

By: Senator(s) Carmichael, King, Chamberlin, Chaney, Nunnelee, Flowers, Lee (35th), Harden, Williamson, Butler, Jackson (11th) To: Finance

COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 2600

1 AN ACT TO CREATE NEW SECTION 25-11-126, MISSISSIPPI CODE OF
2 1972, TO PROVIDE THAT CERTAIN PERSONS RECEIVING A RETIREMENT
3 ALLOWANCE FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO ARE
4 EMPLOYED AS TEACHERS IN THE PUBLIC SCHOOL SYSTEM AFTER THEIR
5 RETIREMENT MAY RECEIVE A RETIREMENT ALLOWANCE DURING THEIR
6 EMPLOYMENT AS TEACHERS IN ADDITION TO RECEIVING A TEACHER'S
7 SALARY; TO PROVIDE CONDITIONS FOR SUCH EMPLOYMENT; TO AMEND
8 SECTIONS 25-11-103, 25-11-105, 25-11-123 AND 25-11-127,
9 MISSISSIPPI CODE OF 1972, IN CONFORMITY WITH THE PROVISIONS OF
10 THIS ACT; TO AMEND SECTION 37-19-7, MISSISSIPPI CODE OF 1972, TO
11 PROVIDE CERTAIN LIMITATIONS ON THE TEACHERS' SALARIES OF THOSE
12 PERSONS; AND FOR RELATED PURPOSES.

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

14 **SECTION 1.** The following shall be codified as Section
15 25-11-126, Mississippi Code of 1972:

16 25-11-126. (1) Any person who has been receiving a
17 retirement allowance under this article for at least one (1) year
18 and who has at least thirty (30) years of creditable service and
19 who is employed as a teacher in the public school system after his
20 retirement, may choose to continue receiving the retirement
21 allowance under this article during his employment as a teacher
22 after his retirement in addition to receiving the salary
23 authorized under Section 37-19-7(3), under the following
24 conditions:

25 (a) The retired member holds any teacher's professional
26 license or certificate as may be required in Section 37-3-2.

27 (b) The superintendent of schools of the employing
28 school district certifies in writing to the Executive Director of
29 the Public Employees' Retirement System and the State
30 Superintendent of Education that the retired member has the
31 requisite experience, training and expertise for the position to
32 be filled and that no other qualified persons are available to

33 fill the position and there exists an active teacher recruitment
34 program in the employing school district;

35 (c) The State Superintendent of Education certifies in
36 writing to the system that the employing school system serves an
37 area that lacks qualified teachers to serve in the position to be
38 filled;

39 (d) Such retired member shall not be eligible to accrue
40 additional retirement benefits and shall not be a contributing
41 member of the system;

42 (e) The retired member's appointment to serve as
43 teacher cannot exceed one (1) year. The retired member may be
44 reappointed to additional one-year periods provided the conditions
45 contained in this section are met for each such reappointment,
46 including the certifications required in paragraphs (b) and (c) of
47 this section; however, a retired member may not be employed under
48 this section for more than three (3) consecutive years.

49 (2) To fund the additional pension liability created by this
50 act, the State Department of Education is directed to transfer to
51 the Mississippi Public Employees' Retirement System the following
52 funds: Minimum and adequate education program funds of local
53 school districts that on or after July 1, 2004, hire retired
54 members as teachers pursuant to the provisions of this act and
55 other funds which would have otherwise been payable to the
56 agencies had the agencies not taken advantage of the provisions of
57 this section. The crediting of assets and financing shall follow
58 the provisions of Section 25-11-123.

59 (3) This section shall stand repealed from and after July 1,
60 2006.

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

63 **[Through June 30, 2006, this section shall read as follows:]**

64 25-11-103. The following words and phrases as used in
65 Articles 1 and 3, unless a different meaning is plainly required
66 by the context, shall have the following meanings:

67 (a) "Accumulated contributions" shall mean the sum of
68 all the amounts deducted from the compensation of a member and
69 credited to his individual account in the annuity savings account,
70 together with regular interest thereon as provided in Section
71 25-11-123.

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

76 (c) "Actuarial equivalent" shall mean a benefit of
77 equal value to the accumulated contributions, annuity or benefit,
78 as the case may be, when computed upon the basis of such mortality
79 tables as shall be adopted by the board of trustees, and regular
80 interest.

81 (d) "Actuarial tables" shall mean such tables of
82 mortality and rates of interest as shall be adopted by the board
83 in accordance with the recommendation of the actuary.

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

86 (f) "Average compensation" shall mean the average of
87 the four (4) highest years of earned compensation reported for an
88 employee in a fiscal or calendar year period, or combination
89 thereof which do not overlap, or the last forty-eight (48)
90 consecutive months of earned compensation reported for an
91 employee. The four (4) years need not be successive or joined
92 years of service. In no case shall the average compensation so
93 determined be in excess of One Hundred Fifty Thousand Dollars
94 (\$150,000.00). In computing the average compensation, any amount
95 paid in a lump sum for personal leave shall be included in the
96 calculation to the extent that such amount does not exceed an

97 amount which is equal to thirty (30) days of earned compensation
98 and to the extent that it does not cause the employees' earned
99 compensation to exceed the maximum reportable amount specified in
100 Section 25-11-103(k); however, this thirty-day limitation shall
101 not prevent the inclusion in the calculation of leave earned under
102 federal regulations prior to July 1, 1976, and frozen as of that
103 date as referred to in Section 25-3-99. Only the amount of lump
104 sum pay for personal leave due and paid upon the death of a member
105 attributable for up to one hundred fifty (150) days shall be used
106 in the deceased member's average compensation calculation in
107 determining the beneficiary's benefits. In computing the average
108 compensation, no amounts shall be used which are in excess of the
109 amount on which contributions were required and paid. If any
110 member who is or has been granted any increase in annual salary or
111 compensation of more than eight percent (8%) retires within
112 twenty-four (24) months from the date that such increase becomes
113 effective, then the board shall exclude that part of the increase
114 in salary or compensation that exceeds eight percent (8%) in
115 calculating that member's average compensation for retirement
116 purposes. The board may enforce this provision by rule or
117 regulation. However, increases in compensation in excess of eight
118 percent (8%) per year granted within twenty-four (24) months of
119 the date of retirement may be included in such calculation of
120 average compensation if satisfactory proof is presented to the
121 board showing that the increase in compensation was the result of
122 an actual change in the position held or services rendered, or
123 that such compensation increase was authorized by the State
124 Personnel Board or was increased as a result of statutory
125 enactment, and the employer furnishes an affidavit stating that
126 such increase granted within the last twenty-four (24) months was
127 not contingent on a promise or agreement of the employee to
128 retire. Nothing in Section 25-3-31 shall affect the calculation
129 of the average compensation of any member for the purposes of this

130 article. The average compensation of any member who retires
131 before July 1, 1992, shall not exceed the annual salary of the
132 Governor.

133 (g) "Beneficiary" shall mean any person entitled to
134 receive a retirement allowance, an annuity or other benefit as
135 provided by Articles 1 and 3. In the event of the death prior to
136 retirement of any member whose spouse and/or children are not
137 entitled to a retirement allowance on the basis that the member
138 has less than four (4) years of service credit and/or has not been
139 married for a minimum of one (1) year or the spouse has waived his
140 or her entitlement to a retirement allowance pursuant to Section
141 25-11-114, the lawful spouse of a member at the time of the death
142 of such member shall be the beneficiary of such member unless the
143 member has designated another beneficiary subsequent to the date
144 of marriage in writing, and filed such writing in the office of
145 the executive director of the board of trustees. No designation
146 or change of beneficiary shall be made in any other manner.

147 (h) "Board" shall mean the board of trustees provided
148 in Section 25-11-15 to administer the retirement system herein
149 created.

150 (i) "Creditable service" shall mean "prior service,"
151 "retroactive service" and all lawfully credited unused leave not
152 exceeding the accrual rates and limitations provided in Section
153 25-3-91 et seq., as of the date of withdrawal from service plus
154 "membership service" for which credit is allowable as provided in
155 Section 25-11-109. Except to limit creditable service reported to
156 the system for the purpose of computing an employee's retirement
157 allowance or annuity or benefits provided in this article, nothing
158 in this paragraph shall limit or otherwise restrict the power of
159 the governing authority of a municipality or other political
160 subdivision of the state to adopt such vacation and sick leave
161 policies as it deems necessary.

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

168 (k) "Earned compensation" shall mean the full amount
169 earned by an employee for a given pay period including any
170 maintenance furnished up to a maximum of One Hundred Fifty
171 Thousand Dollars (\$150,000.00) per year, and proportionately for
172 less than one (1) year of service. The value of such maintenance
173 when not paid in money shall be fixed by the employing state
174 agency, and, in case of doubt, by the board of trustees as defined
175 in Section 25-11-15. In any case, earned compensation shall be
176 limited to the regular periodic compensation paid, exclusive of
177 litigation fees, bond fees, and other similar extraordinary
178 nonrecurring payments. In addition, any member in a covered
179 position, as defined by Public Employees' Retirement System laws
180 and regulations, who is also employed by another covered agency or
181 political subdivision shall have the earnings of that additional
182 employment reported to the Public Employees' Retirement System
183 regardless of whether the additional employment is sufficient in
184 itself to be a covered position. In addition, computation of
185 earned compensation shall be governed by the following:

186 (i) In the case of constables, the net earnings
187 from their office after deduction of expenses shall apply, except
188 that in no case shall earned compensation be less than the total
189 direct payments made by the state or governmental subdivisions to
190 the official.

191 (ii) In the case of chancery or circuit clerks,
192 the net earnings from their office after deduction of expenses
193 shall apply as expressed in Section 25-11-123(f)(4).

194 (iii) In the case of members of the State
195 Legislature, all remuneration or amounts paid, except mileage
196 allowance, shall apply.

197 (iv) The amount by which an eligible employee's
198 salary is reduced pursuant to a salary reduction agreement
199 authorized under Section 25-17-5 shall be included as earned
200 compensation under this paragraph, provided this inclusion does
201 not conflict with federal law, including federal regulations and
202 federal administrative interpretations thereunder, pertaining to
203 the Federal Insurance Contributions Act or to Internal Revenue
204 Code Section 125 cafeteria plans.

205 (v) Compensation in addition to an employee's base
206 salary that is paid to the employee pursuant to the vacation and
207 sick leave policies of a municipality or other political
208 subdivision of the state that employs him which exceeds the
209 maximums authorized by Section 25-3-91 et seq. shall be excluded
210 from the calculation of earned compensation under this article.

211 (vi) The maximum salary applicable for retirement
212 purposes before July 1, 1992, shall be the salary of the Governor.

213 (vii) Nothing in Section 25-3-31 shall affect the
214 determination of the earned compensation of any member for the
215 purposes of this article.

216 (1) "Employee" means any person legally occupying a
217 position in the state service, and shall include the employees of
218 the retirement system created hereunder.

219 (m) "Employer" shall mean the State of Mississippi or
220 any of its departments, agencies or subdivisions from which any
221 employee receives his compensation.

222 (n) "Executive director" shall mean the secretary to
223 the board of trustees, as provided in Section 25-11-15(9), and the
224 administrator of the Public Employees' Retirement System and all
225 systems under the management of the board of trustees. Wherever
226 the term "Executive Secretary of the Public Employees' Retirement

227 System" or "executive secretary" appears in this article or in any
228 other provision of law, it shall be construed to mean the
229 Executive Director of the Public Employees' Retirement System.

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

233 (p) "Medical board" shall mean the board of physicians
234 or any governmental or nongovernmental disability determination
235 service designated by the board of trustees that is qualified to
236 make disability determinations as provided for in Section
237 25-11-119.

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

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

242 (s) "Position" means any office or any employment in
243 the state service, or two (2) or more of them, the duties of which
244 call for services to be rendered by one (1) person, including
245 positions jointly employed by federal and state agencies
246 administering federal and state funds. The employer shall
247 determine upon initial employment and during the course of
248 employment of an employee who does not meet the criteria for
249 coverage in the Public Employees' Retirement System based on the
250 position held, whether the employee is or becomes eligible for
251 coverage in the Public Employees' Retirement System based upon any
252 other employment in a covered agency or political subdivision. If
253 or when the employee meets the eligibility criteria for coverage
254 in such other position, then the employer must withhold
255 contributions and report wages from the noncovered position in
256 accordance with the provisions for reporting of earned
257 compensation. Failure to deduct and report those contributions
258 shall not relieve the employee or employer of liability thereof.

259 The board shall adopt such rules and regulations as necessary to
260 implement and enforce this provision.

261 (t) "Prior service" shall mean service rendered before
262 February 1, 1953, for which credit is allowable under Sections
263 25-11-105 and 25-11-109, and which shall allow prior service for
264 any person who is now or becomes a member of the Public Employees'
265 Retirement System and who does contribute to the system for a
266 minimum period of four (4) years.

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

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

280 (w) "Retroactive service" shall mean service rendered
281 after February 1, 1953, for which credit is allowable under
282 Section 25-11-105(b) and Section 25-11-105(k).

283 (x) "System" shall mean the Public Employees'
284 Retirement System of Mississippi established and described in
285 Section 25-11-101.

