

## House Amendments to Senate Bill No. 2214

TO THE SECRETARY OF THE SENATE:

THIS IS TO INFORM YOU THAT THE HOUSE HAS ADOPTED THE AMENDMENTS SET OUT BELOW:

### AMENDMENT NO. 1

Amend by striking all after the enacting clause and inserting in lieu thereof the following:

16           **SECTION 1.** Section 25-14-5, Mississippi Code of 1972, is  
17 amended as follows:

18           25-14-5. The State of Mississippi, or any state agency,  
19 county, municipality or other political subdivision may, by  
20 contract, agree with any employee to defer, in whole or in part,  
21 any portion of that employee's income, and a county, municipality  
22 or other political subdivision except community and junior college  
23 districts may make contributions to the plan on behalf of actively  
24 participating members on a uniform basis through an employer  
25 contribution agreement as provided for in the Mississippi Deferred  
26 Compensation Plan and Trust Plan Document if making the  
27 contribution does not conflict with any other state law. Those  
28 funds may subsequently be used to purchase a fixed or variable  
29 life insurance or annuity contract authorized for purchase by the  
30 Public Employees' Retirement System of Mississippi for the purpose  
31 of protecting its obligation to the deferred compensation program  
32 for the employee from any life underwriter duly licensed by this  
33 state who represents an insurance company licensed to contract  
34 fixed and variable annuities and fixed or variable life insurance  
35 business in this state and authorized by the Public Employees'  
36 Retirement System of Mississippi to offer their products in the  
37 plan, or to purchase any investments authorized for purchase by  
38 the Public Employees' Retirement System of Mississippi under  
39 Section 25-11-121, or to invest those monies in a fund or funds  
40 maintained by a corporate trustee, which fund or funds are used as  
41 an investment media for retirement, pension or profit sharing

42 plans that are tax qualified for that purpose. However, in the  
43 administration of this plan, the Public Employees' Retirement  
44 System of Mississippi may adopt such regulations as are reasonable  
45 and necessary to assure the orderly functioning of the plan, but  
46 those regulations shall not unreasonably restrict all licensed  
47 life underwriters and insurance companies described in this  
48 section from concurrently participating in providing contracts  
49 authorized under this section. Anything in any other law to the  
50 contrary notwithstanding, the deferred portion of the employee's  
51 compensation, the plan and the monies in the plan created by this  
52 chapter, are exempt from any state, county or municipal ad valorem  
53 taxes, income taxes, premium taxes, privilege taxes, property  
54 taxes, sales and use taxes and any other taxes not so named, until  
55 the deferred compensation is paid to the employee or beneficiary  
56 and exempt from levy, garnishment, attachment or any other process  
57 whatsoever.

58 **SECTION 2.** Section 25-14-7, Mississippi Code of 1972, is  
59 amended as follows:

60 25-14-7. The administration of the deferred compensation  
61 program shall be under the direction of the Public Employees'  
62 Retirement System of Mississippi or the appropriate officer  
63 designated by a county, municipality, or other political  
64 subdivision. The deferred compensation program shall be operated  
65 in accordance with the guidelines established by the Internal  
66 Revenue Service as reflected in the plan document as may be  
67 modified from time to time by the board of trustees. Payroll  
68 reductions shall be made, in each instance, by the appropriate  
69 payroll officer. The administrator of a deferred compensation  
70 program may contract with a private corporation or institution for  
71 providing consolidated billing and other administrative services  
72 if deemed necessary by the administrator.

73 The board of trustees may levy such charges and fees on  
74 participants' contributions as may reasonably be necessary to  
75 provide for the administrative expenses of operating the deferred  
76 compensation program, including, but not limited to, the services

77 of auditors, consultants, money managers and third-party  
78 administrators.

79         **SECTION 3.** This act shall take effect and be in force from  
80 and after its passage.

**Further, amend by striking the title in its entirety and  
inserting in lieu thereof the following:**

1         AN ACT TO AMEND SECTION 25-14-5, MISSISSIPPI CODE OF 1972, TO  
2 AUTHORIZE POLITICAL SUBDIVISIONS OF THE STATE TO MAKE  
3 CONTRIBUTIONS TO THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM'S  
4 DEFERRED COMPENSATION PLAN ON BEHALF OF ACTIVELY PARTICIPATING  
5 MEMBERS UNDER CERTAIN CIRCUMSTANCES; TO AUTHORIZE FUNDS IN THE  
6 DEFERRED COMPENSATION PLAN TO BE USED TO PURCHASE FIXED OR  
7 VARIABLE LIFE INSURANCE OR ANNUITY CONTRACTS IF THE CONTRACTS ARE  
8 AUTHORIZED FOR PURCHASE BY THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
9 FROM A BUSINESS AUTHORIZED BY THE SYSTEM TO OFFER THEIR PRODUCTS  
10 IN THE PLAN; TO AMEND SECTION 25-14-7, MISSISSIPPI CODE OF 1972,  
11 TO MAKE IT CLEAR THAT THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM'S  
12 DEFERRED COMPENSATION PROGRAM SHALL BE OPERATED IN ACCORDANCE WITH  
13 THE GUIDELINES ESTABLISHED BY THE INTERNAL REVENUE SERVICE AS  
14 REFLECTED IN THE PLAN DOCUMENT; AND FOR RELATED PURPOSES.

HR07\SB2214A.J

Don Richardson  
Clerk of the House of Representatives