AN ACT TO CREATE NEW SECTION 25-11-126, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT CERTAIN PERSONS RECEIVING A RETIREMENT ALLOWANCE FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO ARE EMPLOYED AS TEACHERS IN THE PUBLIC SCHOOL SYSTEM AFTER THEIR RETIREMENT, AND CERTAIN PERSONS EMPLOYED AS TEACHERS IN THE PUBLIC SCHOOL SYSTEM WHO ARE ELIGIBLE TO RECEIVE A RETIREMENT ALLOWANCE FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM, MAY RECEIVE A RETIREMENT ALLOWANCE DURING THEIR EMPLOYMENT AS TEACHERS IN ADDITION TO RECEIVING A TEACHER'S SALARY; TO PROVIDE THAT THOSE PERSONS SHALL NOT BE CONTRIBUTING MEMBERS OF THE RETIREMENT SYSTEM NOR RECEIVE ANY CREDITABLE SERVICE FOR THE PERIOD DURING WHICH THEY RECEIVE A RETIREMENT ALLOWANCE DURING THEIR EMPLOYMENT AS TEACHERS; TO AMEND SECTIONS 25-11-103, 25-11-105 AND 25-11-127, MISSISSIPPI CODE OF 1972, IN CONFORMITY WITH THE PROVISIONS OF THIS ACT; TO AMEND SECTION 37-19-7, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE TEACHERS' SALARIES OF THOSE PERSONS SHALL BE EQUAL TO THE AMOUNT OF THE SALARY THAT THEY RECEIVED DURING THE SCHOOL YEAR IMMEDIATELY PRECEDING THE DATE OF THEIR RETIREMENT OR THE DATE THAT CURRENT TEACHERS BEGAN RECEIVING A RETIREMENT ALLOWANCE; TO PROVIDE THAT THE TEACHERS' SALARIES OF THOSE PERSONS SHALL NOT INCLUDE ANY INCREASE IN THE SALARIES FOR TEACHING EXPERIENCE OBTAINED AFTER THE DATE OF THEIR EMPLOYMENT AS TEACHERS AFTER THEIR RETIREMENT OR THE DATE THAT CURRENT TEACHERS BEGAN RECEIVING A RETIREMENT ALLOWANCE; AND FOR RELATED PURPOSES.

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

SECTION 1. The following shall be codified as Section 25-11-126, Mississippi Code of 1972:

25-11-126. (1) (a) Any person who has completed twenty-five (25) or more years of creditable service and is receiving a retirement allowance under this article, who was employed as a teacher in the public school system at the time of his retirement and who is employed as a teacher in the public school system after his retirement, may choose to continue receiving the retirement allowance under this article during his employment as a teacher after his retirement in addition to receiving the salary authorized under Section 37-19-7(3), in the manner provided in this section.
(b) Any person who is employed as a teacher in the public school system who completes twenty-five (25) or more years of creditable service during his employment as a teacher may choose to receive a retirement allowance under this article during his employment as a teacher in the public school system in addition to receiving the salary authorized under Section 37-19-7(3), in the manner provided in this section.

(2) Any person described in subsection (1)(a) of this section shall notify the executive director of the retirement system, before being employed as a teacher in the public school system after his retirement, about his choice on continuing to receive the retirement allowance during his employment as a teacher. If the person chooses not to continue receiving the retirement allowance during his employment as a teacher, the retirement allowance shall cease on the day that he begins employment as a teacher after his retirement. After the person leaves employment as a teacher that he began after his retirement, in order to begin receiving a retirement allowance under this article again, the person shall make application to the executive director of the retirement system, and the retirement allowance shall begin on the first of the month following the date that the application is received by the executive director.

(3) Any person described in subsection (1)(b) who chooses to receive a retirement allowance during his employment as a teacher in the public school system shall make application to the executive director of the retirement system, and the retirement allowance shall begin on the first of the month following the date that the application is received by the executive director. Those persons shall not be required to withdraw from service in order to receive the retirement allowance.