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

288 (z) "State service" shall mean all offices and
289 positions of trust or employment in the employ of the state, or
290 any political subdivision or instrumentality thereof, which elect
291 to participate as provided by Section 25-11-105(f), including the

292 position of elected or fee officials of the counties and their
293 deputies and employees performing public services or any
294 department, independent agency, board or commission thereof, and
295 shall also include all offices and positions of trust or
296 employment in the employ of joint state and federal agencies
297 administering state and federal funds and service rendered by
298 employees of the public schools. Effective July 1, 1973, all
299 nonprofessional public school employees, such as bus drivers,
300 janitors, maids, maintenance workers and cafeteria employees,
301 shall have the option to become members in accordance with Section
302 25-11-105(b), and shall be eligible to receive credit for services
303 before July 1, 1973, provided that the contributions and interest
304 are paid by the employee in accordance with that section; in
305 addition, the county or municipal separate school district may pay
306 the employer contribution and pro rata share of interest of the
307 retroactive service from available funds. From and after July 1,
308 1998, retroactive service credit shall be purchased at the
309 actuarial cost in accordance with Section 25-11-105(b).

310 (aa) "Withdrawal from service" or "termination from
311 service" shall mean complete severance of employment in the state
312 service of any member by resignation, dismissal or discharge,
313 except in the case of persons who become eligible to receive a
314 retirement allowance under this article and who choose to receive
315 the retirement allowance during their employment as teachers as
316 authorized by Section 25-11-126.

317 (bb) The masculine pronoun, wherever used, shall
318 include the feminine pronoun.

319 **[From and after July 1, 2006, this section shall read as**
320 **follows:]**

321 25-11-103. The following words and phrases as used in
322 Articles 1 and 3, unless a different meaning is plainly required
323 by the context, shall have the following meanings:

324 (a) "Accumulated contributions" shall mean the sum of
325 all the amounts deducted from the compensation of a member and
326 credited to his individual account in the annuity savings account,
327 together with regular interest thereon as provided in Section
328 25-11-123.

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

333 (c) "Actuarial equivalent" shall mean a benefit of
334 equal value to the accumulated contributions, annuity or benefit,
335 as the case may be, when computed upon the basis of such mortality
336 tables as shall be adopted by the board of trustees, and regular
337 interest.

338 (d) "Actuarial tables" shall mean such tables of
339 mortality and rates of interest as shall be adopted by the board
340 in accordance with the recommendation of the actuary.

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

343 (f) "Average compensation" shall mean the average of
344 the four (4) highest years of earned compensation reported for an
345 employee in a fiscal or calendar year period, or combination
346 thereof which do not overlap, or the last forty-eight (48)
347 consecutive months of earned compensation reported for an
348 employee. The four (4) years need not be successive or joined
349 years of service. In no case shall the average compensation so
350 determined be in excess of One Hundred Fifty Thousand Dollars
351 (\$150,000.00). In computing the average compensation, any amount
352 paid in a lump sum for personal leave shall be included in the
353 calculation to the extent that such amount does not exceed an
354 amount which is equal to thirty (30) days of earned compensation
355 and to the extent that it does not cause the employees' earned
356 compensation to exceed the maximum reportable amount specified in

357 Section 25-11-103(k); however, this thirty-day limitation shall
358 not prevent the inclusion in the calculation of leave earned under
359 federal regulations prior to July 1, 1976, and frozen as of that
360 date as referred to in Section 25-3-99. Only the amount of
361 lump-sum pay for personal leave due and paid upon the death of a
362 member attributable for up to one hundred fifty (150) days shall
363 be used in the deceased member's average compensation calculation
364 in determining the beneficiary's benefits. In computing the
365 average compensation, no amounts shall be used which are in excess
366 of the amount on which contributions were required and paid. If
367 any member who is or has been granted any increase in annual
368 salary or compensation of more than eight percent (8%) retires
369 within twenty-four (24) months from the date that such increase
370 becomes effective, then the board shall exclude that part of the
371 increase in salary or compensation that exceeds eight percent (8%)
372 in calculating that member's average compensation for retirement
373 purposes. The board may enforce this provision by rule or
374 regulation. However, increases in compensation in excess of eight
375 percent (8%) per year granted within twenty-four (24) months of
376 the date of retirement may be included in such calculation of
377 average compensation if satisfactory proof is presented to the
378 board showing that the increase in compensation was the result of
379 an actual change in the position held or services rendered, or
380 that such compensation increase was authorized by the State
381 Personnel Board or was increased as a result of statutory
382 enactment, and the employer furnishes an affidavit stating that
383 such increase granted within the last twenty-four (24) months was
384 not contingent on a promise or agreement of the employee to
385 retire. Nothing in Section 25-3-31 shall affect the calculation
386 of the average compensation of any member for the purposes of this
387 article. The average compensation of any member who retires
388 before July 1, 1992, shall not exceed the annual salary of the
389 Governor.

390 (g) "Beneficiary" shall mean any person entitled to
391 receive a retirement allowance, an annuity or other benefit as
392 provided by Articles 1 and 3. In the event of the death prior to
393 retirement of any member whose spouse and/or children are not
394 entitled to a retirement allowance on the basis that the member
395 has less than four (4) years of service credit and/or has not been
396 married for a minimum of one (1) year or the spouse has waived his
397 or her entitlement to a retirement allowance pursuant to Section
398 25-11-114, the lawful spouse of a member at the time of the death
399 of such member shall be the beneficiary of such member unless the
400 member has designated another beneficiary subsequent to the date
401 of marriage in writing, and filed such writing in the office of
402 the executive director of the board of trustees. No designation
403 or change of beneficiary shall be made in any other manner.

404 (h) "Board" shall mean the board of trustees provided
405 in Section 25-11-15 to administer the retirement system herein
406 created.

407 (i) "Creditable service" shall mean "prior service,"
408 "retroactive service" and all lawfully credited unused leave not
409 exceeding the accrual rates and limitations provided in Section
410 25-3-91 et seq., as of the date of withdrawal from service plus
411 "membership service" for which credit is allowable as provided in
412 Section 25-11-109. Except to limit creditable service reported to
413 the system for the purpose of computing an employee's retirement
414 allowance or annuity or benefits provided in this article, nothing
415 in this paragraph shall limit or otherwise restrict the power of
416 the governing authority of a municipality or other political
417 subdivision of the state to adopt such vacation and sick leave
418 policies as it deems necessary.

419 (j) "Child" means either a natural child of the member,
420 a child that has been made a child of the member by applicable
421 court action before the death of the member, or a child under the
422 permanent care of the member at the time of the latter's death,

423 which permanent care status shall be determined by evidence
424 satisfactory to the board.

425 (k) "Earned compensation" shall mean the full amount
426 earned by an employee for a given pay period including any
427 maintenance furnished up to a maximum of One Hundred Fifty
428 Thousand Dollars (\$150,000.00) per year, and proportionately for
429 less than one (1) year of service. The value of such maintenance
430 when not paid in money shall be fixed by the employing state
431 agency, and, in case of doubt, by the board of trustees as defined
432 in Section 25-11-15. In any case, earned compensation shall be
433 limited to the regular periodic compensation paid, exclusive of
434 litigation fees, bond fees, and other similar extraordinary
435 nonrecurring payments. In addition, any member in a covered
436 position, as defined by Public Employees' Retirement System laws
437 and regulations, who is also employed by another covered agency or
438 political subdivision shall have the earnings of that additional
439 employment reported to the Public Employees' Retirement System
440 regardless of whether the additional employment is sufficient in
441 itself to be a covered position. In addition, computation of
442 earned compensation shall be governed by the following:

443 (i) In the case of constables, the net earnings
444 from their office after deduction of expenses shall apply, except
445 that in no case shall earned compensation be less than the total
446 direct payments made by the state or governmental subdivisions to
447 the official.

448 (ii) In the case of chancery or circuit clerks,
449 the net earnings from their office after deduction of expenses
450 shall apply as expressed in Section 25-11-123(f)(4).

451 (iii) In the case of members of the State
452 Legislature, all remuneration or amounts paid, except mileage
453 allowance, shall apply.

454 (iv) The amount by which an eligible employee's
455 salary is reduced pursuant to a salary reduction agreement

456 authorized under Section 25-17-5 shall be included as earned
457 compensation under this paragraph, provided this inclusion does
458 not conflict with federal law, including federal regulations and
459 federal administrative interpretations thereunder, pertaining to
460 the Federal Insurance Contributions Act or to Internal Revenue
461 Code Section 125 cafeteria plans.

462 (v) Compensation in addition to an employee's base
463 salary that is paid to the employee pursuant to the vacation and
464 sick leave policies of a municipality or other political
465 subdivision of the state that employs him which exceeds the
466 maximums authorized by Section 25-3-91 et seq. shall be excluded
467 from the calculation of earned compensation under this article.

468 (vi) The maximum salary applicable for retirement
469 purposes before July 1, 1992, shall be the salary of the Governor.

470 (vii) Nothing in Section 25-3-31 shall affect the
471 determination of the earned compensation of any member for the
472 purposes of this article.

473 (l) "Employee" means any person legally occupying a
474 position in the state service, and shall include the employees of
475 the retirement system created hereunder.

476 (m) "Employer" shall mean the State of Mississippi or
477 any of its departments, agencies or subdivisions from which any
478 employee receives his compensation.

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

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

490 (p) "Medical board" shall mean the board of physicians
491 or any governmental or nongovernmental disability determination
492 service designated by the board of trustees that is qualified to
493 make disability determinations as provided for in Section
494 25-11-119.

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

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

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

518 (t) "Prior service" shall mean service rendered before
519 February 1, 1953, for which credit is allowable under Sections

520 25-11-105 and 25-11-109, and which shall allow prior service for
521 any person who is now or becomes a member of the Public Employees'
522 Retirement System and who does contribute to the system for a
523 minimum period of four (4) years.

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

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

537 (w) "Retroactive service" shall mean service rendered
538 after February 1, 1953, for which credit is allowable under
539 Section 25-11-105(b) and Section 25-11-105(k).

540 (x) "System" shall mean the Public Employees'
541 Retirement System of Mississippi established and described in
542 Section 25-11-101.

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

545 (z) "State service" shall mean all offices and
546 positions of trust or employment in the employ of the state, or
547 any political subdivision or instrumentality thereof, which elect
548 to participate as provided by Section 25-11-105(f), including the
549 position of elected or fee officials of the counties and their
550 deputies and employees performing public services or any
551 department, independent agency, board or commission thereof, and
552 shall also include all offices and positions of trust or

553 employment in the employ of joint state and federal agencies
554 administering state and federal funds and service rendered by
555 employees of the public schools. Effective July 1, 1973, all
556 nonprofessional public school employees, such as bus drivers,
557 janitors, maids, maintenance workers and cafeteria employees,
558 shall have the option to become members in accordance with Section
559 25-11-105(b), and shall be eligible to receive credit for services
560 before July 1, 1973, provided that the contributions and interest
561 are paid by the employee in accordance with that section; in
562 addition, the county or municipal separate school district may pay
563 the employer contribution and pro rata share of interest of the
564 retroactive service from available funds. From and after July 1,
565 1998, retroactive service credit shall be purchased at the
566 actuarial cost in accordance with Section 25-11-105(b).

567 (aa) "Withdrawal from service" or "termination from
568 service" shall mean complete severance of employment in the state
569 service of any member by resignation, dismissal or discharge.

570 (bb) The masculine pronoun, wherever used, shall
571 include the feminine pronoun.

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

574 **[Through June 30, 2006, this section shall read as follows:]**

575 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**

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

578 (a) (i) All persons who shall become employees in the
579 state service after January 31, 1953, and whose wages are subject
580 to payroll taxes and are lawfully reported on IRS Form W-2, except
581 those persons who are specifically excluded, those persons as to
582 whom election is provided in Articles 1 and 3, or those persons
583 who choose to receive or continue receiving a retirement allowance
584 during their employment as teachers as authorized by Section

585 25-11-126, shall become members of the retirement system as a
586 condition of their employment.

587 (ii) From and after July 1, 2002, any individual
588 who is employed by a governmental entity to perform professional
589 services shall become a member of the system if the individual is
590 paid regular periodic compensation for those services that is
591 subject to payroll taxes, is provided all other employee benefits
592 and meets the membership criteria established by the regulations
593 adopted by the board of trustees that apply to all other members
594 of the system; however, any active member employed in such a
595 position on July 1, 2002, will continue to be an active member for
596 as long as they are employed in any such position.

597 (b) All persons who shall become employees in the state
598 service after January 31, 1953, except those specifically excluded
599 or as to whom election is provided in Articles 1 and 3, unless
600 they shall file with the board prior to the lapse of sixty (60)
601 days of employment or sixty (60) days after the effective date of
602 the cited articles, whichever is later, on a form prescribed by
603 the board, a notice of election not to be covered by the
604 membership of the retirement system and a duly executed waiver of
605 all present and prospective benefits which would otherwise inure
606 to them on account of their participation in the system, shall
607 become members of the retirement system; however, no credit for
608 prior service will be granted to members until they have
609 contributed to Article 3 of the retirement system for a minimum
610 period of at least four (4) years. Such members shall receive
611 credit for services performed prior to January 1, 1953, in
612 employment now covered by Article 3, but no credit shall be
613 granted for retroactive services between January 1, 1953, and the
614 date of their entry into the retirement system unless the employee
615 pays into the retirement system both the employer's and the
616 employee's contributions on wages paid him during the period from
617 January 31, 1953, to the date of his becoming a contributing

618 member, together with interest at the rate determined by the board
619 of trustees. Members reentering after withdrawal from service
620 shall qualify for prior service under the provisions of Section
621 25-11-117. From and after July 1, 1998, upon eligibility as noted
622 above, the member may receive credit for such retroactive service
623 provided:

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

627 (2) The member shall pay to the retirement system
628 on the date he or she is eligible for such credit or at any time
629 thereafter prior to the date of retirement the actuarial cost for
630 each year of such creditable service. The provisions of this
631 subparagraph (2) shall be subject to the limitations of Section
632 415 of the Internal Revenue Code and regulations promulgated
633 thereunder.

