

By: Senator(s) Ross

To: Finance

SENATE BILL NO. 2052

1 AN ACT TO AMEND SECTION 25-11-111, MISSISSIPPI CODE OF 1972,  
2 TO PROVIDE THAT AN ELECTED PUBLIC OFFICIAL WHOSE TERM OF OFFICE  
3 DOES NOT END AT THE END OF A MONTH AND WHO RETIRES AT THE END OF  
4 HIS TERM OF OFFICE, TO BEGIN RECEIVING A RETIREMENT ALLOWANCE THE  
5 DAY AFTER THEIR TERM OF OFFICE ENDS PRORATED TO THE END OF THE  
6 MONTH UNDER CERTAIN CONDITIONS; AND FOR RELATED PURPOSES.

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

8 **SECTION 1.** Section 25-11-111, Mississippi Code of 1972, is  
9 amended as follows:

10 25-11-111. (1) Any member upon withdrawal from service upon  
11 or after attainment of the age of sixty (60) years who shall have  
12 completed at least four (4) years of creditable service, or any  
13 member upon withdrawal from service regardless of age who shall  
14 have completed at least twenty-five (25) years of creditable  
15 service, shall be entitled to receive a retirement allowance which  
16 shall begin on the first of the month following the date the  
17 member's application for the allowance is received by the board,  
18 but in no event before withdrawal from service; however, if the  
19 member is an elected public official whose term of office does not  
20 end at the end of a month, such member shall be entitled to  
21 receive a retirement allowance prorated to the end of the month  
22 beginning the day after the member's term of office ends if:

23 (a) The member retires at the end of the term of  
24 office, and

25 (b) The member's application for the allowance is  
26 received during the month prior to the date of the retirement of  
27 the member.

28 (2) Any member whose withdrawal from service occurs prior to  
29 attaining the age of sixty (60) years who shall have completed

30 four (4) or more years of creditable service and shall not have  
31 received a refund of his accumulated contributions shall be  
32 entitled to receive a retirement allowance, beginning upon his  
33 attaining the age of sixty (60) years, of the amount earned and  
34 accrued at the date of withdrawal from service.

35 (3) Any member in service who has qualified for retirement  
36 benefits may select any optional method of settlement of  
37 retirement benefits by notifying the Executive Director of the  
38 Board of Trustees of the Public Employees' Retirement System in  
39 writing, on a form prescribed by the board, of the option he has  
40 selected and by naming the beneficiary of such option and  
41 furnishing necessary proof of age. Such option, once selected,  
42 may be changed at any time prior to actual retirement or death,  
43 but upon the death or retirement of the member, the optional  
44 settlement shall be placed in effect upon proper notification to  
45 the executive director.

46 (4) The annual amount of the retirement allowance shall  
47 consist of:

48 (a) A member's annuity which shall be the actuarial  
49 equivalent of the accumulated contributions of the member at the  
50 time of retirement computed according to the actuarial table in  
51 use by the system; and

52 (b) An employer's annuity which, together with the  
53 member's annuity provided above, shall be equal to one and  
54 seven-eighths percent (1-7/8%) of the average compensation for  
55 each year of state service up to and including twenty-five (25)  
56 years of membership service, and two and one-fourth percent  
57 (2-1/4%) of the average compensation for each year of state  
58 service exceeding twenty-five (25) years of membership service.  
59 However, after the board of trustees has begun implementing the  
60 changes in the computation of the retirement allowance as provided  
61 in subsection (5) of this section, the employer's annuity shall be  
62 equal to:

63 (i) One and seven-eighths percent (1-7/8%) of the  
64 average compensation for each year of membership service up to and  
65 including the number of years specified in Column A of the table  
66 in subsection (5) of this section for the latest phase that has  
67 been implemented, and

68 (ii) Two percent (2%) of the average compensation  
69 for each year of membership service exceeding the number of years  
70 specified in Column A of the table in subsection (5) of this  
71 section for the latest phase that has been implemented up to and  
72 including twenty-five (25) years, and

73 (iii) The percentage of the average compensation  
74 specified in Column B of the table in subsection (5) of this  
75 section for the latest phase that has been implemented for each  
76 year of membership service exceeding twenty-five (25) years.