(4) Any person to whom this section applies who receives or continues to receive a retirement allowance under this article during his employment as a teacher shall not be a contributing
member of the retirement system nor receive any creditable service for the period during which he receives a retirement allowance during his employment as a teacher. Any person to whom this section applies who chooses not to receive a retirement allowance during his employment as a teacher shall be a contributing member of the retirement system and shall receive creditable service for the period during which he is employed as a teacher without receiving a retirement allowance. If the person has previously received a retirement allowance under this article and he is employed as a teacher for more than six (6) months without receiving a retirement allowance, he shall have his allowance recomputed when he retires again, which shall include the service after he again became a contributing member of the retirement system.

SECTION 2. Section 25-11-103, Mississippi Code of 1972, is amended as follows:

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

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

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

(c) "Actuarial equivalent" shall mean a benefit of equal value to the accumulated contributions, annuity or benefit, as the case may be, when computed upon the basis of such mortality tables as shall be adopted by the board of trustees, and regular interest.
(d) "Actuarial tables" shall mean such tables of mortality and rates of interest as shall be adopted by the board in accordance with the recommendation of the actuary.

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

(f) "Average compensation" shall mean the average of the four (4) highest years of earned compensation reported for an employee in a fiscal or calendar year period, or combination thereof which do not overlap, or the last forty-eight (48) consecutive months of earned compensation reported for an employee. The four (4) years need not be successive or joined years of service. In no case shall the average compensation so determined be in excess of One Hundred Twenty-five Thousand Dollars ($125,000.00). In computing the average compensation, any amount paid in a lump sum for personal leave shall be included in the calculation to the extent that such amount does not exceed an amount which is equal to thirty (30) days of earned compensation and to the extent that it does not cause the employees' earned compensation to exceed the maximum reportable amount specified in Section 25-11-103(k); provided, however, that such thirty-day limitation shall not prevent the inclusion in the calculation of leave earned under federal regulations prior to July 1, 1976, and frozen as of that date as referred to in Section 25-3-99. Only the amount of lump sum pay for personal leave due and paid upon the death of a member attributable for up to one hundred fifty (150) days shall be used in the deceased member's average compensation calculation in determining the beneficiary's benefits. In computing the average compensation, no amounts shall be used which are in excess of the amount on which contributions were required and paid. If any member who is or has been granted any increase in annual salary or compensation of more than eight percent (8%) retires within twenty-four (24) months from the date that such increase becomes effective, then the board shall exclude
that part of the increase in salary or compensation that exceeds eight percent (8%) in calculating that member's average compensation for retirement purposes. The board may enforce this provision by rule or regulation. However, increases in compensation in excess of eight percent (8%) per year granted within twenty-four (24) months of the date of retirement may be included in such calculation of average compensation if satisfactory proof is presented to the board showing that the increase in compensation was the result of an actual change in the position held or services rendered, or that such compensation increase was authorized by the State Personnel Board or was increased as a result of statutory enactment, and the employer furnishes an affidavit stating that such increase granted within the last twenty-four (24) months was not contingent on a promise or agreement of the employee to retire. Nothing in Section 25-3-31 shall affect the calculation of the average compensation of any member for the purposes of this article. The average compensation of any member who retires before July 1, 1992, shall not exceed the annual salary of the Governor.

(g) "Beneficiary" shall mean any person entitled to receive a retirement allowance, an annuity or other benefit as provided by Articles 1 and 3. In the event of the death prior to retirement of any member whose spouse and/or children are not entitled to a retirement allowance on the basis that the member has less than four (4) years of service credit and/or has not been married for a minimum of one (1) year or the spouse has waived his or her entitlement to a retirement allowance pursuant to Section 25-11-114, the lawful spouse of a member at the time of the death of such member shall be the beneficiary of such member unless the member has designated another beneficiary subsequent to the date of marriage in writing, and filed such writing in the office of the executive director of the board of trustees. No designation or change of beneficiary shall be made in any other manner.
(h) "Board" shall mean the board of trustees provided in Section 25-11-15 to administer the retirement system herein created.

