

By: Representative Stringer

To: Appropriations

HOUSE BILL NO. 1376

1 AN ACT TO AMEND SECTION 25-11-117, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO PROVIDE A
3 TEMPORARY BENEFIT TO MEMBERS WHO HAVE APPLIED FOR DISABILITY
4 BENEFITS, TO BE PAID FROM THE MEMBER'S ACCUMULATED CONTRIBUTIONS;
5 AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 25-11-117, Mississippi Code of 1972, is
8 amended as follows:

9 25-11-117. (1) A member may be paid a refund of the amount
10 of accumulated contributions to the credit of the member in the
11 annuity savings account, provided that the member has withdrawn
12 from state service and * * * has not returned to state service on
13 the date the refund of the accumulated contributions would be
14 paid. That refund of the contributions to the credit of the
15 member in the annuity savings account shall be paid within ninety
16 (90) days from receipt in the office of the retirement system of
17 the properly completed form requesting the payment. In the event
18 of death before retirement of any member whose spouse and/or
19 children are not entitled to a retirement allowance, the
20 accumulated contributions to the credit of the deceased member in
21 the annuity savings account shall be paid to the designated
22 beneficiary on file in writing in the office of the executive
23 director of the board of trustees within ninety (90) days from
24 receipt of a properly completed form requesting the payment. If
25 there is no such designated beneficiary on file for the deceased
26 member in the office of the system, upon the filing of a proper
27 request with the board, the contributions to the credit of the
28 deceased member in the annuity savings account shall be refunded

29 pursuant to Section 25-11-117.1(1). The payment of the refund
30 shall discharge all obligations of the retirement system to the
31 member on account of any creditable service rendered by the member
32 prior to the receipt of the refund. By the acceptance of the
33 refund, the member shall waive and relinquish all accrued rights
34 in the system.

35 (2) Under the Unemployment Compensation Amendments of 1992
36 (Public Law 102-318 (UCA)), a member or the spouse of a member who
37 is an eligible beneficiary entitled to a refund under this section
38 may elect, on a form prescribed by the board under rules and
39 regulations established by the board, to have an eligible rollover
40 distribution of accumulated contributions payable under this
41 section paid directly to an eligible retirement plan, as defined
42 under applicable federal law, or an individual retirement account.
43 If the member or the spouse of a member who is an eligible
44 beneficiary makes that election and specifies the eligible
45 retirement plan or individual retirement account to which the
46 distribution is to be paid, the distribution will be made in the
47 form of a direct trustee-to-trustee transfer to the specified
48 eligible retirement plan. Flexible rollovers under this
49 subsection shall not be considered assignments under Section
50 25-11-129.

51 (3) If any person who has received a refund reenters the
52 state service and again becomes a member of the system, the member
53 may repay all or part of the amounts previously received as a
54 refund, together with regular interest covering the period from
55 the date of refund to the date of repayment; * * * however, * * *
56 the amounts that are repaid by the member and the creditable
57 service related thereto shall not be used in any benefit
58 calculation or determination until the member has remained a
59 contributor to the system for a period of at least four (4) years
60 after the member's reentry into state service. Repayment for that
61 time shall be made in increments of not less than one-quarter

62 (1/4) year of creditable service beginning with the most recent
63 service for which refund has been made. Upon the repayment of all
64 or part of that refund and interest, the member shall again
65 receive credit for the period of creditable service for which full
66 repayment has been made to the system.

67 (4) (a) In order to provide a source of income to members
68 who have applied for disability benefits under Sections 25-11-113
69 or 25-11-114, the board may provide, at the employee's election, a
70 temporary benefit to be paid from the member's accumulated
71 contributions, if any, without forfeiting the right to pursue
72 disability benefits, provided that the member has exhausted all
73 personal and medical leave and has terminated his or her
74 employment. The board may prescribe rules and regulations for
75 carrying out the provisions of this subsection (4).

76 (b) If a member who has elected to receive temporary
77 benefits under this subsection later applies for a refund of his
78 or her accumulated contributions, all amounts paid under this
79 subsection shall be deducted from the accumulated contributions
80 and the balance will be paid to the member. If a member who has
81 elected to receive temporary benefits under this subsection is
82 later approved for a disability retirement allowance, and a
83 service retirement allowance or survivor benefits are paid on the
84 account, the board shall adjust the benefits in such a manner that
85 no more than the actuarial equivalent of the benefits to which the
86 member or beneficiary was or is entitled shall be paid.

87 (c) The board may study, develop and propose a
88 disability benefit structure, including short and long term
89 disability benefits, provided that it is the actuarial equivalent
90 of the benefits currently provided in Sections 25-11-113 or
91 25-11-114.

92 **SECTION 2.** This act shall take effect and be in force from
93 and after July 1, 2004.