

By: Senator(s) Carmichael, Burton

To: Finance

SENATE BILL NO. 2814

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,
 2 TO PROVIDE THAT MEMBERS OF THE RETIREMENT SYSTEM WHO HAVE SERVED
 3 IN THE NATIONAL GUARD OR RESERVE FORCES OF THE UNITED STATES SHALL
 4 BE ENTITLED TO NOT MORE THAT FOUR YEARS CREDITABLE SERVICE AT NO
 5 COST FOR SUCH SERVICE; TO PROVIDE THAT IN ORDER FOR A MEMBER TO BE
 6 ELIGIBLE FOR SUCH CREDITABLE SERVICE HE SHALL HAVE BEEN A
 7 CONTRIBUTING MEMBER OF THE RETIREMENT SYSTEM FOR NOT LESS THAN
 8 FOUR YEARS; AND FOR RELATED PURPOSES.

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

10 **SECTION 1.** Section 25-11-109, Mississippi Code of 1972, is
 11 amended as follows:

12 25-11-109. (1) Under such rules and regulations as the
 13 board of trustees shall adopt, each person who becomes a member of
 14 this retirement system, as provided in Section 25-11-105, on or
 15 prior to July 1, 1953, or who becomes a member and contributes to
 16 the system for a minimum period of four (4) years, shall receive
 17 credit for all state service rendered before February 1, 1953. To
 18 receive such credit, such member shall file a detailed statement
 19 of all services as an employee rendered by him in the state
 20 service before February 1, 1953. For any member who joined the
 21 system after July 1, 1953, any creditable service for which the
 22 member is not required to make contributions shall not be credited
 23 to the member until the member has contributed to the system for a
 24 minimum period of at least four (4) years.

25 (2) In the computation of membership service or prior
 26 service under the provisions of this article, the total months of
 27 accumulative service during any fiscal year shall be calculated in
 28 accordance with the schedule as follows: ten (10) or more months
 29 of creditable service during any fiscal year shall constitute a
 30 year of creditable service; seven (7) months to nine (9) months

31 inclusive, three-quarters (3/4) of a year of creditable service;
32 four (4) months to six (6) months inclusive, one-half-year of
33 creditable service; one (1) month to three (3) months inclusive,
34 one-quarter (1/4) of a year of creditable service. In no case
35 shall credit be allowed for any period of absence without
36 compensation except for disability while in receipt of a
37 disability retirement allowance, nor shall less than fifteen (15)
38 days of service in any month, or service less than the equivalent
39 of one-half (1/2) of the normal working load for the position and
40 less than one-half (1/2) of the normal compensation for the
41 position in any month, constitute a month of creditable service,
42 nor shall more than one (1) year of service be creditable for all
43 services rendered in any one (1) fiscal year; however, for a
44 school employee, substantial completion of the legal school term
45 when and where the service was rendered shall constitute a year of
46 service credit for both prior service and membership service. Any
47 state or local elected official shall be deemed a full-time
48 employee for the purpose of creditable service for prior service
49 or membership service. However, an appointed or elected official
50 compensated on a per diem basis only shall not be allowed
51 creditable service for terms of office.

52 In the computation of any retirement allowance or any annuity
53 or benefits provided in this article, any fractional period of
54 service of less than one (1) year shall be taken into account and
55 a proportionate amount of such retirement allowance, annuity or
56 benefit shall be granted for any such fractional period of
57 service.

58 In the computation of unused leave for creditable service
59 authorized in Section 25-11-103, the following shall govern:
60 twenty-one (21) days of unused leave shall constitute one (1)
61 month of creditable service and in no case shall credit be allowed
62 for any period of unused leave of less than fifteen (15) days.
63 The number of months of unused leave shall determine the number of

64 quarters or years of creditable service in accordance with the
65 above schedule for membership and prior service. In order for the
66 member to receive creditable service for the number of days of
67 unused leave, the system must receive certification from the
68 governing authority.

69 For the purpose of this subsection, for members of the system
70 who are elected officers and who retire on or after July 1, 1987,
71 the following shall govern:

72 (a) For service prior to July 1, 1984, the members
73 shall receive credit for leave (combined personal and major
74 medical) for service as an elected official prior to that date at
75 the rate of thirty (30) days per year.