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

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

(k) "Earned compensation" shall mean the full amount earned by an employee for a given pay period including any maintenance furnished up to a maximum of One Hundred Twenty-five Thousand Dollars ($125,000.00) per year, and proportionately for less than one (1) year of service. The value of such maintenance when not paid in money shall be fixed by the employing state agency, and, in case of doubt, by the board of trustees as defined in Section 25-11-15. In any case, earned compensation shall be limited to the regular periodic compensation paid, exclusive of litigation fees, bond fees, and other similar extraordinary nonrecurring payments. In addition, any member in a covered position, as defined by Public Employees' Retirement System laws...
and regulations, who is also employed by another covered agency or political subdivision shall have the earnings of that additional employment reported to the Public Employees' Retirement System regardless of whether the additional employment is sufficient in itself to be a covered position. In the case of fee officials, the net earnings from their office after deduction of expenses shall apply, except that in no case shall earned compensation be less than the total direct payments made by the state or governmental subdivisions to the official, and employer and employee contributions shall be paid thereon. In the case of members of the state Legislature, all remuneration or amounts paid, except mileage allowance, shall apply. The amount by which an eligible employee's salary is reduced pursuant to a salary reduction agreement authorized under Section 25-17-5 shall be included as earned compensation under this paragraph, provided this inclusion does not conflict with federal law, including federal regulations and federal administrative interpretations thereunder, pertaining to the Federal Insurance Contributions Act or to Internal Revenue Code Section 125 cafeteria plans. Compensation in addition to an employee's base salary that is paid to the employee pursuant to the vacation and sick leave policies of a municipality or other political subdivision of the state that employs him which exceeds the maximums authorized by Section 25-3-91 et seq., shall be excluded from the calculation of earned compensation under this article. The maximum salary applicable for retirement purposes before July 1, 1992, shall be the salary of the Governor. Nothing in Section 25-3-31 shall affect the determination of the earned compensation of any member for the purposes of this article.

(1) "Employee" means any person legally occupying a position in the state service, and shall include the employees of the retirement system created hereunder.
(m) "Employer" shall mean the State of Mississippi or any of its departments, agencies or subdivisions from which any employee receives his compensation.

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

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

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

(q) "Member" shall mean any person included in the membership of the system as provided in Section 25-11-105.

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

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

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

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

(v) "Retirement allowance" shall mean an annuity for
life as provided in this article, payable each year in twelve (12)
equal monthly installments beginning as of the date fixed by the
board. The retirement allowance shall be calculated in accordance
with Section 25-11-111. Provided, any spouse who received a
spouse retirement benefit in accordance with Section 25-11-111(d)
prior to March 31, 1971, and said benefits were terminated because
of eligibility for a social security benefit, may again receive
his spouse retirement benefit from and after making application
with the board of trustees to reinstate such spouse retirement
benefit.

(w) "Retroactive service" shall mean service rendered
after February 1, 1953, for which credit is allowable under
Section 25-11-105(b) and Section 25-11-105(k).
(x) "System" shall mean the Public Employees’ Retirement System of Mississippi established and described in Section 25-11-101.

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

(z) "State service" shall mean all offices and positions of trust or employment in the employ of the state, or any political subdivision or instrumentality thereof, which elect to participate as provided by Section 25-11-105(f), including the position of elected or fee officials of the counties and their deputies and employees performing public services or any department, independent agency, board or commission thereof, and shall also include all offices and positions of trust or employment in the employ of joint state and federal agencies administering state and federal funds and service rendered by employees of the public schools. Effective July 1, 1973, all nonprofessional public school employees, such as bus drivers, janitors, maids, maintenance workers and cafeteria employees, shall have the option to become members in accordance with Section 25-11-105(b), and shall be eligible to receive credit for services prior to July 1, 1973, provided the contributions and interest are paid by the employee in accordance with said section; provided, further, that the county or municipal separate school district may pay the employer contribution and pro rata share of interest of the retroactive service from available funds. From and after July 1, 1998, retroactive service credit shall be purchased at the actuarial cost in accordance with Section 25-11-105(b).

