate of contributions shall be determined by the actuary after each valuation.

(3) The total amount payable in each year to the employer's accumulation account shall not be less than the sum of the percentage rate known as the "normal contribution" rate and the "accrued liability contribution" rate of the total compensation earnable by all members during the preceding year, provided that the payment by the employer shall be sufficient, when combined with the amounts in the account, to provide the allowances and other benefits chargeable to this account during the year then current.
(4) The accrued liability contribution shall be discontinued as soon as the accumulated balance in the employer's accumulation account shall equal the present value, computed on the basis of the normal contribution rate then in force, or the prospective normal contributions to be received on account of all persons who are at that time members.

(5) All allowances and benefits in lieu thereof, with the exception of those payable on account of members who receive no prior service credit, payable from contributions of the employer, shall be paid from the employer's accumulation account.

(6) Upon the retirement of a member, an amount equal to his retirement allowance shall be transferred from the employer's accumulation account to the annuity reserve.

(d) Expense account. The expense account shall be the account to which the expenses of the administration of the system shall be charged, exclusive of amounts payable as retirement allowances and as other benefits provided herein. The Legislature shall make annual appropriations in amounts sufficient to administer the system, which shall be credited to this account. There shall be transferred to the State Treasury from this account, not less than once per month, an amount sufficient for payment of the estimated expenses of the system for the succeeding thirty (30) days. Any interest earned on the expense account shall accrue to the benefit of the system. However, notwithstanding the provisions of Sections 25-11-15(10) and 25-11-105(f)(5)E, all expenses of the administration of the system shall be paid from the interest earnings, provided the interest earnings are in excess of the actuarial interest assumption as determined by the board, and provided the present cost of the administrative expense fee of two percent (2%) of the contributions reported by the political subdivisions and instrumentalities shall be reduced to one percent (1%) from and
after July 1, 1983, through June 30, 1984, and shall be eliminated thereafter.

(e) **Collection of contributions.** The employer shall cause to be deducted on each and every payroll of a member for each and every payroll period, beginning subsequent to January 31, 1953, the contributions payable by the member as provided in Articles 1 and 3.

The employer shall make deductions from salaries of employees as provided in Articles 1 and 3 and shall transmit monthly, or at such time as the board of trusteesdesignates, the amount specified to be deducted to the Executive Director of the Public Employees' Retirement System. The executive director, after making a record of all those receipts, shall deposit such amounts as provided by law.

(f) Upon the basis of each actuarial valuation provided herein, the board of trustees shall biennially determine the normal contribution rate and the accrued liability contribution rate as provided in this section. The sum of these two (2) rates shall be known as the "employer's contribution rate." Beginning on earned compensation effective January 1, 1990, the rate computed as provided in this section shall be nine and three-fourths percent (9-3/4%). The percentage rate of those contributions shall be fixed biennially by the board on the basis of the liabilities of the retirement system for the various allowances and benefits as shown by actuarial valuation. After a member has thirty-five (35) or more years of creditable service in the Public Employees' Retirement System as a result of service as a public school teacher, the employer shall not make any additional employer's contributions on behalf of the member under this subsection (f).

The amount payable by the employer on account of normal and accrued liability contributions shall be determined by applying the employer's contribution rate to the amount of compensation...
earned by employees who are members of the system. Monthly, or at such time as the board of trustees designates, each department or agency shall compute the amount of the employer's contribution payable, with respect to the salaries of its employees who are members of the system, and shall cause that amount to be paid to the board of trustees from the personal service allotment of the amount appropriated for the operation of the department or agency, or from funds otherwise available to the agency, for the payment of salaries to its employees.

Once each year, under procedures established by the system, each employer shall submit to the Public Employees' Retirement System a copy of their report to Social Security of all employees' earnings.