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

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

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

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

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

681 (1) It provides that all services which constitute
682 employment as defined in Section 25-11-5 and are performed in the
683 employ of the political subdivision or instrumentality, by any

684 employees thereof, shall be covered by the plan; with the
685 exception of municipal employees who are already covered by
686 existing retirement plans; however, those employees in this class
687 may elect to come under the provisions of this article;

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

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

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

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

708 A. The board of trustees shall not finally
709 refuse to approve a plan submitted under paragraph (f), and shall
710 not terminate an approved plan without reasonable notice and
711 opportunity for hearing to each political subdivision or
712 instrumentality affected thereby. The board's decision in any
713 such case shall be final, conclusive and binding unless an appeal
714 be taken by the political subdivision or instrumentality aggrieved
715 thereby to the Circuit Court of Hinds County, Mississippi, in

716 accordance with the provisions of law with respect to civil causes
717 by certiorari.

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

725 C. Every political subdivision or
726 instrumentality required to make payments under paragraph (f)(5)B
727 hereof is authorized, in consideration of the employees' retention
728 in or entry upon employment after enactment of Articles 1 and 3,
729 to impose upon its employees, as to services which are covered by
730 an approved plan, a contribution with respect to wages (as defined
731 in Section 25-11-5) not exceeding the amount provided in Section
732 25-11-123(d) if such services constituted employment within the
733 meaning of Articles 1 and 3, and to deduct the amount of such
734 contribution from the wages as and when paid. Contributions so
735 collected shall be paid into the contribution fund as partial
736 discharge of the liability of such political subdivisions or
737 instrumentalities under paragraph (f)(5)B hereof. Failure to
738 deduct such contribution shall not relieve the employee or
739 employer of liability thereof.

740 D. Any state agency, school, political
741 subdivision, instrumentality or any employer that is required to
742 submit contribution payments or wage reports under any section of
743 this chapter shall be assessed interest on delinquent payments or
744 wage reports as determined by the board of trustees in accordance
745 with rules and regulations adopted by the board and such assessed
746 interest may be recovered by action in a court of competent
747 jurisdiction against such reporting agency liable therefor or may,
748 upon due certification of delinquency and at the request of the

749 board of trustees, be deducted from any other monies payable to
750 such reporting agency by any department or agency of the state.

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

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

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

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

780 In the event any member of any other actuarially funded
781 system maintained by an agency of the state changes his employment

782 to an agency covered by this system, the board of trustees may
783 authorize the receipt of the transfer of the member's creditable
784 service and of the present value of the member's employer's
785 accumulation account and of the present value of the member's
786 accumulated membership contributions from such other system,
787 provided the employee agrees to the transfer of his accumulated
788 membership contributions to this system and provided the other
789 system is authorized and agrees to make such transfer.

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

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

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

819 (2) The member shall pay to the retirement system
820 on the date he or she is eligible for such credit or at any time
821 thereafter prior to the date of retirement the actuarial cost for
822 each year of such creditable service. The provisions of this
823 subparagraph (2) shall be subject to the limitations of Section
824 415 of the Internal Revenue Code and regulations promulgated
825 thereunder.

826 Nothing contained in this paragraph (k) shall be construed to
827 limit the authority of the board to allow the correction of
828 reporting errors or omissions based on the payment of employee and
829 employer contributions plus applicable interest. Payment for such
830 time shall be made in increments of not less than one-quarter
831 (1/4) year of creditable service beginning with the most recent
832 service. Upon the payment of all or part of such required
833 contributions, plus interest or the actuarial cost as provided
834 above, the member shall receive credit for the period of
835 creditable service for which full payment has been made to the
836 retirement system.

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

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

850 **II. THOSE WHO ARE NOT ELIGIBLE FOR MEMBERSHIP**

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

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

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

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

862 (d) From and after July 1, 2002, individuals who are
863 employed by a governmental entity to perform professional service
864 on less than a full-time basis who do not meet the criteria
865 established in I(a)(ii) of this section.

866 **III. TERMINATION OF MEMBERSHIP**

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

871 **[From and after July 1, 2006, this section shall read as**
872 **follows:]**

873 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**

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

876 (a) (i) All persons who shall become employees in the
877 state service after January 31, 1953, and whose wages are subject
878 to payroll taxes and are lawfully reported on IRS Form W-2, except
879 those specifically excluded, or as to whom election is provided in

880 Articles 1 and 3, shall become members of the retirement system as
881 a condition of their employment.

882 (ii) From and after July 1, 2002, any individual
883 who is employed by a governmental entity to perform professional
884 services shall become a member of the system if the individual is
885 paid regular periodic compensation for those services that is
886 subject to payroll taxes, is provided all other employee benefits
887 and meets the membership criteria established by the regulations
888 adopted by the board of trustees that apply to all other members
889 of the system; however, any active member employed in such a
890 position on July 1, 2002, will continue to be an active member for
891 as long as they are employed in any such position.

892 (b) All persons who shall become employees in the state
893 service after January 31, 1953, except those specifically excluded
894 or as to whom election is provided in Articles 1 and 3, unless
895 they shall file with the board prior to the lapse of sixty (60)
896 days of employment or sixty (60) days after the effective date of
897 the cited articles, whichever is later, on a form prescribed by
898 the board, a notice of election not to be covered by the
899 membership of the retirement system and a duly executed waiver of
900 all present and prospective benefits which would otherwise inure
901 to them on account of their participation in the system, shall
902 become members of the retirement system; however, no credit for
903 prior service will be granted to members until they have
904 contributed to Article 3 of the retirement system for a minimum
905 period of at least four (4) years. Such members shall receive
906 credit for services performed prior to January 1, 1953, in
907 employment now covered by Article 3, but no credit shall be
908 granted for retroactive services between January 1, 1953, and the
909 date of their entry into the retirement system unless the employee
910 pays into the retirement system both the employer's and the
911 employee's contributions on wages paid him during the period from
912 January 31, 1953, to the date of his becoming a contributing

913 member, together with interest at the rate determined by the board
914 of trustees. Members reentering after withdrawal from service
915 shall qualify for prior service under the provisions of Section
916 25-11-117. From and after July 1, 1998, upon eligibility as noted
917 above, the member may receive credit for such retroactive service
918 provided:

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

922 (2) The member shall pay to the retirement system
923 on the date he or she is eligible for such credit or at any time
924 thereafter prior to the date of retirement the actuarial cost for
925 each year of such creditable service. The provisions of this
926 subparagraph (2) shall be subject to the limitations of Section
927 415 of the Internal Revenue Code and regulations promulgated
928 thereunder.

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

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

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

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

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

976 (1) It provides that all services which constitute
977 employment as defined in Section 25-11-5 and are performed in the
978 employ of the political subdivision or instrumentality, by any

979 employees thereof, shall be covered by the plan; with the
980 exception of municipal employees who are already covered by
981 existing retirement plans; however, those employees in this class
982 may elect to come under the provisions of this article;

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

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

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

996 (5) It authorizes the board of trustees to
997 terminate the plan in its entirety in the discretion of the board
998 if it finds that there has been a failure to comply substantially
999 with any provision contained in such plan, such termination to
1000 take effect at the expiration of such notice and on such
1001 conditions as may be provided by regulations of the board and as
1002 may be consistent with applicable federal law.

1003 A. The board of trustees shall not finally
1004 refuse to approve a plan submitted under paragraph (f), and shall
1005 not terminate an approved plan without reasonable notice and
1006 opportunity for hearing to each political subdivision or
1007 instrumentality affected thereby. The board's decision in any
1008 such case shall be final, conclusive and binding unless an appeal
1009 be taken by the political subdivision or instrumentality aggrieved
1010 thereby to the Circuit Court of Hinds County, Mississippi, in

1011 accordance with the provisions of law with respect to civil causes
1012 by certiorari.

1013 B. Each political subdivision or
1014 instrumentality as to which a plan has been approved under this
1015 section shall pay into the contribution fund, with respect to
1016 wages (as defined in Section 25-11-5), at such time or times as
1017 the board of trustees may by regulation prescribe, contributions
1018 in the amounts and at the rates specified in the applicable
1019 agreement entered into by the board.

1020 C. Every political subdivision or
1021 instrumentality required to make payments under paragraph (f)(5)B
1022 hereof is authorized, in consideration of the employees' retention
1023 in or entry upon employment after enactment of Articles 1 and 3,
1024 to impose upon its employees, as to services which are covered by
1025 an approved plan, a contribution with respect to wages (as defined
1026 in Section 25-11-5) not exceeding the amount provided in Section
1027 25-11-123(d) if such services constituted employment within the
1028 meaning of Articles 1 and 3, and to deduct the amount of such
1029 contribution from the wages as and when paid. Contributions so
1030 collected shall be paid into the contribution fund as partial
1031 discharge of the liability of such political subdivisions or
1032 instrumentalities under paragraph (f)(5)B hereof. Failure to
1033 deduct such contribution shall not relieve the employee or
1034 employer of liability thereof.

1035 D. Any state agency, school, political
1036 subdivision, instrumentality or any employer that is required to
1037 submit contribution payments or wage reports under any section of
1038 this chapter shall be assessed interest on delinquent payments or
1039 wage reports as determined by the board of trustees in accordance
1040 with rules and regulations adopted by the board and such assessed
1041 interest may be recovered by action in a court of competent
1042 jurisdiction against such reporting agency liable therefor or may,
1043 upon due certification of delinquency and at the request of the

1044 board of trustees, be deducted from any other monies payable to
1045 such reporting agency by any department or agency of the state.

1046 E. Each political subdivision of the state
1047 and each instrumentality of the state or a political subdivision
1048 or subdivisions which submits a plan for approval of the board, as
1049 provided in this section, shall reimburse the board for coverage
1050 into the expense account, its pro rata share of the total expense
1051 of administering Articles 1 and 3 as provided by regulations of
1052 the board.

1053 (g) The board may, in its discretion, deny the right of
1054 membership in this system to any class of employees whose
1055 compensation is only partly paid by the state or who are occupying
1056 positions on a part-time or intermittent basis. The board may, in
1057 its discretion, make optional with employees in any such classes
1058 their individual entrance into this system.

1059 (h) An employee whose membership in this system is
1060 contingent on his own election, and who elects not to become a
1061 member, may thereafter apply for and be admitted to membership;
1062 but no such employee shall receive prior service credit unless he
1063 becomes a member prior to July 1, 1953, except as provided in
1064 paragraph (b).

1065 (i) In the event any member of this system should
1066 change his employment to any agency of the state having an
1067 actuarially funded retirement system, the board of trustees may
1068 authorize the transfer of the member's creditable service and of
1069 the present value of the member's employer's accumulation account
1070 and of the present value of the member's accumulated membership
1071 contributions to such other system, provided the employee agrees
1072 to the transfer of his accumulated membership contributions and
1073 provided such other system is authorized to receive and agrees to
1074 make such transfer.

1075 In the event any member of any other actuarially funded
1076 system maintained by an agency of the state changes his employment

1077 to an agency covered by this system, the board of trustees may
1078 authorize the receipt of the transfer of the member's creditable
1079 service and of the present value of the member's employer's
1080 accumulation account and of the present value of the member's
1081 accumulated membership contributions from such other system,
1082 provided the employee agrees to the transfer of his accumulated
1083 membership contributions to this system and provided the other
1084 system is authorized and agrees to make such transfer.

1085 (j) Wherever herein state employment is referred to, it
1086 shall include joint employment by state and federal agencies of
1087 all kinds.

1088 (k) Employees of a political subdivision or
1089 instrumentality who were employed by such political subdivision or
1090 instrumentality prior to an agreement between such entity and the
1091 Public Employees' Retirement System to extend the benefits of this
1092 article to its employees, and which agreement provides for the
1093 establishment of retroactive service credit, and who have been
1094 members of the retirement system and have remained contributors to
1095 the retirement system for four (4) years, may receive credit for
1096 such retroactive service with such political subdivision or
1097 instrumentality, provided the employee and/or employer, as
1098 provided under the terms of the modification of the joinder
1099 agreement in allowing such coverage, pay into the retirement
1100 system the employer's and employee's contributions on wages paid
1101 the member during such previous employment, together with interest
1102 or actuarial cost as determined by the board covering the period
1103 from the date the service was rendered until the payment for the
1104 credit for such service was made. Such wages shall be verified by
1105 the Social Security Administration or employer payroll records.
1106 Effective July 1, 1998, upon eligibility as noted above, a member
1107 may receive credit for such retroactive service with such
1108 political subdivision or instrumentality provided:

1109 (1) The member shall furnish proof satisfactory to
1110 the board of trustees of certification of such services from the
1111 political subdivision or instrumentality where the services were
1112 rendered or verification by the Social Security Administration;
1113 and

1114 (2) The member shall pay to the retirement system
1115 on the date he or she is eligible for such credit or at any time
1116 thereafter prior to the date of retirement the actuarial cost for
1117 each year of such creditable service. The provisions of this
1118 subparagraph (2) shall be subject to the limitations of Section
1119 415 of the Internal Revenue Code and regulations promulgated
1120 thereunder.