(aa) "Withdrawal from service" shall mean complete severance of employment in the state service of any member by resignation, dismissal or discharge, except in the case of persons who become eligible to receive a retirement allowance under this article and who choose to receive the retirement allowance during their employment as teachers as authorized by Section 25-11-126.
The masculine pronoun, wherever used, shall include the feminine pronoun.

SECTION 3. Section 25-11-105, Mississippi Code of 1972, is amended as follows:

25-11-105. I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP

The membership of this retirement system shall be composed as follows:

(a) All persons who shall become employees in the state service after January 31, 1953, and whose wages are subject to payroll taxes and are lawfully reported on IRS Form W-2, except (i) those persons who are specifically excluded, (ii) those persons as to whom election is provided in Articles 1 and 3, or (iii) those persons who choose to receive or continue receiving a retirement allowance during their employment as teachers as authorized by Section 25-11-126, shall become members of the retirement system as a condition of their employment.

(b) All persons who shall become employees in the state service after January 31, 1953, except those specifically excluded or as to whom election is provided in Articles 1 and 3, unless they shall file with the board prior to the lapse of sixty (60) days of employment or sixty (60) days after the effective date of the cited articles, whichever is later, on a form prescribed by the board, a notice of election not to be covered by the membership of the retirement system and a duly executed waiver of all present and prospective benefits which would otherwise inure to them on account of their participation in the system, shall become members of the retirement system; provided, however, that no credit for prior service will be granted to members until they have contributed to Article 3 of the retirement system for a minimum period of at least four (4) years. Such members shall receive credit for services performed prior to January 1, 1953, in employment now covered by Article 3, but no credit shall be granted for retroactive services between January 1, 1953, and the
date of their entry into the retirement system unless the employee pays into the retirement system both the employer's and the employee's contributions on wages paid him during the period from January 31, 1953, to the date of his becoming a contributing member, together with interest at the rate determined by the board of trustees. Members reentering after withdrawal from service shall qualify for prior service under the provisions of Section 25-11-117. From and after July 1, 1998, upon eligibility as noted above, the member may receive credit for such retroactive service provided:

(1) The member shall furnish proof satisfactory to the board of trustees of certification of such service from the covered employer where the services were performed; and

(2) The member shall pay to the retirement system on the date he or she is eligible for such credit or at any time thereafter prior to the date of retirement the actuarial cost for each year of such creditable service. The provisions of this subparagraph (2) shall be subject to the limitations of Section 415 of the Internal Revenue Code and regulations promulgated thereunder.

Nothing contained in this paragraph (b) shall be construed to limit the authority of the board to allow the correction of reporting errors or omissions based on the payment of the employee and employer contributions plus applicable interest.

(c) All persons who shall become employees in the state service after January 31, 1953, and who are eligible for membership in any other retirement system shall become members of this retirement system as a condition of their employment unless they elect at the time of their employment to become a member of such other system.

(d) All persons who are employees in the state service on January 31, 1953, and who are members of any nonfunded retirement system operated by the State of Mississippi, or any of
its departments or agencies, shall become members of this system
with prior service credit unless, before February 1, 1953, they
shall file a written notice with the board of trustees that they
do not elect to become members.

(e) All persons who are employees in the state service
on January 31, 1953, and who under existing laws are members of
any fund operated for the retirement of employees by the State of
Mississippi, or any of its departments or agencies, shall not be
entitled to membership in this retirement system unless, before
February 1, 1953, any such person shall indicate by a notice filed
with the board, on a form prescribed by the board, his individual
election and choice to participate in this system, but no such
person shall receive prior service credit unless he becomes a
member on or before February 1, 1953.