The board shall provide by rules for the methods of collection of contributions of employers and members. The amounts determined due by an agency to the various funds as specified in Articles 1 and 3 are made obligations of the agency to the board and shall be paid as provided herein. Failure to deduct those contributions shall not relieve the employee and employer from liability thereof. Delinquent employee contributions and any accrued interest shall be the obligation of the employee and delinquent employer contributions and any accrued interest shall be the obligation of the employer. The employer may, in its discretion, elect to pay any or all of the interest on delinquent employee contributions. From and after July 1, 1996, under rules and regulations established by the board, all employers are authorized and shall transfer all funds due to the Public Employees' Retirement System electronically and shall transmit any wage or other reports by computerized reporting systems.

SECTION 2. Section 25-11-109, Mississippi Code of 1972, is amended as follows:

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

(2) In the computation of membership service or prior service under the provisions of this article, the total months of accumulative service during any fiscal year shall be calculated in accordance with the schedule as follows: ten (10) or more months of creditable service during any fiscal year shall constitute a year of creditable service; seven (7) months to nine (9) months inclusive, three-quarters (3/4) of a year of creditable service; four (4) months to six (6) months inclusive, one-half-year of creditable service; one (1) month to three (3) months inclusive, one-quarter (1/4) of a year of creditable service. In no case shall credit be allowed for any period of absence without compensation except for disability while in receipt of a disability retirement allowance, nor shall less than fifteen (15) days of service in any month, or service less than the equivalent of one-half (1/2) of the normal working load for the position and less than one-half (1/2) of the normal compensation for the position in any month, constitute a month of creditable service, nor shall more than one (1) year of service be creditable for all services rendered in any one (1) fiscal year; however, for a school employee, substantial completion of the legal school term when and where the service was rendered shall constitute a year of service credit for both prior service and membership service. Any
A state or local elected official shall be deemed a full-time employee for the purpose of creditable service for prior service or membership service. However, an appointed or elected official compensated on a per diem basis only shall not be allowed creditable service for terms of office.

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

In the computation of unused leave for creditable service authorized in Section 25-11-103, the following shall govern:

- Twenty-one (21) days of unused leave shall constitute one (1) month of creditable service and in no case shall credit be allowed for any period of unused leave of less than fifteen (15) days.
- The number of months of unused leave shall determine the number of quarters or years of creditable service in accordance with the above schedule for membership and prior service. In order for the member to receive creditable service for the number of days of unused leave, the system must receive certification from the governing authority.

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

(a) For service prior to July 1, 1984, the members shall receive credit for leave (combined personal and major medical) for service as an elected official prior to that date at the rate of thirty (30) days per year.
(b) For service on and after July 1, 1984, the member shall receive credit for personal and major medical leave beginning July 1, 1984, at the rates authorized in Sections 25-3-93 and 25-3-95, computed as a full-time employee.
Subject to the above restrictions and to such other rules and regulations as the board may adopt, the board shall verify, as soon as practicable after the filing of those statements of service, the services claimed in those statements.

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

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

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

(6) Anything in this article to the contrary notwithstanding, any member who served on active duty in the Armed Forces of the United States, or who served in maritime service during periods of hostility in World War II, shall be entitled to creditable service at no cost for his service on active duty in the Armed Forces or in that maritime service, provided he entered
state service after his discharge from the Armed Forces or entered state service after he completed that maritime service. The maximum period for that creditable service for all military service as defined in this subsection (6) shall not exceed four (4) years unless positive proof can be furnished by the person that he was retained in the Armed Forces during World War II or in maritime service during World War II by causes beyond his control and without opportunity of discharge. The member shall furnish proof satisfactory to the board of trustees of certification of military service or maritime service records showing dates of entrance into active duty service and the date of discharge. From and after July 1, 1993, no creditable service shall be granted for any military service or maritime service to a member who qualifies for a retirement allowance in another public retirement system administered by the Board of Trustees of the Public Employees' Retirement System based in whole or in part on that military or maritime service. In no case shall the member receive creditable service if the member received a dishonorable discharge from the Armed Forces of the United States.