1121 Nothing contained in this paragraph (k) shall be construed to
1122 limit the authority of the board to allow the correction of
1123 reporting errors or omissions based on the payment of employee and
1124 employer contributions plus applicable interest. Payment for such
1125 time shall be made in increments of not less than one-quarter
1126 (1/4) year of creditable service beginning with the most recent
1127 service. Upon the payment of all or part of such required
1128 contributions, plus interest or the actuarial cost as provided
1129 above, the member shall receive credit for the period of
1130 creditable service for which full payment has been made to the
1131 retirement system.

1132 (1) Through June 30, 1998, any state service eligible
1133 for retroactive service credit, no part of which has ever been
1134 reported, and requiring the payment of employee and employer
1135 contributions plus interest, or, from and after July 1, 1998, any
1136 state service eligible for retroactive service credit, no part of
1137 which has ever been reported to the retirement system, and
1138 requiring the payment of the actuarial cost for such creditable
1139 service, may, at the member's option, be purchased in quarterly
1140 increments as provided above at such time as its purchase is
1141 otherwise allowed.

1142 (m) All rights to purchase retroactive service credit
1143 or repay a refund as provided in Section 25-11-101 et seq. shall
1144 terminate upon retirement.

1145 **II. THOSE WHO ARE NOT ELIGIBLE FOR MEMBERSHIP**

1146 The following classes of employees and officers shall not
1147 become members of this retirement system, any other provisions of
1148 Articles 1 and 3 to the contrary notwithstanding:

1149 (a) Patient or inmate help in state charitable, penal
1150 or correctional institutions;

1151 (b) Students of any state educational institution
1152 employed by any agency of the state for temporary, part-time or
1153 intermittent work;

1154 (c) Participants of Comprehensive Employment and
1155 Training Act of 1973 (CETA) being Public Law 93-203, who enroll on
1156 or after July 1, 1979;

1157 (d) From and after July 1, 2002, individuals who are
1158 employed by a governmental entity to perform professional service
1159 on less than a full-time basis who do not meet the criteria
1160 established in I(a)(ii) of this section.

1161 **III. TERMINATION OF MEMBERSHIP**

1162 Membership in this system shall cease by a member withdrawing
1163 his accumulated contributions, or by a member withdrawing from
1164 active service with a retirement allowance, or by a member's
1165 death.

1166 **SECTION 4.** Section 25-11-123, Mississippi Code of 1972, is
1167 amended as follows:

1168 **[Through June 30, 2006, this section shall read as follows:]**

1169 25-11-123. All of the assets of the system shall be credited
1170 according to the purpose for which they are held to one (1) of
1171 four (4) reserves; namely, the annuity savings account, the
1172 annuity reserve, the employer's accumulation account, and the
1173 expense account.

1174 (a) **Annuity savings account.** In the annuity savings account
1175 shall be accumulated the contributions made by members to provide
1176 for their annuities, including interest thereon which shall be
1177 posted monthly. Credits to and charges against the annuity
1178 savings account shall be made as follows:

1179 (1) Beginning July 1, 1991, the employer shall cause to
1180 be deducted from the salary of each member on each and every
1181 payroll of the employer for each and every payroll period seven
1182 and one-fourth percent (7-1/4%) of earned compensation as defined
1183 in Section 25-11-103. Future contributions shall be fixed
1184 biennially by the board on the basis of the liabilities of the
1185 retirement system for the various allowances and benefits as shown
1186 by actuarial valuation; however, any member earning at a rate less
1187 than Sixteen Dollars and Sixty-seven Cents (\$16.67) per month, or
1188 Two Hundred Dollars (\$200.00) per year, shall contribute not less
1189 than One Dollar (\$1.00) per month, or Twelve Dollars (\$12.00) per
1190 year. This paragraph (a)(1) shall not apply to the salary of
1191 persons who choose to receive or continue receiving a retirement
1192 allowance during their employment as teachers as authorized by
1193 Section 25-11-126.

1194 (2) The deductions provided herein shall be made
1195 notwithstanding that the minimum compensation provided by law for
1196 any member is reduced thereby. Every member shall be deemed to
1197 consent and agree to the deductions made and provided for herein
1198 and shall receipt for his full salary or compensation, and payment
1199 of salary or compensation less the deduction shall be a full and
1200 complete discharge and acquittance of all claims and demands
1201 whatsoever for the services rendered by the person during the
1202 period covered by the payment, except as to the benefits provided
1203 under Articles 1 and 3. The board shall provide by rules for the
1204 methods of collection of contributions from members and the
1205 employer. The board shall have full authority to require the

1206 production of evidence necessary to verify the correctness of
1207 amounts contributed.

1208 (b) **Annuity reserve.** The annuity reserve shall be the
1209 account representing the actuarial value of all annuities in
1210 force, and to it shall be charged all annuities and all benefits
1211 in lieu of annuities, payable as provided in this article. If a
1212 beneficiary retired on account of disability is restored to active
1213 service with a compensation not less than his average final
1214 compensation at the time of his last retirement, the remainder of
1215 his contributions shall be transferred from the annuity reserve to
1216 the annuity savings account and credited to his individual account
1217 therein, and the balance of his annuity reserve shall be
1218 transferred to the employer's accumulation account.

1219 (c) **Employer's accumulation account.** The employer's
1220 accumulation account shall represent the accumulation of all
1221 reserves for the payment of all retirement allowances and other
1222 benefits payable from contributions made by the employer, and
1223 against this account shall be charged all retirement allowances
1224 and other benefits on account of members. Credits to and charges
1225 against the employer's accumulation account shall be made as
1226 follows:

1227 (1) On account of each member there shall be paid
1228 monthly into the employer's accumulation account by the employers
1229 for the preceding fiscal year an amount equal to a certain
1230 percentage of the total earned compensation, as defined in Section
1231 25-11-103, of each member. The percentage rate of those
1232 contributions shall be fixed biennially by the board on the basis
1233 of the liabilities of the retirement system for the various
1234 allowances and benefits as shown by actuarial valuation.
1235 Beginning January 1, 1990, the rate shall be fixed at nine and
1236 three-fourths percent (9-3/4%). The board shall reduce the
1237 employer's contribution rate by one percent (1%) from and after
1238 July 1 of the year following the year in which the board

1239 determines and the board's actuary certifies that the employer's
1240 contribution rate can be reduced by that amount without causing
1241 the unfunded accrued actuarial liability amortization period for
1242 the retirement system to exceed twenty (20) years. Political
1243 subdivisions joining Article 3 of the Public Employees' Retirement
1244 System after July 1, 1968, may adjust the employer's contributions
1245 by agreement with the Board of Trustees of the Public Employees'
1246 Retirement System to provide service credits for any period before
1247 execution of the agreement based upon an actuarial determination
1248 of employer's contribution rates.

1249 (2) On the basis of regular interest and of such
1250 mortality and other tables as are adopted by the board of
1251 trustees, the actuary engaged by the board to make each valuation
1252 required by this article during the period over which the accrued
1253 liability contribution is payable, immediately after making that
1254 valuation, shall determine the uniform and constant percentage of
1255 the earnable compensation of each member which, if contributed by
1256 the employer on the basis of compensation of the member throughout
1257 his entire period of membership service, would be sufficient to
1258 provide for the payment of any retirement allowance payable on his
1259 account for that service. The percentage rate so determined shall
1260 be known as the "normal contribution rate." After the accrued
1261 liability contribution has ceased to be payable, the normal
1262 contribution rate shall be the percentage rate of the salary of
1263 all members obtained by deducting from the total liabilities on
1264 account of membership service the amount in the employer's
1265 accumulation account, and dividing the remainder by one percent
1266 (1%) of the present value of the prospective future salaries of
1267 all members as computed on the basis of the mortality and service
1268 tables adopted by the board of trustees and regular interest. The
1269 normal rate of contributions shall be determined by the actuary
1270 after each valuation.

1271 (3) The total amount payable in each year to the
1272 employer's accumulation account shall not be less than the sum of
1273 the percentage rate known as the "normal contribution" rate and
1274 the "accrued liability contribution" rate of the total
1275 compensation earnable by all members during the preceding year,
1276 provided that the payment by the employer shall be sufficient,
1277 when combined with the amounts in the account, to provide the
1278 allowances and other benefits chargeable to this account during
1279 the year then current.

1280 (4) The accrued liability contribution shall be
1281 discontinued as soon as the accumulated balance in the employer's
1282 accumulation account shall equal the present value, computed on
1283 the basis of the normal contribution rate then in force, or the
1284 prospective normal contributions to be received on account of all
1285 persons who are at that time members.

1286 (5) All allowances and benefits in lieu thereof, with
1287 the exception of those payable on account of members who receive
1288 no prior service credit, payable from contributions of the
1289 employer, shall be paid from the employer's accumulation account.

1290 (6) Upon the retirement of a member, an amount equal to
1291 his retirement allowance shall be transferred from the employer's
1292 accumulation account to the annuity reserve.

1293 (d) **Expense account.** The expense account shall be the
1294 account to which the expenses of the administration of the system
1295 shall be charged, exclusive of amounts payable as retirement
1296 allowances and as other benefits provided herein. The Legislature
1297 shall make annual appropriations in amounts sufficient to
1298 administer the system, which shall be credited to this account.
1299 There shall be transferred to the State Treasury from this
1300 account, not less than once per month, an amount sufficient for
1301 payment of the estimated expenses of the system for the succeeding
1302 thirty (30) days. Any interest earned on the expense account
1303 shall accrue to the benefit of the system. However,

1304 notwithstanding the provisions of Sections 25-11-15(10) and
1305 25-11-105(f)(5)E, all expenses of the administration of the system
1306 shall be paid from the interest earnings, provided the interest
1307 earnings are in excess of the actuarial interest assumption as
1308 determined by the board, and provided the present cost of the
1309 administrative expense fee of two percent (2%) of the
1310 contributions reported by the political subdivisions and
1311 instrumentalities shall be reduced to one percent (1%) from and
1312 after July 1, 1983, through June 30, 1984, and shall be eliminated
1313 thereafter.

1314 (e) **Collection of contributions.** The employer shall cause
1315 to be deducted on each and every payroll of a member for each and
1316 every payroll period, beginning subsequent to January 31, 1953,
1317 the contributions payable by the member as provided in Articles 1
1318 and 3.

1319 The employer shall make deductions from salaries of employees
1320 as provided in Articles 1 and 3 and shall transmit monthly, or at
1321 such time as the board of trustees designates, the amount
1322 specified to be deducted to the Executive Director of the Public
1323 Employees' Retirement System. The executive director, after
1324 making a record of all those receipts, shall deposit such amounts
1325 as provided by law.

1326 (f) (1) Upon the basis of each actuarial valuation provided
1327 herein, the board of trustees shall biennially determine the
1328 normal contribution rate and the accrued liability contribution
1329 rate as provided in this section. The sum of these two (2) rates
1330 shall be known as the "employer's contribution rate." Beginning
1331 on earned compensation effective January 1, 1990, the rate
1332 computed as provided in this section shall be nine and
1333 three-fourths percent (9-3/4%). The board shall reduce the
1334 employer's contribution rate by one percent (1%) from and after
1335 July 1 of the year following the year in which the board
1336 determines and the board's actuary certifies that the employer's

1337 contribution rate can be reduced by that amount without causing
1338 the unfunded accrued actuarial liability amortization period for
1339 the retirement system to exceed twenty (20) years. The percentage
1340 rate of those contributions shall be fixed biennially by the board
1341 on the basis of the liabilities of the retirement system for the
1342 various allowances and benefits as shown by actuarial
1343 valuation.

1344 (2) The amount payable by the employer on account of
1345 normal and accrued liability contributions shall be determined by
1346 applying the employer's contribution rate to the amount of
1347 compensation earned by employees who are members of the system.
1348 Monthly, or at such time as the board of trustees designates, each
1349 department or agency shall compute the amount of the employer's
1350 contribution payable, with respect to the salaries of its
1351 employees who are members of the system, and shall cause that
1352 amount to be paid to the board of trustees from the personal
1353 service allotment of the amount appropriated for the operation of
1354 the department or agency, or from funds otherwise available to the
1355 agency, for the payment of salaries to its employees.

1356 (3) Constables shall pay employer and employee
1357 contributions on their net fee income as well as the employee
1358 contributions on all direct treasury or county payroll income.
1359 The county shall be responsible for the employer contribution on
1360 all direct treasury or county payroll income of constables.

1361 (4) Chancery and circuit clerks shall be responsible
1362 for both the employer and employee share of contributions on the
1363 proportionate share of net income attributable to fees, as well as
1364 the employee share of net income attributable to direct treasury
1365 or county payroll income, and the employing county shall be
1366 responsible for the employer contributions on the net income
1367 attributable to direct treasury or county payroll income.

1368 (5) Once each year, under procedures established by the
1369 system, each employer shall submit to the Public Employees'

1370 Retirement System a copy of their report to Social Security of all
1371 employees' earnings.

1372 (6) The board shall provide by rules for the methods of
1373 collection of contributions of employers and members. The amounts
1374 determined due by an agency to the various funds as specified in
1375 Articles 1 and 3 are made obligations of the agency to the board
1376 and shall be paid as provided herein. Failure to deduct those
1377 contributions shall not relieve the employee and employer from
1378 liability thereof. Delinquent employee contributions and any
1379 accrued interest shall be the obligation of the employee and
1380 delinquent employer contributions and any accrued interest shall
1381 be the obligation of the employer. The employer may, in its
1382 discretion, elect to pay any or all of the interest on delinquent
1383 employee contributions. From and after July 1, 1996, under rules
1384 and regulations established by the board, all employers are
1385 authorized and shall transfer all funds due to the Public
1386 Employees' Retirement System electronically and shall transmit any
1387 wage or other reports by computerized reporting systems.