(f) Each political subdivision of the state and each
instrumentality of the state or a political subdivision, or both,
is hereby authorized to submit, for approval by the board of
trustees, a plan for extending the benefits of this article to
employees of any such political subdivision or instrumentality.
Each such plan or any amendment to the plan for extending benefits
thereof shall be approved by the board of trustees if it finds
that such plan, or such plan as amended, is in conformity with
such requirements as are provided in Articles 1 and 3; however,
upon approval of such plan or any such plan heretofore approved by
the board of trustees, the approved plan shall not be subject to
cancellation or termination by the political subdivision or
instrumentality, except that any community hospital serving a
municipality that joined the Public Employees' Retirement System
as of November 1, 1956, to offer social security coverage for its
employees and subsequently extended retirement annuity coverage to
its employees as of December 1, 1965, may, upon documentation of
extreme financial hardship, have future retirement annuity
coverage cancelled or terminated at the discretion of the board of trustees. No such plan shall be approved unless:

(1) It provides that all services which constitute employment as defined in Section 25-11-5 and are performed in the employ of the political subdivision or instrumentality, by any employees thereof, shall be covered by the plan; with the exception of municipal employees who are already covered by existing retirement plans; provided, however, those employees in this class may elect to come under the provisions of this article;

(2) It specifies the source or sources from which the funds necessary to make the payments required by paragraph (d) of Section 25-11-123 and of paragraph (f)(5)B and C of this section are expected to be derived and contains reasonable assurance that such sources will be adequate for such purpose;

(3) It provides for such methods of administration of the plan by the political subdivision or instrumentality as are found by the board of trustees to be necessary for the proper and efficient administration thereof;

(4) It provides that the political subdivision or instrumentality will make such reports, in such form and containing such information, as the board of trustees may from time to time require;

(5) It authorizes the board of trustees to terminate the plan in its entirety in the discretion of the board if it finds that there has been a failure to comply substantially with any provision contained in such plan, such termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the board and as may be consistent with applicable federal law.

A. The board of trustees shall not finally refuse to approve a plan submitted under paragraph (f), and shall not terminate an approved plan without reasonable notice and opportunity for hearing to each political subdivision or
instrumentality affected thereby. The board's decision in any such case shall be final, conclusive and binding unless an appeal be taken by the political subdivision or instrumentality aggrieved thereby to the Circuit Court of Hinds County, Mississippi, in accordance with the provisions of law with respect to civil causes by certiorari.

B. Each political subdivision or instrumentality as to which a plan has been approved under this section shall pay into the contribution fund, with respect to wages (as defined in Section 25-11-5), at such time or times as the board of trustees may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement entered into by the board.

C. Every political subdivision or instrumentality required to make payments under paragraph (f)(5)B hereof is authorized, in consideration of the employees' retention in or entry upon employment after enactment of Articles 1 and 3, to impose upon its employees, as to services which are covered by an approved plan, a contribution with respect to wages (as defined in Section 25-11-5) not exceeding the amount provided in Section 25-11-123(d) if such services constituted employment within the meaning of Articles 1 and 3, and to deduct the amount of such contribution from the wages as and when paid. Contributions so collected shall be paid into the contribution fund as partial discharge of the liability of such political subdivisions or instrumentalities under paragraph (f)(5)B hereof. Failure to deduct such contribution shall not relieve the employee or employer of liability thereof.

D. Any state agency, school, political subdivision, instrumentality or any employer that is required to submit contribution payments or wage reports under any section of this chapter shall be assessed interest on delinquent payments or wage reports as determined by the board of trustees in accordance
with rules and regulations adopted by the board and such assessed
interest may be recovered by action in a court of competent
jurisdiction against such reporting agency liable therefor or may,
on due certification of delinquency and at the request of the
board of trustees, be deducted from any other monies payable to
such reporting agency by any department or agency of the state.

E. Each political subdivision of the state
and each instrumentality of the state or a political subdivision
or subdivisions which submits a plan for approval of the board, as
provided in this section, shall reimburse the board for coverage
into the expense account, its pro rata share of the total expense
of administering Articles 1 and 3 as provided by regulations of
said board.

(g) The board may, in its discretion, deny the right of
membership in this system to any class of employees whose
compensation is only partly paid by the state or who are occupying
positions on a part-time or intermittent basis. The board may, in
its discretion, make optional with employees in any such classes
their individual entrance into this system.