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

(i) The member pays the contributions he would have made to the retirement system if he had remained in membership service for the period of qualified military service based upon his salary at the time his membership service was interrupted;
(ii) The member returns to membership service within ninety (90) days of the end of his qualified military service; and
(iii) The employer at the time the member's service was interrupted and to which employment the member returns pays the contributions it would have made into the retirement system for that period based on the member's salary at the time the service was interrupted.

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

(c) The member shall furnish proof satisfactory to the board of trustees of certification of military service showing dates of entrance into qualified service and the date of discharge as well as proof that the member has returned to active employment within the time specified.

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

(a) The member shall furnish proof satisfactory to the board of trustees of certification of such services from the state, public education system, political subdivision or retirement system of the state where the services were performed.
or the governing entity of the American overseas dependent school
where the services were performed; and
(b) The member is not receiving or will not be entitled
to receive from the public retirement system of the other state or
from any other retirement plan, including optional retirement
plans, sponsored by the employer, a retirement allowance including
those services; and
(c) The member shall pay to the retirement system on
the date he or she is eligible for credit for such out-of-state
service or at any time thereafter prior to date of retirement the
actuarial cost as determined by the actuary for each year of
out-of-state creditable service. The provisions of this
subsection are subject to the limitations of Section 415 of the
Internal Revenue Code and regulations promulgated thereunder.
(9) Any member of the Public Employees' Retirement System
who has at least four (4) years of membership service credit and
who receives, or has received, professional leave without
compensation for professional purposes directly related to the
employment in state service shall receive creditable service for
the period of professional leave without compensation provided:
(a) The professional leave is performed with a public
institution or public agency of this state, or another state or
federal agency;
(b) The employer approves the professional leave
showing the reason for granting the leave and makes a
determination that the professional leave will benefit the
employee and employer;
(c) Such professional leave shall not exceed two (2)
years during any ten-year period of state service;
(d) The employee shall serve the employer on a
full-time basis for a period of time equivalent to the
professional leave period granted immediately following the
termination of the leave period;
(e) The contributing member shall pay to the retirement system the actuarial cost as determined by the actuary for each year of professional leave. The provisions of this subsection are subject to the regulations of the Internal Revenue Code limitations;

(f) Such other rules and regulations consistent with this subsection (9) as the board may adopt and in case of question, the board shall have final power to decide the questions.

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

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

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

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

(c) Any service rendered as an employee of any political subdivision of this state, or any instrumentality thereof, for which coverage of the employee's position was or is excluded; provided that the member pays into the retirement system the actuarial cost as determined by the actuary for each year, or portion thereof, of that service. Payment for that service may be made in increments of one-quarter-year of creditable service.

After a member has made full payment to the retirement system for
all or any part of that service, the member shall receive creditable service for the period of that service for which full payment has been made to the retirement system.

(11) Any member who has thirty (30) or more years of creditable service in the Public Employees' Retirement System as a result of service as a public school teacher shall continue to earn creditable service for service as a teacher in excess of thirty (30) years, even though employee's contributions are no longer being made to the retirement system by the member. In addition, any member who has thirty-five (35) or more years of creditable service in the Public Employees' Retirement System as a result of service as a public school teacher shall continue to earn creditable service for service as a teacher in excess of thirty-five (35) years, even though employer's contributions are no longer being made to the retirement system by the employer on behalf of the member.

SECTION 3. Section 37-19-7, Mississippi Code of 1972, is amended as follows:

37-19-7. (1) This section shall be known and may be cited as the Mississippi "Teacher Opportunity Program (TOP)." The allowance in the minimum education program and the Mississippi Adequate Education Program for teachers' salaries in each county and separate school district shall be determined and paid in accordance with the scale for teachers' salaries as provided in this subsection. For teachers holding the following types of licenses or the equivalent as determined by the State Board of Education, and the following number of years of teaching experience, the scale shall be as follows:

2001-2002 School Year

Less Than 25 Years of Teaching Experience

AAAA............................................. $ 26,290.00
AAA................................................ 25,440.00
AA................................................. 24,590.00
### 2002-2003 School Year

