

By: Senator(s) Carmichael

To: Appropriations

SENATE BILL NO. 3020

1 AN ACT TO AMEND SECTION 25-17-3, MISSISSIPPI CODE OF 1972, TO
2 INCREASE THE MAXIMUM BENEFIT AVAILABLE UNDER A HEALTH FLEXIBLE
3 SPENDING ACCOUNT FOR PARTICIPATING STATE AND LOCAL EMPLOYEES; AND
4 FOR RELATED PURPOSES.

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

6 **SECTION 1.** Section 25-17-3, Mississippi Code of 1972, is
7 amended as follows:

8 25-17-3. Notwithstanding any other benefit plan offered to
9 any eligible employee of a state agency or local governmental
10 entity, all state agencies shall, and any local governmental
11 entity may contract for and adopt a benefit plan which meets the
12 requirements of a cafeteria plan as defined in Section 125 et seq.
13 of the Internal Revenue Code of 1986, and regulations thereunder,
14 for the benefit of eligible employees and their dependents.
15 Provided, however, that the maximum benefit available under a
16 health flexible spending account shall be Seven Thousand Five
17 Hundred Dollars (\$7,500.00) per participating employee per plan
18 year, unless federal Internal Revenue Service regulations allow
19 that the available benefit at any point in time may be limited by
20 the premium paid as of that point in time. It is further provided
21 that any state agency or local governmental entity may contract
22 for insurance to cover its potential for loss under a health
23 flexible spending account.

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