(h) An employee whose membership in this system is
contingent on his own election, and who elects not to become a
member, may thereafter apply for and be admitted to membership;
but no such employee shall receive prior service credit unless he
becomes a member prior to July 1, 1953, except as provided in
paragraph (b).

(i) In the event any member of this system should
change his employment to any agency of the state having an
actuarially funded retirement system, the board of trustees may
authorize the transfer of the member's creditable service and of
the present value of the member's employer's accumulation account
and of the present value of the member's accumulated membership
collections to such other system, provided the employee agrees
to the transfer of his accumulated membership contributions and
provided such other system is authorized to receive and agrees to make such transfer.

In the event any member of any other actuarially funded system maintained by an agency of the state changes his employment to an agency covered by this system, the board of trustees may authorize the receipt of the transfer of the member's creditable service and of the present value of the member's employer's accumulation account and of the present value of the member's accumulated membership contributions from such other system, provided the employee agrees to the transfer of his accumulated membership contributions to this system and provided the other system is authorized and agrees to make such transfer.

(j) Wherever herein state employment is referred to, it shall include joint employment by state and federal agencies of all kinds.

(k) Employees of a political subdivision or instrumentality who were employed by such political subdivision or instrumentality prior to an agreement between such entity and the Public Employees' Retirement System to extend the benefits of this article to its employees, and which agreement provides for the establishment of retroactive service credit, and who have been members of the retirement system and have remained contributors to the retirement system for four (4) years, may receive credit for such retroactive service with such political subdivision or instrumentality, provided the employee and/or employer, as provided under the terms of the modification of the joinder agreement in allowing such coverage, pay into the retirement system the employer's and employee's contributions on wages paid the member during such previous employment, together with interest or actuarial cost as determined by the board covering the period from the date the service was rendered until the payment for the credit for such service was made. Such wages shall be verified by the Social Security Administration or employer payroll records.
Effective July 1, 1998, upon eligibility as noted above, a member may receive credit for such retroactive service with such political subdivision or instrumentality provided:

(1) The member shall furnish proof satisfactory to the board of trustees of certification of such services from the political subdivision or instrumentality where the services were rendered or verification by the Social Security Administration; and

(2) The member shall pay to the retirement system on the date he or she is eligible for such credit or at any time thereafter prior to the date of retirement the actuarial cost for each year of such creditable service. The provisions of this subparagraph (2) shall be subject to the limitations of Section 415 of the Internal Revenue Code and regulations promulgated thereunder.

Nothing contained in this paragraph (k) shall be construed to limit the authority of the board to allow the correction of reporting errors or omissions based on the payment of employee and employer contributions plus applicable interest. Payment for such time shall be made in increments of not less than one-quarter (1/4) year of creditable service beginning with the most recent service. Upon the payment of all or part of such required contributions, plus interest or the actuarial cost as provided above, the member shall receive credit for the period of creditable service for which full payment has been made to the retirement system.

(1) Through June 30, 1998, any state service eligible for retroactive service credit, no part of which has ever been reported, and requiring the payment of employee and employer contributions plus interest, or, from and after July 1, 1998, any state service eligible for retroactive service credit, no part of which has ever been reported to the retirement system, and requiring the payment of the actuarial cost for such creditable
service, may, at the member's option, be purchased in quarterly
increments as provided above at such time as its purchase is
otherwise allowed.

(m) All rights to purchase retroactive service credit
or repay a refund as provided in Section 25-11-101 et seq. shall
terminate upon retirement.

II. THOSE WHO ARE NOT ELIGIBLE FOR MEMBERSHIP

The following classes of employees and officers shall not
become members of this retirement system, any other provisions of
Articles 1 and 3 to the contrary notwithstanding:

(a) Patient or inmate help in state charitable, penal
or correctional institutions;

(b) Students of any state educational institution
employed by any agency of the state for temporary, part-time or
intermittent work;

(c) Participants of Comprehensive Employment and
Training Act of 1973 (CETA) being Public Law 93-203, who enroll on
or after July 1, 1979.

III. TERMINATION OF MEMBERSHIP

Membership in this system shall cease by a member withdrawing
his accumulated contributions, or by a member withdrawing from
active service with a retirement allowance, or by a member's
death.

