

By: Representatives Ishee, Fredericks,  
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(116th)

To: Local and Private  
Legislation

COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 1660

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF  
2 GULFPORT TO ESTABLISH THE PAYMENT OF AN ADDITIONAL BENEFIT EACH  
3 YEAR TO ALL RETIRED MEMBERS OF THE CITY OF GULFPORT DISABILITY AND  
4 RELIEF FUND FOR FIREMEN AND POLICEMEN OR BENEFICIARIES THEREOF WHO  
5 ARE RECEIVING A RETIREMENT ALLOWANCE; TO PROVIDE THAT THE  
6 ADDITIONAL BENEFIT SHALL BE BASED ON EACH FULL FISCAL YEAR AFTER  
7 JUNE 30, 2002, THAT THE MEMBER OR BENEFICIARY THEREOF HAS ACTUALLY  
8 DRAWN RETIREMENT PAYMENTS FROM THE DATE OF RETIREMENT; TO PROVIDE  
9 THAT THE AMOUNT OF THE ADDITIONAL BENEFIT WILL BE EQUAL TO THE  
10 ANNUAL PERCENTAGE CHANGE IN THE CONSUMER PRICE INDEX, BUT NOT MORE  
11 THAN 3% IN ANY ONE YEAR, MULTIPLIED BY THE ANNUAL RETIREMENT  
12 ALLOWANCE; TO PROVIDE THAT THE ADDITIONAL BENEFIT SHALL BE  
13 CUMULATIVE SO THAT NO RETIREE OR BENEFICIARY WILL RECEIVE AN  
14 ADDITIONAL BENEFIT IN ANY YEAR THAT IS LESS THAN THE ADDITIONAL  
15 BENEFIT RECEIVED IN THE PREVIOUS YEAR; TO PROVIDE THAT THE  
16 CUMULATIVE PERCENTAGE OF THE ADDITIONAL BENEFIT SHALL NOT EXCEED  
17 27%; TO PROVIDE THAT FOR THOSE MEMBERS WHO RETIRED BEFORE JULY 1,  
18 2001, AND BENEFICIARIES THEREOF, THE ADDITIONAL BENEFIT SHALL BE  
19 IN ADDITION TO THE ADDITIONAL PAYMENT RECEIVED IN FISCAL YEAR 2002  
20 UNDER THE PROVISIONS OF CHAPTER 926 OR 934, LOCAL AND PRIVATE LAWS  
21 OF 2001; TO PROVIDE THAT THE GOVERNING AUTHORITIES OF THE CITY OF  
22 GULFPORT MAY PROVIDE A ONE-TIME AD HOC INCREASE IN THE RETIREMENT  
23 ALLOWANCE OF ALL RETIREES OF THE CITY OF GULFPORT DISABILITY AND  
24 RELIEF FUND FOR FIREMEN AND POLICEMEN WHO RETIRED BEFORE SEPTEMBER  
25 1, 2001; TO PROVIDE THAT THE ADDITIONAL BENEFIT AND THE AD HOC  
26 BENEFIT INCREASE SHALL NOT BE MADE UNLESS THE DISABILITY AND  
27 RELIEF FUND CURRENTLY IS ACTUARIALLY SOUND AND WILL REMAIN  
28 ACTUARIALLY SOUND IF THE ADDITIONAL BENEFIT AND THE AD HOC BENEFIT  
29 INCREASE ARE MADE; AND FOR RELATED PURPOSES.

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

31 **SECTION 1.** (1) (a) Subject to the provisions of subsection  
32 (4) of this section, the governing authorities of the City of  
33 Gulfport, Mississippi, in their discretion, may establish the  
34 payment of an additional benefit each year, on December 1 or July  
35 1 of the year as provided in subsection (3) of this section, to  
36 all retired members of the City of Gulfport Disability and Relief  
37 Fund for Firemen and Policemen, or beneficiaries thereof, who are  
38 receiving a retirement or disability allowance under any provision  
39 of Section 21-29-101 et seq., Mississippi Code of 1972. The  
40 additional benefit shall be made from monies accumulated in the



41 City of Gulfport Disability and Relief Fund for Firemen and  
42 Policemen.

43 (b) In order to qualify for the additional benefit, the  
44 retiree or beneficiary must have received monthly retirement or  
45 disability payments for at least one (1) full fiscal year, from  
46 July 1 through June 30. The additional benefit shall be based on  
47 each full fiscal year after June 30, 2002, that the member or  
48 beneficiary thereof has actually drawn retirement or disability  
49 payments from the date of retirement.