76 (b) For service on and after July 1, 1984, the member
77 shall receive credit for personal and major medical leave
78 beginning July 1, 1984, at the rates authorized in Sections
79 25-3-93 and 25-3-95, computed as a full-time employee.

80 (3) Subject to the above restrictions and to such other
81 rules and regulations as the board may adopt, the board shall
82 verify, as soon as practicable after the filing of such statements
83 of service, the services therein claimed.

84 (4) Upon verification of the statement of prior service, the
85 board shall issue a prior service certificate certifying to each
86 member the length of prior service for which credit shall have
87 been allowed on the basis of his statement of service. So long as
88 membership continues, a prior service certificate shall be final
89 and conclusive for retirement purposes as to such service,
90 provided that any member may within five (5) years from the date
91 of issuance or modification of such certificate request the board
92 of trustees to modify or correct his prior service certificate.
93 Any modification or correction authorized shall only apply
94 prospectively.

95 When membership ceases, such prior service certificates shall
96 become void. Should the employee again become a member, he shall

97 enter the system as an employee not entitled to prior service
98 credit except as provided in Sections 25-11-105(I), 25-11-113 and
99 25-11-117.

100 (5) Creditable service at retirement, on which the
101 retirement allowance of a member shall be based, shall consist of
102 the membership service rendered by him since he last became a
103 member, and also, if he has a prior service certificate which is
104 in full force and effect, the amount of the service certified on
105 his prior service certificate.

106 (6) (a) Any member who served on active duty in the Armed
107 Forces of the United States, who served in the Commissioned Corps
108 of the United States Public Health Service prior to 1972 or who
109 served in maritime service during periods of hostility in World
110 War II, shall be entitled to creditable service at no cost for his
111 service on active duty in the Armed Forces, in the Commissioned
112 Corps of the United States Public Health Service prior to 1972 or
113 in such maritime service, provided he entered state service after
114 his discharge from the Armed Forces or entered state service after
115 he completed such maritime service. The maximum period for such
116 creditable service for all military service as defined in this
117 subsection (6)(a) shall not exceed four (4) years unless positive
118 proof can be furnished by such person that he was retained in the
119 Armed Forces during World War II or in maritime service during
120 World War II by causes beyond his control and without opportunity
121 of discharge. The member shall furnish proof satisfactory to the
122 board of trustees of certification of military service or maritime
123 service records showing dates of entrance into active duty service
124 and the date of discharge. From and after July 1, 1993, no
125 creditable service shall be granted for any military service or
126 maritime service to a member who qualifies for a retirement
127 allowance in another public retirement system administered by the
128 Board of Trustees of the Public Employees' Retirement System based
129 in whole or in part on such military or maritime service. In no

130 case shall the member receive creditable service if the member
131 received a dishonorable discharge from the Armed Forces of the
132 United States.

133 (b) Any member who served in the National Guard or
134 Reserve Forces of the United States for not less than twenty (20)
135 years shall be entitled to creditable service at no cost for his
136 service in the National Guard or Reserve Forces of the United
137 States. The maximum period for such creditable service for all
138 service as defined in this subsection (6)(b) shall not exceed four
139 (4) years; however, a member shall not be eligible for such
140 creditable service until the member has contributed to the system
141 for a minimum period of at least four (4) years. The member shall
142 furnish proof satisfactory to the board of trustees of
143 certification of service. In no case shall the member receive
144 creditable service if the member received a dishonorable discharge
145 from the Armed Forces of the United States.

146 (7) (a) Any member of the Public Employees' Retirement
147 System whose membership service is interrupted as a result of
148 qualified military service within the meaning of Section 414(u)(5)
149 of the Internal Revenue Code, and who has received the maximum
150 service credit available under subsection (6) of this section,
151 shall receive creditable service for the period of qualified
152 military service that does not qualify as creditable service under
153 subsection (6) of this section upon reentering membership service
154 in an amount not to exceed five (5) years if:

155 (i) The member pays the contributions he would
156 have made to the retirement system if he had remained in
157 membership service for the period of qualified military service
158 based upon his salary at the time his membership service was
159 interrupted;

160 (ii) The member returns to membership service
161 within ninety (90) days of the end of his qualified military
162 service; and

163 (iii) The employer at the time the member's
164 service was interrupted and to which employment the member returns
165 pays the contributions it would have made into the retirement
166 system for such period based on the member's salary at the time
167 the service was interrupted.