SECTION 4. Section 25-11-127, Mississippi Code of 1972, is
amended as follows:

25-11-127. (1) No person who is being paid a retirement
allowance or a pension after retirement under this article shall
be employed or paid for any service by the State of Mississippi,
except as provided in this section or in Section 25-11-126. This
section shall not apply to any pensioner who has been elected to
public office after retirement, nor to any person employed because
of special knowledge or experience. This section shall not be
construed to mean that any person employed or elected under the
above exceptions shall become a member under Article 3 of the retirement system, nor shall any retiree of this retirement system who is reemployed or is reelected to office after retirement continue to draw retirement benefits while so reemployed or reelected except those persons who choose to continue receiving a retirement allowance during their employment as teachers as authorized by Section 25-11-126.

(2) Any person who has been retired under the provisions of Articles 1 and 3 and who is later reemployed in service covered by this article shall cease to receive benefits hereunder unless he chooses to continue receiving a retirement allowance during his employment as a teacher as authorized by Section 25-11-126, and the person shall again become a contributing member of the retirement system; and when the person retires again, if he has been a contributing member of the retirement system during his reemployment and his reemployment exceeds six (6) months, he shall have his or her benefit recomputed, including service after again becoming a member, provided that the total retirement allowance paid to the retired member in his or her previous retirement shall be deducted from the member's retirement reserve and taken into consideration in recalculating the retirement allowance under a new option selected.

(3) Nothing contained in this section shall be construed as prohibiting any county or city not a member of the Public Employees' Retirement System from employing persons up to the age of seventy-three (73); and provided further, that, through June 30, 1988, nothing contained in this section shall be construed as prohibiting any governmental unit that is a member from employing persons up to the age of seventy-three (73) who are not eligible for membership at the time of employment under Article 3.

(4) The board of trustees of the retirement system shall have the right to prescribe rules and regulations for carrying out the provisions of this section.
(5) The provisions of this section shall not be construed to prohibit any retiree, regardless of age, from being employed and drawing a retirement allowance either:

(a) For a period of time not to exceed one-half (1/2) of the normal working days for the position in any fiscal year during which the retiree will receive no more than one-half (1/2) of the salary in effect for the position at the time of employment, or

(b) For a period of time in any fiscal year sufficient in length to permit a retiree to earn not in excess of twenty-five percent (25%) of retiree's average compensation.

To determine the normal working days for a position under paragraph (a) of this subsection, the employer shall determine the required number of working days for the position on a full-time basis and the equivalent number of hours representing the full-time position. The retiree then may work up to one-half (1/2) of the required number of working days or up to one-half (1/2) of the equivalent number of hours and receive up to one-half (1/2) of the salary for the position. In the case of employment with multiple employers, the limitation shall equal one-half (1/2) of the number of days or hours for a single full-time position.

Notice shall be given in writing to the executive director of the system, setting forth the facts upon which the employment is being made, and the notice shall be given within five (5) days from the date of employment and also from the date of termination of the employment.

(6) Any member who has attained seventy (70) years of age and who has forty (40) or more years of creditable service may continue in office or employment or be reemployed or elected, provided that the person files annually, in writing, in the office of the employer and the office of the executive director of the system before those services, a waiver of all salary or compensation and elects to receive in lieu of that salary or
compensation a retirement allowance as provided in this section, in which event no salary or compensation shall thereafter be due or payable for those services. However, any such officer or employee may receive, in addition to the retirement allowance, any per diem, office expense allowance, mileage or travel expense authorized by any statute of the State of Mississippi.

(7) Any member may continue in municipal or county office or employment or be reemployed or elected in a municipality or county, provided that the person files annually, in writing, in the office of the employer and the office of the executive director of the system before those services, a waiver of all salary or compensation and elects to receive in lieu of that salary or compensation a retirement allowance as provided in this section, in which event no salary or compensation shall thereafter be due or payable for those services. However, any such officer or employee may receive, in addition to the retirement allowance, any per diem, office expense allowance, mileage or travel expense authorized by any statute of the State of Mississippi.