1388 **[From and after July 1, 2006, this section shall read as**
1389 **follows:]**

1390 25-11-123. All of the assets of the system shall be credited
1391 according to the purpose for which they are held to one (1) of
1392 four (4) reserves; namely, the annuity savings account, the
1393 annuity reserve, the employer's accumulation account, and the
1394 expense account.

1395 (a) **Annuity savings account.** In the annuity savings account
1396 shall be accumulated the contributions made by members to provide
1397 for their annuities, including interest thereon which shall be
1398 posted monthly. Credits to and charges against the annuity
1399 savings account shall be made as follows:

1400 (1) Beginning July 1, 1991, the employer shall cause to
1401 be deducted from the salary of each member on each and every
1402 payroll of the employer for each and every payroll period seven

1403 and one-fourth percent (7-1/4%) of earned compensation as defined
1404 in Section 25-11-103. Future contributions shall be fixed
1405 biennially by the board on the basis of the liabilities of the
1406 retirement system for the various allowances and benefits as shown
1407 by actuarial valuation; however, any member earning at a rate less
1408 than Sixteen Dollars and Sixty-seven Cents (\$16.67) per month, or
1409 Two Hundred Dollars (\$200.00) per year, shall contribute not less
1410 than One Dollar (\$1.00) per month, or Twelve Dollars (\$12.00) per
1411 year.

1412 (2) The deductions provided herein shall be made
1413 notwithstanding that the minimum compensation provided by law for
1414 any member is reduced thereby. Every member shall be deemed to
1415 consent and agree to the deductions made and provided for herein
1416 and shall receipt for his full salary or compensation, and payment
1417 of salary or compensation less the deduction shall be a full and
1418 complete discharge and acquittance of all claims and demands
1419 whatsoever for the services rendered by the person during the
1420 period covered by the payment, except as to the benefits provided
1421 under Articles 1 and 3. The board shall provide by rules for the
1422 methods of collection of contributions from members and the
1423 employer. The board shall have full authority to require the
1424 production of evidence necessary to verify the correctness of
1425 amounts contributed.

1426 (b) **Annuity reserve.** The annuity reserve shall be the
1427 account representing the actuarial value of all annuities in
1428 force, and to it shall be charged all annuities and all benefits
1429 in lieu of annuities, payable as provided in this article. If a
1430 beneficiary retired on account of disability is restored to active
1431 service with a compensation not less than his average final
1432 compensation at the time of his last retirement, the remainder of
1433 his contributions shall be transferred from the annuity reserve to
1434 the annuity savings account and credited to his individual account

1435 therein, and the balance of his annuity reserve shall be
1436 transferred to the employer's accumulation account.

1437 (c) **Employer's accumulation account.** The employer's
1438 accumulation account shall represent the accumulation of all
1439 reserves for the payment of all retirement allowances and other
1440 benefits payable from contributions made by the employer, and
1441 against this account shall be charged all retirement allowances
1442 and other benefits on account of members. Credits to and charges
1443 against the employer's accumulation account shall be made as
1444 follows:

1445 (1) On account of each member there shall be paid
1446 monthly into the employer's accumulation account by the employers
1447 for the preceding fiscal year an amount equal to a certain
1448 percentage of the total earned compensation, as defined in Section
1449 25-11-103, of each member. The percentage rate of those
1450 contributions shall be fixed biennially by the board on the basis
1451 of the liabilities of the retirement system for the various
1452 allowances and benefits as shown by actuarial valuation.
1453 Beginning January 1, 1990, the rate shall be fixed at nine and
1454 three-fourths percent (9-3/4%). The board shall reduce the
1455 employer's contribution rate by one percent (1%) from and after
1456 July 1 of the year following the year in which the board
1457 determines and the board's actuary certifies that the employer's
1458 contribution rate can be reduced by that amount without causing
1459 the unfunded accrued actuarial liability amortization period for
1460 the retirement system to exceed twenty (20) years. Political
1461 subdivisions joining Article 3 of the Public Employees' Retirement
1462 System after July 1, 1968, may adjust the employer's contributions
1463 by agreement with the Board of Trustees of the Public Employees'
1464 Retirement System to provide service credits for any period before
1465 execution of the agreement based upon an actuarial determination
1466 of employer's contribution rates.

1467 (2) On the basis of regular interest and of such
1468 mortality and other tables as are adopted by the board of
1469 trustees, the actuary engaged by the board to make each valuation
1470 required by this article during the period over which the accrued
1471 liability contribution is payable, immediately after making that
1472 valuation, shall determine the uniform and constant percentage of
1473 the earnable compensation of each member which, if contributed by
1474 the employer on the basis of compensation of the member throughout
1475 his entire period of membership service, would be sufficient to
1476 provide for the payment of any retirement allowance payable on his
1477 account for that service. The percentage rate so determined shall
1478 be known as the "normal contribution rate." After the accrued
1479 liability contribution has ceased to be payable, the normal
1480 contribution rate shall be the percentage rate of the salary of
1481 all members obtained by deducting from the total liabilities on
1482 account of membership service the amount in the employer's
1483 accumulation account, and dividing the remainder by one percent
1484 (1%) of the present value of the prospective future salaries of
1485 all members as computed on the basis of the mortality and service
1486 tables adopted by the board of trustees and regular interest. The
1487 normal rate of contributions shall be determined by the actuary
1488 after each valuation.

1489 (3) The total amount payable in each year to the
1490 employer's accumulation account shall not be less than the sum of
1491 the percentage rate known as the "normal contribution" rate and
1492 the "accrued liability contribution" rate of the total
1493 compensation earnable by all members during the preceding year,
1494 provided that the payment by the employer shall be sufficient,
1495 when combined with the amounts in the account, to provide the
1496 allowances and other benefits chargeable to this account during
1497 the year then current.

1498 (4) The accrued liability contribution shall be
1499 discontinued as soon as the accumulated balance in the employer's

1500 accumulation account shall equal the present value, computed on
1501 the basis of the normal contribution rate then in force, or the
1502 prospective normal contributions to be received on account of all
1503 persons who are at that time members.

1504 (5) All allowances and benefits in lieu thereof, with
1505 the exception of those payable on account of members who receive
1506 no prior service credit, payable from contributions of the
1507 employer, shall be paid from the employer's accumulation account.

1508 (6) Upon the retirement of a member, an amount equal to
1509 his retirement allowance shall be transferred from the employer's
1510 accumulation account to the annuity reserve.

1511 (d) **Expense account.** The expense account shall be the
1512 account to which the expenses of the administration of the system
1513 shall be charged, exclusive of amounts payable as retirement
1514 allowances and as other benefits provided herein. The Legislature
1515 shall make annual appropriations in amounts sufficient to
1516 administer the system, which shall be credited to this account.
1517 There shall be transferred to the State Treasury from this
1518 account, not less than once per month, an amount sufficient for
1519 payment of the estimated expenses of the system for the succeeding
1520 thirty (30) days. Any interest earned on the expense account
1521 shall accrue to the benefit of the system. However,
1522 notwithstanding the provisions of Sections 25-11-15(10) and
1523 25-11-105(f)(5)E, all expenses of the administration of the system
1524 shall be paid from the interest earnings, provided the interest
1525 earnings are in excess of the actuarial interest assumption as
1526 determined by the board, and provided the present cost of the
1527 administrative expense fee of two percent (2%) of the
1528 contributions reported by the political subdivisions and
1529 instrumentalities shall be reduced to one percent (1%) from and
1530 after July 1, 1983, through June 30, 1984, and shall be eliminated
1531 thereafter.

1532 (e) **Collection of contributions.** The employer shall cause
1533 to be deducted on each and every payroll of a member for each and
1534 every payroll period, beginning subsequent to January 31, 1953,
1535 the contributions payable by the member as provided in Articles 1
1536 and 3.

1537 The employer shall make deductions from salaries of employees
1538 as provided in Articles 1 and 3 and shall transmit monthly, or at
1539 such time as the board of trustees designates, the amount
1540 specified to be deducted to the Executive Director of the Public
1541 Employees' Retirement System. The executive director, after
1542 making a record of all those receipts, shall deposit such amounts
1543 as provided by law.

1544 (f) (1) Upon the basis of each actuarial valuation provided
1545 herein, the board of trustees shall biennially determine the
1546 normal contribution rate and the accrued liability contribution
1547 rate as provided in this section. The sum of these two (2) rates
1548 shall be known as the "employer's contribution rate." Beginning
1549 on earned compensation effective January 1, 1990, the rate
1550 computed as provided in this section shall be nine and
1551 three-fourths percent (9-3/4%). The board shall reduce the
1552 employer's contribution rate by one percent (1%) from and after
1553 July 1 of the year following the year in which the board
1554 determines and the board's actuary certifies that the employer's
1555 contribution rate can be reduced by that amount without causing
1556 the unfunded accrued actuarial liability amortization period for
1557 the retirement system to exceed twenty (20) years. The percentage
1558 rate of those contributions shall be fixed biennially by the board
1559 on the basis of the liabilities of the retirement system for the
1560 various allowances and benefits as shown by actuarial
1561 valuation.

1562 (2) The amount payable by the employer on account of
1563 normal and accrued liability contributions shall be determined by
1564 applying the employer's contribution rate to the amount of

1565 compensation earned by employees who are members of the system.
1566 Monthly, or at such time as the board of trustees designates, each
1567 department or agency shall compute the amount of the employer's
1568 contribution payable, with respect to the salaries of its
1569 employees who are members of the system, and shall cause that
1570 amount to be paid to the board of trustees from the personal
1571 service allotment of the amount appropriated for the operation of
1572 the department or agency, or from funds otherwise available to the
1573 agency, for the payment of salaries to its employees.

1574 (3) Constables shall pay employer and employee
1575 contributions on their net fee income as well as the employee
1576 contributions on all direct treasury or county payroll income.
1577 The county shall be responsible for the employer contribution on
1578 all direct treasury or county payroll income of constables.

1579 (4) Chancery and circuit clerks shall be responsible
1580 for both the employer and employee share of contributions on the
1581 proportionate share of net income attributable to fees, as well as
1582 the employee share of net income attributable to direct treasury
1583 or county payroll income, and the employing county shall be
1584 responsible for the employer contributions on the net income
1585 attributable to direct treasury or county payroll income.

1586 (5) Once each year, under procedures established by the
1587 system, each employer shall submit to the Public Employees'
1588 Retirement System a copy of their report to Social Security of all
1589 employees' earnings.

1590 (6) The board shall provide by rules for the methods of
1591 collection of contributions of employers and members. The amounts
1592 determined due by an agency to the various funds as specified in
1593 Articles 1 and 3 are made obligations of the agency to the board
1594 and shall be paid as provided herein. Failure to deduct those
1595 contributions shall not relieve the employee and employer from
1596 liability thereof. Delinquent employee contributions and any
1597 accrued interest shall be the obligation of the employee and

1598 delinquent employer contributions and any accrued interest shall
1599 be the obligation of the employer. The employer may, in its
1600 discretion, elect to pay any or all of the interest on delinquent
1601 employee contributions. From and after July 1, 1996, under rules
1602 and regulations established by the board, all employers are
1603 authorized and shall transfer all funds due to the Public
1604 Employees' Retirement System electronically and shall transmit any
1605 wage or other reports by computerized reporting systems.

1606 **SECTION 5.** Section 25-11-127, Mississippi Code of 1972, is
1607 amended as follows:

1608 **[Through June 30, 2006, this section shall read as follows:]**

1609 25-11-127. (1) (a) No person who is being paid a
1610 retirement allowance or a pension after retirement under this
1611 article shall be employed or paid for any service by the State of
1612 Mississippi, except as provided in this section or in Section
1613 25-11-126.

1614 (b) No retiree of this retirement system who is
1615 reemployed or is reelected to office after retirement shall
1616 continue to draw retirement benefits while so reemployed, except
1617 as provided in this section or in Section 25-11-126.

1618 (c) No person employed or elected under the exceptions
1619 provided for in this section shall become a member under Article 3
1620 of the retirement system.

1621 (2) Except as otherwise provided in Section 25-11-126, any
1622 person who has been retired under the provisions of Article 3 and
1623 who is later reemployed in service covered by this article shall
1624 cease to receive benefits under this article and shall again
1625 become a contributing member of the retirement system. When the
1626 person retires again, if the person has been a contributing member
1627 of the retirement system during his reemployment and the
1628 reemployment exceeds six (6) months, the person shall have his or
1629 her benefit recomputed, including service after again becoming a
1630 member, provided that the total retirement allowance paid to the

1631 retired member in his or her previous retirement shall be deducted
1632 from the member's retirement reserve and taken into consideration
1633 in recalculating the retirement allowance under a new option
1634 selected.

1635 (3) The board shall have the right to prescribe rules and
1636 regulations for carrying out the provisions of this section.