#### Less Than 25 Years of Teaching Experience

<table>
<thead>
<tr>
<th>Type</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>$27,850.00</td>
</tr>
<tr>
<td>AAA</td>
<td>$27,000.00</td>
</tr>
<tr>
<td>AA</td>
<td>$26,150.00</td>
</tr>
<tr>
<td>A</td>
<td>$24,700.00</td>
</tr>
</tbody>
</table>

#### 25 or More Years of Teaching Experience

<table>
<thead>
<tr>
<th>Type</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>$29,850.00</td>
</tr>
<tr>
<td>AAA</td>
<td>$29,000.00</td>
</tr>
<tr>
<td>AA</td>
<td>$28,150.00</td>
</tr>
<tr>
<td>A</td>
<td>$26,700.00</td>
</tr>
</tbody>
</table>

### 2003-2004 School Year

#### Less Than 25 Years of Teaching Experience

<table>
<thead>
<tr>
<th>Type</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>$29,550.00</td>
</tr>
<tr>
<td>AAA</td>
<td>$28,700.00</td>
</tr>
<tr>
<td>AA</td>
<td>$27,850.00</td>
</tr>
<tr>
<td>A</td>
<td>$26,000.00</td>
</tr>
</tbody>
</table>

#### 25 or More Years of Teaching Experience

<table>
<thead>
<tr>
<th>Type</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA</td>
<td>$31,550.00</td>
</tr>
<tr>
<td>AAA</td>
<td>$30,700.00</td>
</tr>
</tbody>
</table>
The State Board of Education shall revise the salary scale prescribed above for the 2003-2004 school year to conform to any adjustments made to the salary scale in the prior fiscal year due to revenue growth over and above five percent (5%). For each one percent (1%) that the Sine Die General Fund Revenue Estimate Growth exceeds five percent (5%) for fiscal year 2004, as certified by the Legislative Budget Office to the State Board of Education and subject to specific appropriation therefor by the Legislature, the State Board of Education shall revise the salary scale to provide an additional one percent (1%) across the board increase in the base salaries for each type of license.

**2004-2005 School Year**

**Less Than 25 Years of Teaching Experience**

<table>
<thead>
<tr>
<th>Type</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAAA</td>
<td>$31,775.00</td>
</tr>
<tr>
<td>AAA</td>
<td>$30,850.00</td>
</tr>
<tr>
<td>AA</td>
<td>$29,925.00</td>
</tr>
<tr>
<td>A</td>
<td>$28,000.00</td>
</tr>
</tbody>
</table>

**25 or More Years of Teaching Experience**

<table>
<thead>
<tr>
<th>Type</th>
<th>Salary</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAAA</td>
<td>$33,775.00</td>
</tr>
<tr>
<td>AAA</td>
<td>$32,850.00</td>
</tr>
<tr>
<td>AA</td>
<td>$31,925.00</td>
</tr>
<tr>
<td>A</td>
<td>$30,000.00</td>
</tr>
</tbody>
</table>

The State Board of Education shall revise the salary scale prescribed above for the 2004-2005 school year to conform to any adjustments made to the salary scale in prior fiscal years due to revenue growth over and above five percent (5%). For each one percent (1%) that the Sine Die General Fund Revenue Estimate Growth exceeds five percent (5%) for fiscal year 2005, as certified by the Legislative Budget Office to the State Board of Education and subject to specific appropriation therefor by the Legislature, the State Board of Education shall revise the salary scale to provide an additional one percent (1%) across the board increase in the base salaries for each type of license.
scale to provide an additional one percent (1%) across the board increase in the base salaries for each type of license.