SECTION 5. 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
A.................................................. 23,540.00

25 or More Years of Teaching Experience

AAAA............................................. $ 27,790.00
AAA................................................ 26,940.00
AA............................................... 26,090.00
A.................................................. 25,040.00

2002-2003 School Year

Less Than 25 Years of Teaching Experience

AAAA............................................. $ 27,850.00
AAA................................................ 27,000.00
AA............................................... 26,150.00
A.................................................. 24,700.00

25 or More Years of Teaching Experience

AAAA............................................. $ 29,850.00
AAA................................................ 29,000.00
AA............................................... 28,150.00
A.................................................. 26,700.00

For each one percent (1%) that the Sine Die General Fund Revenue Estimate Growth exceeds five percent (5%) for fiscal year 2003, 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.

2003-2004 School Year

Less Than 25 Years of Teaching Experience

AAAA............................................. $ 29,550.00
AAA................................................ 28,700.00
AA............................................... 27,850.00
A.................................................. 26,000.00

25 or More Years of Teaching Experience
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

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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.
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.

2005-2006 School Year and School Years Thereafter

Less Than 25 Years of Teaching Experience

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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 such salaries for the 1986-1987 school year shall be paid to licensed personnel pursuant to 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 such license until such
person shall have 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 such license
until such person shall have 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 such license until such
person shall have 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 such license until such person shall have twenty-one (21) years of teaching experience.

**2002-2003 School Year Annual Increment**

For teachers holding a Class AAA 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 such license until such person shall have 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 such license until such person shall have 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 such license until such person shall have 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 such license until such person shall have 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 such license until such person shall have 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 such license until such person shall have twenty-five (25) years of teaching experience.
experience possessed by the person holding such license until such person shall have 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 such license until such person shall have 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 such license until such person shall have twenty-three (23) years of teaching experience.

2004-2005 School Year Annual Increment

For teachers holding a Class AAA 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 such license until such person shall have 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 such license until such person shall have 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 such license until such person shall have 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.
experience possessed by the person holding such license until such
person shall have 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 such license until such
person shall have 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 such license until such
person shall have 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 such license until such
person shall have 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 such license until such
person shall have 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. Such teacher shall submit documentation to the State Department of Education that the certificate was received prior to October 15 in order to be eligible for the full salary supplement in the current school year, or the teacher shall submit such documentation to the State Department of Education prior to 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. Such licensed school counselor shall submit documentation to the State Department of Education that the endorsement was received prior to October 15 in order to be eligible for the full salary supplement in the current school year, or the licensed school counselor shall submit such documentation to the State Department of Education prior to 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 such 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. Such licensed speech-language pathologist and audiologist shall submit documentation to the State Department of Education that the certificate or endorsement was received prior to 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 such documentation to the State Department of Education prior to 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 such 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 such 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 such 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 such 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 such 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) (a) Notwithstanding any provision in this section to the contrary, any person who is receiving a retirement allowance from the Public Employees' Retirement System who is employed as a teacher after his retirement, and chooses to continue receiving...
the retirement allowance during his employment as a teacher after
his retirement, as authorized by subsection (1)(a) of Section
25-11-126, shall be paid a salary equal to the amount of the
salary that the person received during the school year immediately
preceding his retirement. No increase in the salary of any such
person shall be allowed for any teaching experience obtained after
the date of his employment as a teacher after his retirement.

(b) Notwithstanding any provision in this section to
the contrary, any person who is employed as a teacher and becomes
eligible to receive a retirement allowance from the Public
Employees' Retirement System during his employment as a teacher
who chooses to receive the retirement allowance during his
employment as a teacher, as authorized by subsection (1)(b) of
Section 25-11-126, shall be paid a salary equal to the amount of
the salary that the person received during the school year
immediately preceding the date that the person began receiving the
retirement allowance. No increase in the salary of any such
person shall be allowed for any teaching experience obtained after
the date that he began receiving the retirement allowance.

SECTION 6. This act shall take effect and be in force from
and after July 1, 2002.