

By: Representative Shows

To: Local and Private  
Legislation

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1656

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 LAUREL, MISSISSIPPI, TO ESTABLISH THE PAYMENT OF AN ADDITIONAL  
3 PAYMENT EACH YEAR TO RETIRED MEMBERS OF THE CITY OF LAUREL FIRE  
4 AND POLICE DISABILITY AND RELIEF FUND WHO ARE AGE 60 OR OLDER AND  
5 BENEFICIARIES THEREOF; TO PROVIDE THAT THE AMOUNT OF THE  
6 ADDITIONAL PAYMENT WILL BE EQUAL TO TWO PERCENT COMPOUNDED BY THE  
7 NUMBER OF FULL FISCAL YEARS THAT THE RETIRED MEMBER OR BENEFICIARY  
8 HAS ACTUALLY DRAWN RETIREMENT BENEFITS, MULTIPLIED BY THE AMOUNT  
9 OF THE ANNUAL RETIREMENT ALLOWANCE, NOT TO EXCEED A TOTAL OF THREE  
10 YEARS; TO PROVIDE THAT PAYMENT OF THE ADDITIONAL PAYMENTS MAY NOT  
11 BE ESTABLISHED UNLESS THE DISABILITY AND RELIEF FUND CURRENTLY IS  
12 ACTUARIALLY SOUND AND WILL REMAIN ACTUARIALLY SOUND IF THE  
13 ADDITIONAL PAYMENTS ARE MADE; AND FOR RELATED PURPOSES.

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

15 **SECTION 1.** (1) Subject to the provisions of subsection (3)  
16 of this section, the governing authorities of the City of Laurel,  
17 Mississippi, in their discretion, are authorized to establish the  
18 payment of one (1) additional payment each year to retired members  
19 of the City of Laurel Fire and Police Disability and Relief Fund  
20 who are age sixty (60) or older, or beneficiaries thereof, who are  
21 receiving a retirement or disability allowance under any provision  
22 of Section 21-29-101 et seq., Mississippi Code of 1972, and who  
23 have received monthly retirement or disability payments for at  
24 least one (1) full fiscal year, from July 1 through June 30. The  
25 additional payments shall be made from monies accumulated in the  
26 City of Laurel Fire and Police Disability and Relief Fund. The  
27 additional payment authorized under this section shall be paid in  
28 one (1) payment on December 1, 2003, and on the first day of  
29 December in every year thereafter, except as otherwise provided by  
30 subsection (5) of this section.

31 (2) For members who are retired on July 1, 2003, and are age  
32 sixty (60) or older, the amount of the additional payment will be



33 equal to two percent (2%) compounded by the number of full fiscal  
34 years after June 30, 2002, that the retired member or beneficiary  
35 thereof has actually drawn retirement or disability payments,  
36 multiplied by the amount of the annual retirement or disability  
37 allowance, not to exceed a total of three (3) years. For all  
38 other retired members, the amount of the additional payment will  
39 be equal to two percent (2%) compounded by the number of full  
40 fiscal years after the June 30 immediately preceding the retired  
41 member's sixtieth birthday that the retired member or beneficiary  
42 thereof has actually drawn retirement or disability payments,  
43 multiplied by the amount of the annual retirement or disability  
44 allowance, not to exceed a total of three (3) years. The  
45 calculation of the beneficiary's additional payment under this  
46 section shall be based on the retired member's age and full fiscal  
47 years in retirement as if the retired member had lived.

48 (3) The additional payments authorized under this section  
49 shall not be made unless:

50 (a) The City of Laurel Fire and Police Disability and  
51 Relief Fund is actuarially sound, as shown by the most recent  
52 actuarial study required by Section 21-29-119, Mississippi Code of  
53 1972; and

54 (b) The disability and relief fund will remain  
55 actuarially sound if the additional payments authorized under this  
56 section are made, as shown by a certified statement from the  
57 actuarial firm that prepared the most recent actuarial study.

58 (4) The Board of Trustees of the Public Employees'  
59 Retirement System shall make the additional payments to the  
60 persons authorized and entitled to receive the additional  
61 payments, after all of the following conditions have been met:

62 (a) The governing authorities of the City of Laurel  
63 must adopt a resolution to establish the additional payments  
64 authorized under this section and transmit the resolution to the  
65 board of trustees;



66           (b) The advisory board provided for in Section  
67 21-29-105, Mississippi Code of 1972, must adopt a resolution  
68 supporting the establishment of the additional payments and  
69 transmit the resolution to the board of trustees; and

70           (c) The board of trustees must receive the resolutions  
71 from the governing authorities and advisory board, and receive the  
72 most recent actuarial study of the disability and relief fund and  
73 the certified statement from the actuarial firm that the fund will  
74 remain actuarially sound if the additional payments are made.

75           (5) If the City of Laurel Fire and Police Disability and  
76 Relief Fund sustains actuarial losses in future years that would  
77 make the disability and relief fund actuarially unsound if the  
78 payments authorized under this section are continued, the  
79 governing authorities of the City of Laurel shall increase the  
80 millage rate as necessary for the disability and relief fund to be  
81 actuarially sound, or shall reduce the amount of the additional  
82 payments. The additional payments shall be made each year unless  
83 the authorization for the payment is rescinded, discontinued or  
84 otherwise modified by the governing authorities of the City of  
85 Laurel.

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