2005-2006 School Year and School Years Thereafter

Less Than 25 Years of Teaching Experience

AAA............................................... $ 34,000.00
AAA................................................ 33,000.00
AA................................................. 32,000.00
A.................................................. 30,000.00

25 or More Years of Teaching Experience

AAA............................................... $ 36,000.00
AAA................................................ 35,000.00
AA................................................. 34,000.00
A.................................................. 32,000.00

The State Board of Education shall revise the salary scale prescribed above for the 2005-2006 school year to conform to any adjustments made to the salary scale in prior fiscal years due to revenue growth over and above five percent (5%). For each one percent (1%) that the Sine Die General Fund Revenue Estimate Growth exceeds five percent (5%) for fiscal year 2006, as certified by the Legislative Budget Office to the State Board of Education and subject to specific appropriation therefor by the Legislature, the State Board of Education shall revise the salary scale to provide an additional one percent (1%) across the board increase in the base salaries for each type of license.

It is the intent of the Legislature that any state funds made available for salaries of licensed personnel in excess of the funds paid for those salaries for the 1986-1987 school year shall be paid to licensed personnel under a personnel appraisal and compensation system implemented by the State Board of Education. The State Board of Education shall have the authority to adopt and amend rules and regulations as are necessary to establish, administer and maintain the system.
All teachers employed on a full-time basis shall be paid a minimum salary in accordance with the above scale. However, no school district shall receive any funds under this section for any school year during which the local supplement paid to any individual teacher shall have been reduced to a sum less than that paid to that individual teacher for performing the same duties from local supplement during the immediately preceding school year. The amount actually spent for the purposes of group health and/or life insurance shall be considered as a part of the aggregate amount of local supplement but shall not be considered a part of the amount of individual local supplement.

2001-2002 School Year Annual Increment

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

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

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

For teachers holding a Class A license, the minimum base pay specified in this subsection shall be increased by the sum of Four Hundred Thirty-five Dollars ($435.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-one (21) years of teaching experience.
For teachers holding a Class AAAA license, the minimum base pay specified in this subsection shall be increased by the sum of Six Hundred Eighty-five Dollars ($685.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class AAA license, the minimum base pay specified in this subsection shall be increased by the sum of Six Hundred Twenty Dollars ($620.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class AA license, the minimum base pay specified in this subsection shall be increased by the sum of Five Hundred Fifty-five Dollars ($555.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class A license, the minimum base pay specified in this subsection shall be increased by the sum of Four Hundred Forty-five Dollars ($445.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-two (22) years of teaching experience.

2003-2004 School Year Annual Increment

For teachers holding a Class AAAA license, the minimum base pay specified in this subsection shall be increased by the sum of Seven Hundred Ten Dollars ($710.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class AAA license, the minimum base pay specified in this subsection shall be increased by the sum of Six Hundred Forty-five Dollars ($645.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.
For teachers holding a Class AA license, the minimum base pay specified in this subsection shall be increased by the sum of Five Hundred Eighty Dollars ($580.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class A license, the minimum base pay specified in this subsection shall be increased by the sum of Four Hundred Fifty-five Dollars ($455.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-three (23) years of teaching experience.

**2004-2005 School Year Annual Increment**

For teachers holding a Class AAAA license, the minimum base pay specified in this subsection shall be increased by the sum of Seven Hundred Forty Dollars ($740.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class AAA license, the minimum base pay specified in this subsection shall be increased by the sum of Six Hundred Seventy-five Dollars ($675.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class AA license, the minimum base pay specified in this subsection shall be increased by the sum of Six Hundred Ten Dollars ($610.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class A license, the minimum base pay specified in this subsection shall be increased by the sum of Four Hundred Sixty-five Dollars ($465.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-four (24) years of teaching experience.

**2005-2006 School Year**
and School Years Thereafter Annual Increments

For teachers holding a Class AAAA license, the minimum base pay specified in this subsection shall be increased by the sum of Seven Hundred Seventy Dollars ($770.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class AAA license, the minimum base pay specified in this subsection shall be increased by the sum of Seven Hundred Five Dollars ($705.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class AA license, the minimum base pay specified in this subsection shall be increased by the sum of Six Hundred Forty Dollars ($640.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-five (25) years of teaching experience.

For teachers holding a Class A license, the minimum base pay specified in this subsection shall be increased by the sum of Four Hundred Eighty Dollars ($480.00) for each year of teaching experience possessed by the person holding that license until the person has twenty-four (24) years of teaching experience.