1637 (4) The provisions of this section shall not be construed to
1638 prohibit any retiree, regardless of age, from being employed and
1639 drawing a retirement allowance either:

1640 (a) For a period of time not to exceed one-half (1/2)
1641 of the normal working days for the position in any fiscal year
1642 during which the retiree will receive no more than one-half (1/2)
1643 of the salary in effect for the position at the time of
1644 employment, or

1645 (b) For a period of time in any fiscal year sufficient
1646 in length to permit a retiree to earn not in excess of twenty-five
1647 percent (25%) of retiree's average compensation.

1648 To determine the normal working days for a position under
1649 paragraph (a) of this subsection, the employer shall determine the
1650 required number of working days for the position on a full-time
1651 basis and the equivalent number of hours representing the
1652 full-time position. The retiree then may work up to one-half
1653 (1/2) of the required number of working days or up to one-half
1654 (1/2) of the equivalent number of hours and receive up to one-half
1655 (1/2) of the salary for the position. In the case of employment
1656 with multiple employers, the limitation shall equal one-half (1/2)
1657 of the number of days or hours for a single full-time position.

1658 Notice shall be given in writing to the executive director,
1659 setting forth the facts upon which the employment is being made,
1660 and the notice shall be given within five (5) days from the date
1661 of employment and also from the date of termination of the
1662 employment.

1663 (5) Any member may continue in municipal or county elected
1664 office or be elected to a municipal or county office, provided
1665 that the person:

1666 (a) Files annually, in writing, in the office of the
1667 employer and the office of the executive director of the system
1668 before the person takes office or as soon as possible after
1669 retirement, a waiver of all salary or compensation and elects to
1670 receive in lieu of that salary or compensation a retirement
1671 allowance as provided in this section, in which event no salary or
1672 compensation shall thereafter be due or payable for those
1673 services; however, any such officer or employee may receive, in
1674 addition to the retirement allowance, office expense allowance,
1675 mileage or travel expense authorized by any statute of the State
1676 of Mississippi; or

1677 (b) Elects to receive compensation for that elective
1678 office in an amount not to exceed twenty-five percent (25%) of the
1679 retiree's average compensation. As used in this paragraph, the
1680 term "compensation" shall not include office expense allowance,
1681 mileage or travel expense authorized by a statute of the State of
1682 Mississippi. In order to receive compensation as allowed in this
1683 paragraph, the member shall file annually, in writing, in the
1684 office of the employer and the office of the executive director of
1685 the system, an election to receive, in addition to a retirement
1686 allowance, compensation as allowed in this paragraph.

1687 [From and after July 1, 2006, this section shall read as
1688 follows:]

1689 25-11-127. (1) (a) No person who is being paid a
1690 retirement allowance or a pension after retirement under this
1691 article shall be employed or paid for any service by the State of
1692 Mississippi, except as provided in this section.

1693 (b) No retiree of this retirement system who is
1694 reemployed or is reelected to office after retirement shall

1695 continue to draw retirement benefits while so reemployed, except
1696 as provided in this section.

1697 (c) No person employed or elected under the exceptions
1698 provided for in this section shall become a member under Article 3
1699 of the retirement system.

1700 (2) Any person who has been retired under the provisions of
1701 Article 3 and who is later reemployed in service covered by this
1702 article shall cease to receive benefits under this article and
1703 shall again become a contributing member of the retirement system.
1704 When the person retires again, if the reemployment exceeds six (6)
1705 months, the person shall have his or her benefit recomputed,
1706 including service after again becoming a member, provided that the
1707 total retirement allowance paid to the retired member in his or
1708 her previous retirement shall be deducted from the member's
1709 retirement reserve and taken into consideration in recalculating
1710 the retirement allowance under a new option selected.

1711 (3) The board shall have the right to prescribe rules and
1712 regulations for carrying out the provisions of this section.

1713 (4) The provisions of this section shall not be construed to
1714 prohibit any retiree, regardless of age, from being employed and
1715 drawing a retirement allowance either:

1716 (a) For a period of time not to exceed one-half (1/2)
1717 of the normal working days for the position in any fiscal year
1718 during which the retiree will receive no more than one-half (1/2)
1719 of the salary in effect for the position at the time of
1720 employment, or

1721 (b) For a period of time in any fiscal year sufficient
1722 in length to permit a retiree to earn not in excess of twenty-five
1723 percent (25%) of retiree's average compensation.

1724 To determine the normal working days for a position under
1725 paragraph (a) of this subsection, the employer shall determine the
1726 required number of working days for the position on a full-time
1727 basis and the equivalent number of hours representing the

1728 full-time position. The retiree then may work up to one-half
1729 (1/2) of the required number of working days or up to one-half
1730 (1/2) of the equivalent number of hours and receive up to one-half
1731 (1/2) of the salary for the position. In the case of employment
1732 with multiple employers, the limitation shall equal one-half (1/2)
1733 of the number of days or hours for a single full-time position.

1734 Notice shall be given in writing to the executive director,
1735 setting forth the facts upon which the employment is being made,
1736 and the notice shall be given within five (5) days from the date
1737 of employment and also from the date of termination of the
1738 employment.

1739 (5) Any member may continue in municipal or county elected
1740 office or be elected to a municipal or county office, provided
1741 that the person:

1742 (a) Files annually, in writing, in the office of the
1743 employer and the office of the executive director of the system
1744 before the person takes office or as soon as possible after
1745 retirement, a waiver of all salary or compensation and elects to
1746 receive in lieu of that salary or compensation a retirement
1747 allowance as provided in this section, in which event no salary or
1748 compensation shall thereafter be due or payable for those
1749 services; however, any such officer or employee may receive, in
1750 addition to the retirement allowance, office expense allowance,
1751 mileage or travel expense authorized by any statute of the State
1752 of Mississippi; or

1753 (b) Elects to receive compensation for that elective
1754 office in an amount not to exceed twenty-five percent (25%) of the
1755 retiree's average compensation. As used in this paragraph, the
1756 term "compensation" shall not include office expense allowance,
1757 mileage or travel expense authorized by a statute of the State of
1758 Mississippi. In order to receive compensation as allowed in this
1759 paragraph, the member shall file annually, in writing, in the
1760 office of the employer and the office of the executive director of

1761 the system, an election to receive, in addition to a retirement
1762 allowance, compensation as allowed in this paragraph.

1763 **SECTION 6.** Section 37-19-7, Mississippi Code of 1972, is
1764 amended as follows:

1765 **[Through June 30, 2006, this section shall read as follows:]**

1766 37-19-7. (1) This section shall be known and may be cited
1767 as the Mississippi "Teacher Opportunity Program (TOP)." The
1768 allowance in the minimum education program and the Mississippi
1769 Adequate Education Program for teachers' salaries in each county
1770 and separate school district shall be determined and paid in
1771 accordance with the scale for teachers' salaries as provided in
1772 this subsection. For teachers holding the following types of
1773 licenses or the equivalent as determined by the State Board of
1774 Education, and the following number of years of teaching
1775 experience, the scale shall be as follows:

1776 **2001-2002 School Year**

1777 **Less Than 25 Years of Teaching Experience**

1778	AAAA.....	\$ 26,290.00
1779	AAA.....	25,440.00
1780	AA.....	24,590.00
1781	A.....	23,540.00

1782 **25 or More Years of Teaching Experience**

1783	AAAA.....	\$ 27,790.00
1784	AAA.....	26,940.00
1785	AA.....	26,090.00
1786	A.....	25,040.00

1787 **2002-2003 School Year**

1788 **Less Than 25 Years of Teaching Experience**

1789	AAAA.....	\$ 27,850.00
1790	AAA.....	27,000.00
1791	AA.....	26,150.00
1792	A.....	24,700.00

1793 **25 or More Years of Teaching Experience**

1794	AAAA.....	\$ 29,850.00
1795	AAA.....	29,000.00
1796	AA.....	28,150.00
1797	A.....	26,700.00

1798 For each one percent (1%) that the Sine Die General Fund
1799 Revenue Estimate Growth exceeds five percent (5%) for fiscal year
1800 2003, as certified by the Legislative Budget Office to the State
1801 Board of Education and subject to specific appropriation therefor
1802 by the Legislature, the State Board of Education shall revise the
1803 salary scale to provide an additional one percent (1%) across the
1804 board increase in the base salaries for each type of license.

1805 **2003-2004 School Year**

1806 **Less Than 25 Years of Teaching Experience**

1807	AAAA.....	\$ 29,550.00
1808	AAA.....	28,700.00
1809	AA.....	27,850.00
1810	A.....	26,000.00

1811 **25 or More Years of Teaching Experience**

1812	AAAA.....	\$ 31,550.00
1813	AAA.....	30,700.00
1814	AA.....	29,850.00
1815	A.....	28,000.00

1816 The State Board of Education shall revise the salary scale
1817 prescribed above for the 2003-2004 school year to conform to any
1818 adjustments made to the salary scale in the prior fiscal year due
1819 to revenue growth over and above five percent (5%). For each one
1820 percent (1%) that the Sine Die General Fund Revenue Estimate
1821 Growth exceeds five percent (5%) for fiscal year 2004, as
1822 certified by the Legislative Budget Office to the State Board of
1823 Education and subject to specific appropriation therefor by the
1824 Legislature, the State Board of Education shall revise the salary
1825 scale to provide an additional one percent (1%) across the board
1826 increase in the base salaries for each type of license.

1827	2004-2005 School Year	
1828	Less Than 25 Years of Teaching Experience	
1829	AAAA.....	\$ 31,775.00
1830	AAA.....	30,850.00
1831	AA.....	29,925.00
1832	A.....	28,000.00

1833	25 or More Years of Teaching Experience	
1834	AAAA.....	\$ 33,775.00
1835	AAA.....	32,850.00
1836	AA.....	31,925.00
1837	A.....	30,000.00

1838 The State Board of Education shall revise the salary scale
1839 prescribed above for the 2004-2005 school year to conform to any
1840 adjustments made to the salary scale in prior fiscal years due to
1841 revenue growth over and above five percent (5%). For each one
1842 percent (1%) that the Sine Die General Fund Revenue Estimate
1843 Growth exceeds five percent (5%) for fiscal year 2005, as
1844 certified by the Legislative Budget Office to the State Board of
1845 Education and subject to specific appropriation therefor by the
1846 Legislature, the State Board of Education shall revise the salary
1847 scale to provide an additional one percent (1%) across the board
1848 increase in the base salaries for each type of license.

1849	2005-2006 School Year and School Years Thereafter	
1850	Less Than 25 Years of Teaching Experience	
1851	AAAA.....	\$ 34,000.00
1852	AAA.....	33,000.00
1853	AA.....	32,000.00
1854	A.....	30,000.00

1855	25 or More Years of Teaching Experience	
1856	AAAA.....	\$ 36,000.00
1857	AAA.....	35,000.00
1858	AA.....	34,000.00
1859	A.....	32,000.00

1893 Six Hundred Sixty Dollars (\$660.00) for each year of teaching
1894 experience possessed by the person holding such license until such
1895 person shall have twenty-five (25) years of teaching experience.

1896 For teachers holding a Class AAA license, the minimum base
1897 pay specified in this subsection shall be increased by the sum of
1898 Five Hundred Ninety-five Dollars (\$595.00) for each year of
1899 teaching experience possessed by the person holding such license
1900 until such person shall have twenty-five (25) years of teaching
1901 experience.

1902 For teachers holding a Class AA license, the minimum base pay
1903 specified in this subsection shall be increased by the sum of Five
1904 Hundred Thirty Dollars (\$530.00) for each year of teaching
1905 experience possessed by the person holding such license until such
1906 person shall have twenty-five (25) years of teaching experience.

1907 For teachers holding a Class A license, the minimum base pay
1908 specified in this subsection shall be increased by the sum of Four
1909 Hundred Thirty-five Dollars (\$435.00) for each year of teaching
1910 experience possessed by the person holding such license until such
1911 person shall have twenty-one (21) years of teaching experience.

1912 **2002-2003 School Year Annual Increment**

1913 For teachers holding a Class AAAA license, the minimum base
1914 pay specified in this subsection shall be increased by the sum of
1915 Six Hundred Eighty-five Dollars (\$685.00) for each year of
1916 teaching experience possessed by the person holding such license
1917 until such person shall have twenty-five (25) years of teaching
1918 experience.

1919 For teachers holding a Class AAA license, the minimum base
1920 pay specified in this subsection shall be increased by the sum of
1921 Six Hundred Twenty Dollars (\$620.00) for each year of teaching
1922 experience possessed by the person holding such license until such
1923 person shall have twenty-five (25) years of teaching experience.

1924 For teachers holding a Class AA license, the minimum base pay
1925 specified in this subsection shall be increased by the sum of Five

1926 Hundred Fifty-five Dollars (\$555.00) for each year of teaching
1927 experience possessed by the person holding such license until such
1928 person shall have twenty-five (25) years of teaching experience.

1929 For teachers holding a Class A license, the minimum base pay
1930 specified in this subsection shall be increased by the sum of Four
1931 Hundred Forty-five Dollars (\$445.00) for each year of teaching
1932 experience possessed by the person holding such license until such
1933 person shall have twenty-two (22) years of teaching experience.

1934 **2003-2004 School Year Annual Increment**

1935 For teachers holding a Class AAAA license, the minimum base
1936 pay specified in this subsection shall be increased by the sum of
1937 Seven Hundred Ten Dollars (\$710.00) for each year of teaching
1938 experience possessed by the person holding such license until such
1939 person shall have twenty-five (25) years of teaching experience.

