

By: Representative Cameron

To: Appropriations

HOUSE BILL NO. 1124

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,
2 TO DELETE THE PROHIBITION ON MILITARY SERVICE BEING USED FOR
3 CREDIT IN MORE THAN ONE PUBLIC RETIREMENT SYSTEM ADMINISTERED BY
4 THE PUBLIC EMPLOYEES RETIREMENT SYSTEM; AND FOR RELATED PURPOSES.

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

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

8 25-11-109. (1) Under such rules and regulations as the
9 board of trustees shall adopt, each person who becomes a member of
10 this retirement system, as provided in Section 25-11-105, on or
11 prior to July 1, 1953, or who becomes a member and contributes to
12 the system for a minimum period of four (4) years, shall receive
13 credit for all state service rendered before February 1, 1953. To
14 receive such credit, such member shall file a detailed statement
15 of all services as an employee rendered by him in the state
16 service before February 1, 1953. For any member who joined the
17 system after July 1, 1953, any creditable service for which the
18 member is not required to make contributions shall not be credited
19 to the member until the member has contributed to the system for a
20 minimum period of at least four (4) years.

21 (2) In the computation of membership service or prior
22 service under the provisions of this article, the total months of
23 accumulative service during any fiscal year shall be calculated in
24 accordance with the schedule as follows: ten (10) or more months
25 of creditable service during any fiscal year shall constitute a
26 year of creditable service; seven (7) months to nine (9) months
27 inclusive, three-quarters (3/4) of a year of creditable service;
28 four (4) months to six (6) months inclusive, one-half-year of



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

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

54 In the computation of unused leave for creditable service
55 authorized in Section 25-11-103, the following shall govern:
56 twenty-one (21) days of unused leave shall constitute one (1)
57 month of creditable service and in no case shall credit be allowed
58 for any period of unused leave of less than fifteen (15) days.
59 The number of months of unused leave shall determine the number of
60 quarters or years of creditable service in accordance with the
61 above schedule for membership and prior service. In order for the



62 member to receive creditable service for the number of days of
63 unused leave, the system must receive certification from the
64 governing authority.

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

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

72 (b) For service on and after July 1, 1984, the member
73 shall receive credit for personal and major medical leave
74 beginning July 1, 1984, at the rates authorized in Sections
75 25-3-93 and 25-3-95, computed as a full-time employee.

76 (3) Subject to the above restrictions and to such other
77 rules and regulations as the board may adopt, the board shall
78 verify, as soon as practicable after the filing of such statements
79 of service, the services therein claimed.

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

91 When membership ceases, such prior service certificates shall
92 become void. Should the employee again become a member, he shall
93 enter the system as an employee not entitled to prior service



94 credit except as provided in Sections 25-11-105(I), 25-11-113 and
95 25-11-117.

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

102 (6) Any member who served on active duty in the Armed Forces
103 of the United States, who served in the Commissioned Corps of the
104 United States Public Health Service prior to 1972 or who served in
105 maritime service during periods of hostility in World War II,
106 shall be entitled to creditable service at no cost for his service
107 on active duty in the Armed Forces, in the Commissioned Corps of
108 the United States Public Health Service prior to 1972 or in such
109 maritime service, provided he entered state service after his
110 discharge from the Armed Forces or entered state service after he
111 completed such maritime service. The maximum period for such
112 creditable service for all military service as defined in this
113 subsection (6) shall not exceed four (4) years unless positive
114 proof can be furnished by such person that he was retained in the
115 Armed Forces during World War II or in maritime service during
116 World War II by causes beyond his control and without opportunity
117 of discharge. The member shall furnish proof satisfactory to the
118 board of trustees of certification of military service or maritime
119 service records showing dates of entrance into active duty service
120 and the date of discharge. * * * In no case shall the member
121 receive creditable service if the member received a dishonorable
122 discharge from the Armed Forces of the United States.