50 (c) Beginning with fiscal year 2003, the amount of the  
51 additional benefit will be equal to the annual percentage change  
52 in the Consumer Price Index (CPI), as set by the United States  
53 Department of Labor, but not more than three percent (3%) in any  
54 one (1) year, multiplied by the annual retirement or disability  
55 allowance. The annual percentage change in the CPI shall be  
56 calculated using the greater of the change for the period from  
57 July 1 through June 30 of the fiscal year preceding payment of the  
58 additional benefit or the period from January 1 through December  
59 31 of the calendar year preceding payment in any fiscal year in  
60 which an additional benefit is payable. The additional benefit  
61 shall be cumulative so that no retiree or beneficiary will receive  
62 an additional benefit in any year that is less than the additional  
63 benefit received in the previous year. The cumulative percentage  
64 of the additional benefit provided for in this section shall not  
65 exceed twenty-seven percent (27%).

66 (d) For those members who retired before July 1, 2001,  
67 and beneficiaries thereof, the additional benefit provided for in  
68 this section shall be in addition to the additional payment  
69 received in fiscal year 2002 under the provisions of Chapter 926  
70 or 934, Local and Private Laws of 2001. However, those retired  
71 members and beneficiaries shall not earn any additional percentage  
72 under the provisions of Chapter 926 or 934, Local and Private Laws  
73 of 2001, for fiscal years in retirement after June 30, 2002. The



74 percentage of the additional payment made in fiscal year 2002  
75 under the provisions of Chapter 926 or 934, Local and Private Laws  
76 of 2001, shall be included in the total cumulative percentage  
77 calculation that those retired members and beneficiaries will  
78 receive beginning with the initial payment of the additional  
79 benefit under this section, but shall not be included in the  
80 twenty-seven percent (27%) limitation of paragraph (c) of this  
81 subsection.

82 (2) Subject to the provisions of subsection (4) of this  
83 section, the governing authorities of the City of Gulfport,  
84 Mississippi, in their discretion, may provide a one-time ad hoc  
85 increase in the retirement or disability allowance of all retirees  
86 of the City of Gulfport Disability and Relief Fund for Firemen and  
87 Policemen who retired before September 1, 2001, and beneficiaries  
88 thereof, in an amount equal to Two Dollars (\$2.00) per month for  
89 each year of service credit, or partial year thereof, used in the  
90 calculation of retirement benefits, plus Two Dollars (\$2.00) per  
91 month for each full fiscal year in retirement as of the date of  
92 payment. The fiscal year used in the calculation of the ad hoc  
93 increase shall be the fiscal year used by the City of Gulfport,  
94 which is from October 1 through September 30.

95 (3) The additional benefit authorized under subsection (1)  
96 of this section shall be paid in one (1) payment in December of  
97 each year to those persons who are receiving a retirement or  
98 disability allowance on December 1 of that year, unless an  
99 election is made under this subsection. Persons receiving a  
100 retirement or disability allowance on July 1 of the year may  
101 elect, by an irrevocable agreement in writing filed in the office  
102 of the Public Employees' Retirement System not later than thirty  
103 (30) days before July 1 of the year, to receive the additional  
104 benefit in not less than twelve (12) equal monthly installments  
105 each year beginning on July 1 of the year. This irrevocable  
106 agreement shall be binding on the retired member and any



107 subsequent beneficiaries. Payment of the monthly installments  
108 shall not extend beyond the month in which a retirement or  
109 disability allowance is due and payable. If a person who is  
110 receiving monthly installments dies with no surviving spouse or  
111 dependent child to receive monthly benefits, any remaining amounts  
112 shall be paid in a lump sum to the designated beneficiaries.

113 (4) The additional benefit and the ad hoc benefit increase  
114 authorized under this section shall not be made unless:

115 (a) The City of Gulfport Disability and Relief Fund for  
116 Firemen and Policemen is actuarially sound, as shown by the most  
117 recent actuarial study required by Section 21-29-119, Mississippi  
118 Code of 1972; and

119 (b) The disability and relief fund will remain  
120 actuarially sound if the additional benefit and ad hoc benefit  
121 increase authorized under this section are made, as shown by a  
122 certified statement from the actuarial firm that prepared the most  
123 recent actuarial study.

124 (5) The Board of Trustees of the Public Employees'  
125 Retirement System shall pay the additional benefit and ad hoc  
126 benefit increase to the persons authorized and entitled to receive  
127 the benefit and the increase, after all of the following  
128 conditions have been met:

129 (a) The governing authorities of the City of Gulfport  
130 must adopt a resolution to establish the additional benefit and  
131 the ad hoc benefit increase authorized under this section and  
132 transmit the resolution to the board of trustees;

133 (b) The advisory board provided for in Section  
134 21-29-105, Mississippi Code of 1972, must adopt a resolution  
135 supporting the establishment of the additional benefit and the ad  
136 hoc benefit increase and transmit the resolution to the board of  
137 trustees; and

138 (c) The board of trustees must receive the resolutions  
139 from the governing authorities and advisory board, and receive the



140 most recent actuarial study of the disability and relief fund and  
141 the certified statement from the actuarial firm that the fund will  
142 remain actuarially sound if the additional benefit and ad hoc  
143 benefit increase are made.

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