1940 For teachers holding a Class AAA license, the minimum base
1941 pay specified in this subsection shall be increased by the sum of
1942 Six Hundred Forty-five Dollars (\$645.00) for each year of teaching
1943 experience possessed by the person holding such license until such
1944 person shall have twenty-five (25) years of teaching experience.

1945 For teachers holding a Class AA license, the minimum base pay
1946 specified in this subsection shall be increased by the sum of Five
1947 Hundred Eighty Dollars (\$580.00) for each year of teaching
1948 experience possessed by the person holding such license until such
1949 person shall have twenty-five (25) years of teaching experience.

1950 For teachers holding a Class A license, the minimum base pay
1951 specified in this subsection shall be increased by the sum of Four
1952 Hundred Fifty-five Dollars (\$455.00) for each year of teaching
1953 experience possessed by the person holding such license until such
1954 person shall have twenty-three (23) years of teaching experience.

1955 **2004-2005 School Year Annual Increment**

1956 For teachers holding a Class AAAA license, the minimum base
1957 pay specified in this subsection shall be increased by the sum of
1958 Seven Hundred Forty Dollars (\$740.00) for each year of teaching

1959 experience possessed by the person holding such license until such
1960 person shall have twenty-five (25) years of teaching experience.

1961 For teachers holding a Class AAA license, the minimum base
1962 pay specified in this subsection shall be increased by the sum of
1963 Six Hundred Seventy-five Dollars (\$675.00) for each year of
1964 teaching experience possessed by the person holding such license
1965 until such person shall have twenty-five (25) years of teaching
1966 experience.

1967 For teachers holding a Class AA license, the minimum base pay
1968 specified in this subsection shall be increased by the sum of Six
1969 Hundred Ten Dollars (\$610.00) for each year of teaching experience
1970 possessed by the person holding such license until such person
1971 shall have twenty-five (25) years of teaching experience.

1972 For teachers holding a Class A license, the minimum base pay
1973 specified in this subsection shall be increased by the sum of Four
1974 Hundred Sixty-five Dollars (\$465.00) for each year of teaching
1975 experience possessed by the person holding such license until such
1976 person shall have twenty-four (24) years of teaching experience.

1977 **2005-2006 School Year**

1978 **and School Years Thereafter Annual Increments**

1979 For teachers holding a Class AAAA license, the minimum base
1980 pay specified in this subsection shall be increased by the sum of
1981 Seven Hundred Seventy Dollars (\$770.00) for each year of teaching
1982 experience possessed by the person holding such license until such
1983 person shall have twenty-five (25) years of teaching experience.

1984 For teachers holding a Class AAA license, the minimum base
1985 pay specified in this subsection shall be increased by the sum of
1986 Seven Hundred Five Dollars (\$705.00) for each year of teaching
1987 experience possessed by the person holding such license until such
1988 person shall have twenty-five (25) years of teaching experience.

1989 For teachers holding a Class AA license, the minimum base pay
1990 specified in this subsection shall be increased by the sum of Six
1991 Hundred Forty Dollars (\$640.00) for each year of teaching

1992 experience possessed by the person holding such license until such
1993 person shall have twenty-five (25) years of teaching experience.

1994 For teachers holding a Class A license, the minimum base pay
1995 specified in this subsection shall be increased by the sum of Four
1996 Hundred Eighty Dollars (\$480.00) for each year of teaching
1997 experience possessed by the person holding such license until such
1998 person shall have twenty-four (24) years of teaching experience.

1999 The level of professional training of each teacher to be used
2000 in establishing the salary allotment for the teachers for each
2001 year shall be determined by the type of valid teacher's license
2002 issued to those teachers on or before October 1 of the current
2003 school year.

2004 (2) (a) The following employees shall receive an annual
2005 salary supplement in the amount of Six Thousand Dollars
2006 (\$6,000.00), plus fringe benefits, in addition to any other
2007 compensation to which the employee may be entitled:

2008 (i) Any licensed teacher who has met the
2009 requirements and acquired a Master Teacher certificate from the
2010 National Board for Professional Teaching Standards and who is
2011 employed by a local school board or the State Board of Education
2012 as a teacher and not as an administrator. Such teacher shall
2013 submit documentation to the State Department of Education that the
2014 certificate was received prior to October 15 in order to be
2015 eligible for the full salary supplement in the current school
2016 year, or the teacher shall submit such documentation to the State
2017 Department of Education prior to February 15 in order to be
2018 eligible for a prorated salary supplement beginning with the
2019 second term of the school year.

2020 (ii) Any licensed school counselor who has met the
2021 requirements and acquired a National Certified School Counselor
2022 (NCSC) endorsement from the National Board of Certified Counselors
2023 and who is employed by a local school board or the State Board of
2024 Education as a counselor and not as an administrator. Such

2025 licensed school counselor shall submit documentation to the State
2026 Department of Education that the endorsement was received prior to
2027 October 15 in order to be eligible for the full salary supplement
2028 in the current school year, or the licensed school counselor shall
2029 submit such documentation to the State Department of Education
2030 prior to February 15 in order to be eligible for a prorated salary
2031 supplement beginning with the second term of the school year.
2032 However, the salary supplement authorized under this item shall be
2033 discontinued two (2) years after the date on which the National
2034 Board for Professional Teaching Standards offers a certification
2035 process for a Master Teacher certificate for school counselors,
2036 and any school counselor receiving the salary supplement will be
2037 required to complete the Master Teacher certificate process under
2038 item (i) of this paragraph in order to continue receiving such
2039 salary supplement.

2040 (iii) Any licensed speech-language pathologist and
2041 audiologist who has met the requirements and acquired a
2042 Certificate of Clinical Competence from the American
2043 Speech-Language-Hearing Association and who is employed by a local
2044 school board. Such licensed speech-language pathologist and
2045 audiologist shall submit documentation to the State Department of
2046 Education that the certificate or endorsement was received prior
2047 to October 15 in order to be eligible for the full salary
2048 supplement in the current school year, or the licensed
2049 speech-language pathologist and audiologist shall submit such
2050 documentation to the State Department of Education prior to
2051 February 15 in order to be eligible for a prorated salary
2052 supplement beginning with the second term of the school year.
2053 However, the salary supplement authorized under this item shall be
2054 discontinued two (2) years after the date on which the National
2055 Board for Professional Teaching Standards offers a certification
2056 process for a Master Teacher certificate for school
2057 speech-language pathologists and audiologists, and any school

2058 speech-language pathologist and audiologist receiving the salary
2059 supplement will be required to complete the Master Teacher
2060 certificate process under item (i) of this paragraph in order to
2061 continue receiving such salary supplement.

2062 (b) An employee shall be reimbursed one (1) time for
2063 the actual cost of completing the process of acquiring the
2064 certificate or endorsement, excluding any costs incurred for
2065 postgraduate courses, not to exceed Five Hundred Dollars (\$500.00)
2066 for a school counselor or speech-language pathologist and
2067 audiologist, regardless of whether or not the process resulted in
2068 the award of the certificate or endorsement. A local school
2069 district or any private individual or entity may pay the cost of
2070 completing the process of acquiring the certificate or endorsement
2071 for any employee of the school district described under paragraph
2072 (a), and the State Department of Education shall reimburse the
2073 school district for such cost, regardless of whether or not the
2074 process resulted in the award of the certificate or endorsement.
2075 If a private individual or entity has paid the cost of completing
2076 the process of acquiring the certificate or endorsement for an
2077 employee, the local school district may agree to directly
2078 reimburse the individual or entity for such cost on behalf of the
2079 employee.

2080 (c) All salary supplements, fringe benefits and process
2081 reimbursement authorized under this subsection shall be paid
2082 directly by the State Department of Education to the local school
2083 district and shall be in addition to its minimum education program
2084 allotments and not a part thereof in accordance with regulations
2085 promulgated by the State Board of Education, and subject to
2086 appropriation by the Legislature. Local school districts shall
2087 not reduce the local supplement paid to any employee receiving
2088 such salary supplement, and the employee shall receive any local
2089 supplement to which employees with similar training and experience
2090 otherwise are entitled.

2091 (d) The State Department of Education may not pay any
2092 process reimbursement to a school district for an employee who
2093 does not complete the certification or endorsement process
2094 required to be eligible for the certificate or endorsement. If an
2095 employee for whom such cost has been paid in full or in part by a
2096 local school district or private individual or entity fails to
2097 complete the certification or endorsement process, the employee
2098 shall be liable to the school district or individual or entity for
2099 all amounts paid by the school district or individual or entity on
2100 behalf of that employee toward his or her certificate or
2101 endorsement.

2102 (3) Notwithstanding any provision in this section to the
2103 contrary, any person who is receiving a retirement allowance from
2104 the Public Employees' Retirement System who is employed as a
2105 teacher after his retirement, and chooses to continue receiving
2106 the retirement allowance during his employment as a teacher after
2107 his retirement, as authorized by Section 25-11-126, shall be paid
2108 a salary not less than the amount of the salary for teachers with
2109 no experience filling similar positions, nor shall such salary
2110 exceed eighty-five percent (85%) of the rate of compensation set
2111 by the school district for teachers with comparable training and
2112 years of experience filling similar positions. Once such
2113 compensation is set, the retired member shall not be entitled to
2114 any supplements, annual increments or other increases.

2115 **[From and after July 1, 2006, this section shall read as**
2116 **follows:]**

2117 37-19-7. (1) This section shall be known and may be cited
2118 as the Mississippi "Teacher Opportunity Program (TOP)." The
2119 allowance in the minimum education program and the Mississippi
2120 Adequate Education Program for teachers' salaries in each county
2121 and separate school district shall be determined and paid in
2122 accordance with the scale for teachers' salaries as provided in
2123 this subsection. For teachers holding the following types of

2124 licenses or the equivalent as determined by the State Board of
 2125 Education, and the following number of years of teaching
 2126 experience, the scale shall be as follows:

2127 **2001-2002 School Year**

2128 **Less Than 25 Years of Teaching Experience**

2129	AAAA.....	\$ 26,290.00
2130	AAA.....	25,440.00
2131	AA.....	24,590.00
2132	A.....	23,540.00

2133 **25 or More Years of Teaching Experience**

2134	AAAA.....	\$ 27,790.00
2135	AAA.....	26,940.00
2136	AA.....	26,090.00
2137	A.....	25,040.00

2138 **2002-2003 School Year**

2139 **Less Than 25 Years of Teaching Experience**

2140	AAAA.....	\$ 27,850.00
2141	AAA.....	27,000.00
2142	AA.....	26,150.00
2143	A.....	24,700.00

2144 **25 or More Years of Teaching Experience**

2145	AAAA.....	\$ 29,850.00
2146	AAA.....	29,000.00
2147	AA.....	28,150.00
2148	A.....	26,700.00

2149 For each one percent (1%) that the Sine Die General Fund
 2150 Revenue Estimate Growth exceeds five percent (5%) for fiscal year
 2151 2003, as certified by the Legislative Budget Office to the State
 2152 Board of Education and subject to specific appropriation therefor
 2153 by the Legislature, the State Board of Education shall revise the
 2154 salary scale to provide an additional one percent (1%) across the
 2155 board increase in the base salaries for each type of license.

2156 **2003-2004 School Year**

2157	Less Than 25 Years of Teaching Experience	
2158	AAAA.....	\$ 29,550.00
2159	AAA.....	28,700.00
2160	AA.....	27,850.00
2161	A.....	26,000.00

2162	25 or More Years of Teaching Experience	
2163	AAAA.....	\$ 31,550.00
2164	AAA.....	30,700.00
2165	AA.....	29,850.00
2166	A.....	28,000.00

2167 The State Board of Education shall revise the salary scale
2168 prescribed above for the 2003-2004 school year to conform to any
2169 adjustments made to the salary scale in the prior fiscal year due
2170 to revenue growth over and above five percent (5%). For each one
2171 percent (1%) that the Sine Die General Fund Revenue Estimate
2172 Growth exceeds five percent (5%) for fiscal year 2004, as
2173 certified by the Legislative Budget Office to the State Board of
2174 Education and subject to specific appropriation therefor by the
2175 Legislature, the State Board of Education shall revise the salary
2176 scale to provide an additional one percent (1%) across the board
2177 increase in the base salaries for each type of license.

2178 **2004-2005 School Year**

2179	Less Than 25 Years of Teaching Experience	
2180	AAAA.....	\$ 31,775.00
2181	AAA.....	30,850.00
2182	AA.....	29,925.00
2183	A.....	28,000.00

2184	25 or More Years of Teaching Experience	
2185	AAAA.....	\$ 33,775.00
2186	AAA.....	32,850.00
2187	AA.....	31,925.00
2188	A.....	30,000.00

2189 The State Board of Education shall revise the salary scale
 2190 prescribed above for the 2004-2005 school year to conform to any
 2191 adjustments made to the salary scale in prior fiscal years due to
 2192 revenue growth over and above five percent (5%). For each one
 2193 percent (1%) that the Sine Die General Fund Revenue Estimate
 2194 Growth exceeds five percent (5%) for fiscal year 2005, as
 2195 certified by the Legislative Budget Office to the State Board of
 2196 Education and subject to specific appropriation therefor by the
 2197 Legislature, the State Board of Education shall revise the salary
 2198 scale to provide an additional one percent (1%) across the board
 2199 increase in the base salaries for each type of license.