123 (7) (a) Any member of the Public Employees' Retirement
124 System whose membership service is interrupted as a result of
125 qualified military service within the meaning of Section 414(u)(5)
126 of the Internal Revenue Code, and who has received the maximum



127 service credit available under subsection (6) of this section,
128 shall receive creditable service for the period of qualified
129 military service that does not qualify as creditable service under
130 subsection (6) of this section upon reentering membership service
131 in an amount not to exceed five (5) years if:

132 (i) The member pays the contributions he would
133 have made to the retirement system if he had remained in
134 membership service for the period of qualified military service
135 based upon his salary at the time his membership service was
136 interrupted;

137 (ii) The member returns to membership service
138 within ninety (90) days of the end of his qualified military
139 service; and

140 (iii) The employer at the time the member's
141 service was interrupted and to which employment the member returns
142 pays the contributions it would have made into the retirement
143 system for such period based on the member's salary at the time
144 the service was interrupted.

145 (b) The payments required to be made in paragraph
146 (a) (i) of this subsection may be made over a period beginning with
147 the date of return to membership service and not exceeding three
148 (3) times the member's qualified military service; however, in no
149 event shall such period exceed five (5) years.

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

155 (8) Any member of the Public Employees' Retirement System
156 who has at least four (4) years of membership service credit shall
157 be entitled to receive a maximum of five (5) years creditable
158 service for service rendered in another state as a public employee
159 of such other state, or a political subdivision, public education



160 system or other governmental instrumentality thereof, or service
161 rendered as a teacher in American overseas dependent schools
162 conducted by the Armed Forces of the United States for children of
163 citizens of the United States residing in areas outside the
164 continental United States, provided that:

165 (a) The member shall furnish proof satisfactory to the
166 board of trustees of certification of such services from the
167 state, public education system, political subdivision or
168 retirement system of the state where the services were performed
169 or the governing entity of the American overseas dependent school
170 where the services were performed; and

171 (b) The member is not receiving or will not be entitled
172 to receive from the public retirement system of the other state or
173 from any other retirement plan, including optional retirement
174 plans, sponsored by the employer, a retirement allowance including
175 such services; and

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

183 (9) Any member of the Public Employees' Retirement System
184 who has at least four (4) years of membership service credit and
185 who receives, or has received, professional leave without
186 compensation for professional purposes directly related to the
187 employment in state service shall receive creditable service for
188 the period of professional leave without compensation provided:

189 (a) The professional leave is performed with a public
190 institution or public agency of this state, or another state or
191 federal agency;



192 (b) The employer approves the professional leave
193 showing the reason for granting the leave and makes a
194 determination that the professional leave will benefit the
195 employee and employer;

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

198 (d) The employee shall serve the employer on a
199 full-time basis for a period of time equivalent to the
200 professional leave period granted immediately following the
201 termination of the leave period;

202 (e) The contributing member shall pay to the retirement
203 system the actuarial cost as determined by the actuary for each
204 year of professional leave. The provisions of this subsection are
205 subject to the regulations of the Internal Revenue Code
206 limitations;

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

210 Any actively contributing member participating in the School
211 Administrator Sabbatical Program established in Section 37-9-77
212 shall qualify for continued participation under this subsection
213 (9).

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

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

222 (b) Any service rendered as an employee of any
223 political subdivision of this state, or any instrumentality



224 thereof, which participates in the Public Employees' Retirement
225 System but did not elect retroactive coverage; or

226 (c) Any service rendered as an employee of any
227 political subdivision of this state, or any instrumentality
228 thereof, for which coverage of the employee's position was or is
229 excluded; provided that the member pays into the retirement system
230 the actuarial cost as determined by the actuary for each year, or
231 portion thereof, of such service. Payment for such service may be
232 made in increments of one-quarter-year of creditable service.
233 After a member has made full payment to the retirement system for
234 all or any part of such service, the member shall receive
235 creditable service for the period of such service for which full
236 payment has been made to the retirement system.

237 **SECTION 2.** This act shall take effect and be in force from
238 and after July 1, 2003.