77 (c) A prior service annuity equal to one and  
78 seven-eighths percent (1-7/8%) of the average compensation for  
79 each year of state service up to and including twenty-five (25)  
80 years of prior service, and two and one-fourth percent (2-1/4%) of  
81 the average compensation for each year of state service exceeding  
82 twenty-five (25) years of prior service for which the member is  
83 allowed credit. However, after the board of trustees has begun  
84 implementing the changes in the computation of the retirement  
85 allowance as provided in subsection (5) of this section, the prior  
86 service annuity shall be equal to:

87 (i) One and seven-eighths percent (1-7/8%) of the  
88 average compensation for each year of prior service up to and  
89 including the number of years specified in Column A of the table  
90 in subsection (5) of this section for the latest phase that has  
91 been implemented, and

92 (ii) Two percent (2%) of the average compensation  
93 for each year of prior service exceeding the number of years  
94 specified in Column A of the table in subsection (5) of this

95 section for the latest phase that has been implemented up to and  
96 including twenty-five (25) years, and

97 (iii) The percentage of the average compensation  
98 specified in Column B of the table in subsection (5) of this  
99 section for the latest phase that has been implemented for each  
100 year of prior service exceeding twenty-five (25) years.

101 (d) Any retired member or beneficiary thereof who was  
102 eligible to receive a retirement allowance before July 1, 1991,  
103 and who is still receiving a retirement allowance on July 1, 1992,  
104 shall receive an increase in the annual retirement allowance of  
105 the retired member equal to one-eighth of one percent (1/8 of 1%)  
106 of the average compensation for each year of state service in  
107 excess of twenty-five (25) years of membership service up to and  
108 including thirty (30) years. The maximum increase shall be  
109 five-eighths of one percent (5/8 of 1%). In no case shall a  
110 member who has been retired prior to July 1, 1987, receive less  
111 than Ten Dollars (\$10.00) per month for each year of creditable  
112 service and proportionately for each quarter year thereof.

113 Persons retired on or after July 1, 1987, shall receive at least  
114 Ten Dollars (\$10.00) per month for each year of service and  
115 proportionately for each quarter year thereof reduced for the  
116 option selected. However, such Ten Dollars (\$10.00) minimum per  
117 month for each year of creditable service shall not apply to a  
118 retirement allowance computed under Section 25-11-114 based on a  
119 percentage of the member's average compensation.

120 (e) The board shall recalculate the retirement  
121 allowance of any member or the beneficiary of such a member, if  
122 the member or beneficiary is eligible to receive a retirement  
123 allowance before July 1, 1999, by using the criteria in paragraphs  
124 (b) and (c) of \* \* \* subsection (5) of this section that provides  
125 for two and one-fourth percent (2-1/4%) of the average  
126 compensation for each year of service exceeding twenty-five (25)  
127 years.



	NUMBER AND	ABOVE 25	
	≤25 YEARS	YEARS	
164	Phase 1	20 years	2.250%
165	Phase 2	15 years	2.250%
166	Phase 3	10 years	2.250%
167	Phase 4	5 years	2.250%
168	Phase 5	0 years	2.250%
169	Phase 6	0 years	2.375%
170	Phase 7	0 years	2.500%

171 Column A shows the years to which two percent (2%) is  
172 applicable in computing the retirement allowance, which are all  
173 the years of service exceeding the number specified in Column A  
174 for the phase that has been implemented up to and including  
175 twenty-five (25) years.

176 Column B shows the percentage that is applicable to the  
177 number of years of service exceeding twenty-five (25) years in  
178 computing the retirement allowance.

179 (6) No member, except members excluded by the Age  
180 Discrimination in Employment Act Amendments of 1986 (Public Law  
181 99-592), under either Article 1 or Article 3 in state service  
182 shall be required to retire because of age.

183 (7) No payment on account of any benefit granted under the  
184 provisions of this section shall become effective or begin to  
185 accrue until January 1, 1953.

186 (8) (a) A retiree or beneficiary may, on a form prescribed  
187 by and filed with the retirement system, irrevocably waive all or  
188 a portion of any benefits from the retirement system to which the  
189 retiree or beneficiary is entitled. Such waiver shall be binding  
190 on the heirs and assigns of any retiree or beneficiary and the  
191 same must agree to forever hold harmless the Public Employees'  
192 Retirement System of Mississippi from any claim to such waived  
193 retirement benefits.

194           (b) Any waiver pursuant to this subsection shall apply  
195 only to the person executing the waiver. A beneficiary shall be  
196 entitled to benefits according to the option selected by the  
197 member at the time of retirement. However, a beneficiary may, at  
198 the option of the beneficiary, execute a waiver of benefits  
199 pursuant to this subsection.

200           (c) The retirement system shall retain in the annuity  
201 reserve account amounts that are not used to pay benefits because  
202 of a waiver executed under this subsection.

203           (d) The board of trustees may provide rules and  
204 regulations for the administration of waivers under this  
205 subsection.

206           **SECTION 2.** This act shall take effect and be in force from  
207 and after July 1, 2005.