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

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

(i) Any licensed teacher who has met the requirements and acquired a Master Teacher certificate from the National Board for Professional Teaching Standards and who is
employed by a local school board or the State Board of Education as a teacher and not as an administrator. The teacher shall submit documentation to the State Department of Education that the certificate was received before October 15 in order to be eligible for the full salary supplement in the current school year, or the teacher shall submit that documentation to the State Department of Education before February 15 in order to be eligible for a prorated salary supplement beginning with the second term of the school year.

(ii) Any licensed school counselor who has met the requirements and acquired a National Certified School Counselor (NCSC) endorsement from the National Board of Certified Counselors and who is employed by a local school board or the State Board of Education as a counselor and not as an administrator. The licensed school counselor shall submit documentation to the State Department of Education that the endorsement was received before October 15 in order to be eligible for the full salary supplement in the current school year, or the licensed school counselor shall submit that documentation to the State Department of Education before February 15 in order to be eligible for a prorated salary supplement beginning with the second term of the school year. However, the salary supplement authorized under this item shall be discontinued two (2) years after the date on which the National Board for Professional Teaching Standards offers a certification process for a Master Teacher certificate for school counselors, and any school counselor receiving the salary supplement will be required to complete the Master Teacher certificate process under item (i) of this paragraph in order to continue receiving the salary supplement.

(iii) Any licensed speech-language pathologist and audiologist who has met the requirements and acquired a Certificate of Clinical Competence from the American Speech-Language-Hearing Association and who is employed by a local
school board. The licensed speech-language pathologist and audiologist shall submit documentation to the State Department of Education that the certificate or endorsement was received before October 15 in order to be eligible for the full salary supplement in the current school year, or the licensed speech-language pathologist and audiologist shall submit that documentation to the State Department of Education before February 15 in order to be eligible for a prorated salary supplement beginning with the second term of the school year. However, the salary supplement authorized under this item shall be discontinued two (2) years after the date on which the National Board for Professional Teaching Standards offers a certification process for a Master Teacher certificate for school speech-language pathologists and audiologists, and any school speech-language pathologist and audiologist receiving the salary supplement will be required to complete the Master Teacher certificate process under item (i) of this paragraph in order to continue receiving the salary supplement.

(b) An employee shall be reimbursed one (1) time for the actual cost of completing the process of acquiring the certificate or endorsement, excluding any costs incurred for postgraduate courses, not to exceed Five Hundred Dollars ($500.00) for a school counselor or speech-language pathologist and audiologist, regardless of whether or not the process resulted in the award of the certificate or endorsement. A local school district or any private individual or entity may pay the cost of completing the process of acquiring the certificate or endorsement for any employee of the school district described under paragraph (a), and the State Department of Education shall reimburse the school district for that cost, regardless of whether or not the process resulted in the award of the certificate or endorsement. If a private individual or entity has paid the cost of completing the process of acquiring the certificate or endorsement for an
employee, the local school district may agree to directly reimburse the individual or entity for that cost on behalf of the employee.

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

(d) The State Department of Education may not pay any process reimbursement to a school district for an employee who does not complete the certification or endorsement process required to be eligible for the certificate or endorsement. If an employee for whom that cost has been paid in full or in part by a local school district or private individual or entity fails to complete the certification or endorsement process, the employee shall be liable to the school district or individual or entity for all amounts paid by the school district or individual or entity on behalf of that employee toward his or her certificate or endorsement.

(3) In addition to the salary that a teacher receives under subsections (1) and (2) of this section, any teacher who has thirty-five (35) or more years of creditable service in the Public Employees' Retirement System as a result of service as a teacher shall receive an additional payment each month from the school district in which the teacher is employed. The additional payment shall be a sum equal to that percentage of the teacher's salary
that otherwise would be subject to the employer's contribution to the retirement system under Section 25-11-123.

SECTION 4. This act shall take effect and be in force from and after July 1, 2002.