2200 **2005-2006 School Year and School Years Thereafter**

2201 **Less Than 25 Years of Teaching Experience**

2202	AAAA.....	\$ 34,000.00
2203	AAA.....	33,000.00
2204	AA.....	32,000.00
2205	A.....	30,000.00

2206 **25 or More Years of Teaching Experience**

2207	AAAA.....	\$ 36,000.00
2208	AAA.....	35,000.00
2209	AA.....	34,000.00
2210	A.....	32,000.00

2211 The State Board of Education shall revise the salary scale
 2212 prescribed above for the 2005-2006 school year to conform to any
 2213 adjustments made to the salary scale in prior fiscal years due to
 2214 revenue growth over and above five percent (5%). For each one
 2215 percent (1%) that the Sine Die General Fund Revenue Estimate
 2216 Growth exceeds five percent (5%) for fiscal year 2006, as
 2217 certified by the Legislative Budget Office to the State Board of
 2218 Education and subject to specific appropriation therefor by the
 2219 Legislature, the State Board of Education shall revise the salary
 2220 scale to provide an additional one percent (1%) across the board
 2221 increase in the base salaries for each type of license.

2222 It is the intent of the Legislature that any state funds made
2223 available for salaries of licensed personnel in excess of the
2224 funds paid for such salaries for the 1986-1987 school year shall
2225 be paid to licensed personnel pursuant to a personnel appraisal
2226 and compensation system implemented by the State Board of
2227 Education. The State Board of Education shall have the authority
2228 to adopt and amend rules and regulations as are necessary to
2229 establish, administer and maintain the system.

2230 All teachers employed on a full-time basis shall be paid a
2231 minimum salary in accordance with the above scale. However, no
2232 school district shall receive any funds under this section for any
2233 school year during which the local supplement paid to any
2234 individual teacher shall have been reduced to a sum less than that
2235 paid to that individual teacher for performing the same duties
2236 from local supplement during the immediately preceding school
2237 year. The amount actually spent for the purposes of group health
2238 and/or life insurance shall be considered as a part of the
2239 aggregate amount of local supplement but shall not be considered a
2240 part of the amount of individual local supplement.

2241 **2001-2002 School Year Annual Increment**

2242 For teachers holding a Class AAAA license, the minimum base
2243 pay specified in this subsection shall be increased by the sum of
2244 Six Hundred Sixty Dollars (\$660.00) for each year of teaching
2245 experience possessed by the person holding such license until such
2246 person shall have twenty-five (25) years of teaching experience.

2247 For teachers holding a Class AAA license, the minimum base
2248 pay specified in this subsection shall be increased by the sum of
2249 Five Hundred Ninety-five Dollars (\$595.00) for each year of
2250 teaching experience possessed by the person holding such license
2251 until such person shall have twenty-five (25) years of teaching
2252 experience.

2253 For teachers holding a Class AA license, the minimum base pay
2254 specified in this subsection shall be increased by the sum of Five

2255 Hundred Thirty Dollars (\$530.00) for each year of teaching
2256 experience possessed by the person holding such license until such
2257 person shall have twenty-five (25) years of teaching experience.

2258 For teachers holding a Class A license, the minimum base pay
2259 specified in this subsection shall be increased by the sum of Four
2260 Hundred Thirty-five Dollars (\$435.00) for each year of teaching
2261 experience possessed by the person holding such license until such
2262 person shall have twenty-one (21) years of teaching experience.

2263 **2002-2003 School Year Annual Increment**

2264 For teachers holding a Class AAAA license, the minimum base
2265 pay specified in this subsection shall be increased by the sum of
2266 Six Hundred Eighty-five Dollars (\$685.00) for each year of
2267 teaching experience possessed by the person holding such license
2268 until such person shall have twenty-five (25) years of teaching
2269 experience.

2270 For teachers holding a Class AAA license, the minimum base
2271 pay specified in this subsection shall be increased by the sum of
2272 Six Hundred Twenty Dollars (\$620.00) for each year of teaching
2273 experience possessed by the person holding such license until such
2274 person shall have twenty-five (25) years of teaching experience.

2275 For teachers holding a Class AA license, the minimum base pay
2276 specified in this subsection shall be increased by the sum of Five
2277 Hundred Fifty-five Dollars (\$555.00) for each year of teaching
2278 experience possessed by the person holding such license until such
2279 person shall have twenty-five (25) years of teaching experience.

2280 For teachers holding a Class A license, the minimum base pay
2281 specified in this subsection shall be increased by the sum of Four
2282 Hundred Forty-five Dollars (\$445.00) for each year of teaching
2283 experience possessed by the person holding such license until such
2284 person shall have twenty-two (22) years of teaching experience.

2285 **2003-2004 School Year Annual Increment**

2286 For teachers holding a Class AAAA license, the minimum base
2287 pay specified in this subsection shall be increased by the sum of

2288 Seven Hundred Ten Dollars (\$710.00) for each year of teaching
2289 experience possessed by the person holding such license until such
2290 person shall have twenty-five (25) years of teaching experience.

2291 For teachers holding a Class AAA license, the minimum base
2292 pay specified in this subsection shall be increased by the sum of
2293 Six Hundred Forty-five Dollars (\$645.00) for each year of teaching
2294 experience possessed by the person holding such license until such
2295 person shall have twenty-five (25) years of teaching experience.

2296 For teachers holding a Class AA license, the minimum base pay
2297 specified in this subsection shall be increased by the sum of Five
2298 Hundred Eighty Dollars (\$580.00) for each year of teaching
2299 experience possessed by the person holding such license until such
2300 person shall have twenty-five (25) years of teaching experience.

2301 For teachers holding a Class A license, the minimum base pay
2302 specified in this subsection shall be increased by the sum of Four
2303 Hundred Fifty-five Dollars (\$455.00) for each year of teaching
2304 experience possessed by the person holding such license until such
2305 person shall have twenty-three (23) years of teaching experience.

2306 **2004-2005 School Year Annual Increment**

2307 For teachers holding a Class AAAA license, the minimum base
2308 pay specified in this subsection shall be increased by the sum of
2309 Seven Hundred Forty Dollars (\$740.00) for each year of teaching
2310 experience possessed by the person holding such license until such
2311 person shall have twenty-five (25) years of teaching experience.

2312 For teachers holding a Class AAA license, the minimum base
2313 pay specified in this subsection shall be increased by the sum of
2314 Six Hundred Seventy-five Dollars (\$675.00) for each year of
2315 teaching experience possessed by the person holding such license
2316 until such person shall have twenty-five (25) years of teaching
2317 experience.

2318 For teachers holding a Class AA license, the minimum base pay
2319 specified in this subsection shall be increased by the sum of Six
2320 Hundred Ten Dollars (\$610.00) for each year of teaching experience

2321 possessed by the person holding such license until such person
2322 shall have twenty-five (25) years of teaching experience.

2323 For teachers holding a Class A license, the minimum base pay
2324 specified in this subsection shall be increased by the sum of Four
2325 Hundred Sixty-five Dollars (\$465.00) for each year of teaching
2326 experience possessed by the person holding such license until such
2327 person shall have twenty-four (24) years of teaching experience.

2328 **2005-2006 School Year**

2329 **and School Years Thereafter Annual Increments**

2330 For teachers holding a Class AAAA license, the minimum base
2331 pay specified in this subsection shall be increased by the sum of
2332 Seven Hundred Seventy Dollars (\$770.00) for each year of teaching
2333 experience possessed by the person holding such license until such
2334 person shall have twenty-five (25) years of teaching experience.

2335 For teachers holding a Class AAA license, the minimum base
2336 pay specified in this subsection shall be increased by the sum of
2337 Seven Hundred Five Dollars (\$705.00) for each year of teaching
2338 experience possessed by the person holding such license until such
2339 person shall have twenty-five (25) years of teaching experience.

2340 For teachers holding a Class AA license, the minimum base pay
2341 specified in this subsection shall be increased by the sum of Six
2342 Hundred Forty Dollars (\$640.00) for each year of teaching
2343 experience possessed by the person holding such license until such
2344 person shall have twenty-five (25) years of teaching experience.

2345 For teachers holding a Class A license, the minimum base pay
2346 specified in this subsection shall be increased by the sum of Four
2347 Hundred Eighty Dollars (\$480.00) for each year of teaching
2348 experience possessed by the person holding such license until such
2349 person shall have twenty-four (24) years of teaching experience.

2350 The level of professional training of each teacher to be used
2351 in establishing the salary allotment for the teachers for each
2352 year shall be determined by the type of valid teacher's license

2353 issued to those teachers on or before October 1 of the current
2354 school year.

2355 (2) (a) The following employees shall receive an annual
2356 salary supplement in the amount of Six Thousand Dollars
2357 (\$6,000.00), plus fringe benefits, in addition to any other
2358 compensation to which the employee may be entitled:

2359 (i) Any licensed teacher who has met the
2360 requirements and acquired a Master Teacher certificate from the
2361 National Board for Professional Teaching Standards and who is
2362 employed by a local school board or the State Board of Education
2363 as a teacher and not as an administrator. Such teacher shall
2364 submit documentation to the State Department of Education that the
2365 certificate was received prior to October 15 in order to be
2366 eligible for the full salary supplement in the current school
2367 year, or the teacher shall submit such documentation to the State
2368 Department of Education prior to February 15 in order to be
2369 eligible for a prorated salary supplement beginning with the
2370 second term of the school year.

2371 (ii) Any licensed school counselor who has met the
2372 requirements and acquired a National Certified School Counselor
2373 (NCSC) endorsement from the National Board of Certified Counselors
2374 and who is employed by a local school board or the State Board of
2375 Education as a counselor and not as an administrator. Such
2376 licensed school counselor shall submit documentation to the State
2377 Department of Education that the endorsement was received prior to
2378 October 15 in order to be eligible for the full salary supplement
2379 in the current school year, or the licensed school counselor shall
2380 submit such documentation to the State Department of Education
2381 prior to February 15 in order to be eligible for a prorated salary
2382 supplement beginning with the second term of the school year.

2383 However, the salary supplement authorized under this item shall be
2384 discontinued two (2) years after the date on which the National
2385 Board for Professional Teaching Standards offers a certification

2386 process for a Master Teacher certificate for school counselors,
2387 and any school counselor receiving the salary supplement will be
2388 required to complete the Master Teacher certificate process under
2389 item (i) of this paragraph in order to continue receiving such
2390 salary supplement.

2391 (iii) Any licensed speech-language pathologist and
2392 audiologist who has met the requirements and acquired a
2393 Certificate of Clinical Competence from the American
2394 Speech-Language-Hearing Association and who is employed by a local
2395 school board. Such licensed speech-language pathologist and
2396 audiologist shall submit documentation to the State Department of
2397 Education that the certificate or endorsement was received prior
2398 to October 15 in order to be eligible for the full salary
2399 supplement in the current school year, or the licensed
2400 speech-language pathologist and audiologist shall submit such
2401 documentation to the State Department of Education prior to
2402 February 15 in order to be eligible for a prorated salary
2403 supplement beginning with the second term of the school year.
2404 However, the salary supplement authorized under this item shall be
2405 discontinued two (2) years after the date on which the National
2406 Board for Professional Teaching Standards offers a certification
2407 process for a Master Teacher certificate for school
2408 speech-language pathologists and audiologists, and any school
2409 speech-language pathologist and audiologist receiving the salary
2410 supplement will be required to complete the Master Teacher
2411 certificate process under item (i) of this paragraph in order to
2412 continue receiving such salary supplement.

2413 (b) An employee shall be reimbursed one (1) time for
2414 the actual cost of completing the process of acquiring the
2415 certificate or endorsement, excluding any costs incurred for
2416 postgraduate courses, not to exceed Five Hundred Dollars (\$500.00)
2417 for a school counselor or speech-language pathologist and
2418 audiologist, regardless of whether or not the process resulted in

2419 the award of the certificate or endorsement. A local school
2420 district or any private individual or entity may pay the cost of
2421 completing the process of acquiring the certificate or endorsement
2422 for any employee of the school district described under paragraph
2423 (a), and the State Department of Education shall reimburse the
2424 school district for such cost, regardless of whether or not the
2425 process resulted in the award of the certificate or endorsement.
2426 If a private individual or entity has paid the cost of completing
2427 the process of acquiring the certificate or endorsement for an
2428 employee, the local school district may agree to directly
2429 reimburse the individual or entity for such cost on behalf of the
2430 employee.

2431 (c) All salary supplements, fringe benefits and process
2432 reimbursement authorized under this subsection shall be paid
2433 directly by the State Department of Education to the local school
2434 district and shall be in addition to its minimum education program
2435 allotments and not a part thereof in accordance with regulations
2436 promulgated by the State Board of Education, and subject to
2437 appropriation by the Legislature. Local school districts shall
2438 not reduce the local supplement paid to any employee receiving
2439 such salary supplement, and the employee shall receive any local
2440 supplement to which employees with similar training and experience
2441 otherwise are entitled.

2442 (d) The State Department of Education may not pay any
2443 process reimbursement to a school district for an employee who
2444 does not complete the certification or endorsement process
2445 required to be eligible for the certificate or endorsement. If an
2446 employee for whom such cost has been paid in full or in part by a
2447 local school district or private individual or entity fails to
2448 complete the certification or endorsement process, the employee
2449 shall be liable to the school district or individual or entity for
2450 all amounts paid by the school district or individual or entity on

2451 behalf of that employee toward his or her certificate or
2452 endorsement.

2453 **SECTION 7.** This act shall take effect and be in force from
2454 and after July 1, 2004.