168 (b) The payments required to be made in paragraph
169 (a)(i) of this subsection may be made over a period beginning with
170 the date of return to membership service and not exceeding three
171 (3) times the member's qualified military service; however, in no
172 event shall such period exceed five (5) years.

173 (c) The member shall furnish proof satisfactory to the
174 board of trustees of certification of military service showing
175 dates of entrance into qualified service and the date of discharge
176 as well as proof that the member has returned to active employment
177 within the time specified.

178 (8) Any member of the Public Employees' Retirement System
179 who has at least four (4) years of membership service credit shall
180 be entitled to receive a maximum of five (5) years creditable
181 service for service rendered in another state as a public employee
182 of such other state, or a political subdivision, public education
183 system or other governmental instrumentality thereof, or service
184 rendered as a teacher in American overseas dependent schools
185 conducted by the Armed Forces of the United States for children of
186 citizens of the United States residing in areas outside the
187 continental United States, provided that:

188 (a) The member shall furnish proof satisfactory to the
189 board of trustees of certification of such services from the
190 state, public education system, political subdivision or
191 retirement system of the state where the services were performed
192 or the governing entity of the American overseas dependent school
193 where the services were performed; and

194 (b) The member is not receiving or will not be entitled
195 to receive from the public retirement system of the other state or

196 from any other retirement plan, including optional retirement
197 plans, sponsored by the employer, a retirement allowance including
198 such services; and

199 (c) The member shall pay to the retirement system on
200 the date he or she is eligible for credit for such out-of-state
201 service or at any time thereafter prior to date of retirement the
202 actuarial cost as determined by the actuary for each year of
203 out-of-state creditable service. The provisions of this
204 subsection are subject to the limitations of Section 415 of the
205 Internal Revenue Code and regulations promulgated thereunder.

206 (9) Any member of the Public Employees' Retirement System
207 who has at least four (4) years of membership service credit and
208 who receives, or has received, professional leave without
209 compensation for professional purposes directly related to the
210 employment in state service shall receive creditable service for
211 the period of professional leave without compensation provided:

212 (a) The professional leave is performed with a public
213 institution or public agency of this state, or another state or
214 federal agency;

215 (b) The employer approves the professional leave
216 showing the reason for granting the leave and makes a
217 determination that the professional leave will benefit the
218 employee and employer;

219 (c) Such professional leave shall not exceed two (2)
220 years during any ten-year period of state service;

221 (d) The employee shall serve the employer on a
222 full-time basis for a period of time equivalent to the
223 professional leave period granted immediately following the
224 termination of the leave period;

225 (e) The contributing member shall pay to the retirement
226 system the actuarial cost as determined by the actuary for each
227 year of professional leave. The provisions of this subsection are

228 subject to the regulations of the Internal Revenue Code
229 limitations;

230 (f) Such other rules and regulations consistent
231 herewith as the board may adopt and in case of question, the board
232 shall have final power to decide the questions.

233 Any actively contributing member participating in the School
234 Administrator Sabbatical Program established in Section 37-9-77
235 shall qualify for continued participation under this subsection
236 (9).

237 (10) Any member of the Public Employees' Retirement System
238 who has at least four (4) years of credited membership service
239 shall be entitled to receive a maximum of ten (10) years
240 creditable service for:

241 (a) Any service rendered as an employee of any
242 political subdivision of this state, or any instrumentality
243 thereof, which does not participate in the Public Employees'
244 Retirement System; or

245 (b) Any service rendered as an employee of any
246 political subdivision of this state, or any instrumentality
247 thereof, which participates in the Public Employees' Retirement
248 System but did not elect retroactive coverage; or

249 (c) Any service rendered as an employee of any
250 political subdivision of this state, or any instrumentality
251 thereof, for which coverage of the employee's position was or is
252 excluded; provided that the member pays into the retirement system
253 the actuarial cost as determined by the actuary for each year, or
254 portion thereof, of such service. Payment for such service may be
255 made in increments of one-quarter-year of creditable service.
256 After a member has made full payment to the retirement system for
257 all or any part of such service, the member shall receive
258 creditable service for the period of such service for which full
259 payment has been made to the retirement system.

260 **SECTION 2.** This act shall take effect and be in force from
261 and after July 1, 2006.