

By: Representatives Huddleston (15th),
Frierson, Karriem, Young

To: Appropriations

HOUSE BILL NO. 880

1 AN ACT TO AMEND SECTIONS 25-11-103, 25-11-105, 25-11-109,
2 25-11-111, 25-11-113, 25-11-114, 25-11-117, 25-11-311 AND
3 25-11-315, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE NUMBER OF
4 YEARS OF MEMBERSHIP SERVICE REQUIRED TO VEST IN THE PUBLIC
5 EMPLOYEES' RETIREMENT SYSTEM FOR ALL MEMBERS REGARDLESS OF THE
6 DATE UPON WHICH THEY BECAME A MEMBER SHALL BE FOUR YEARS; AND FOR
7 RELATED PURPOSES.

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

9 **SECTION 1.** Section 25-11-103, Mississippi Code of 1972, is
10 amended as follows:

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

14 (a) "Accumulated contributions" means the sum of all
15 the amounts deducted from the compensation of a member and
16 credited to his or her individual account in the annuity savings
17 account, together with regular interest as provided in Section
18 25-11-123.

19 (b) "Actuarial cost" means the amount of funds
20 presently required to provide future benefits as determined by the



21 board based on applicable tables and formulas provided by the
22 actuary.

23 (c) "Actuarial equivalent" means a benefit of equal
24 value to the accumulated contributions, annuity or benefit, as the
25 case may be, when computed upon the basis of such mortality tables
26 as adopted by the board of trustees, and regular interest.

27 (d) "Actuarial tables" means such tables of mortality
28 and rates of interest as adopted by the board in accordance with
29 the recommendation of the actuary.

30 (e) "Agency" means any governmental body employing
31 persons in the state service.

32 (f) "Average compensation" means the average of the
33 four (4) highest years of earned compensation reported for an
34 employee in a fiscal or calendar year period, or combination
35 thereof that do not overlap, or the last forty-eight (48)
36 consecutive months of earned compensation reported for an
37 employee. The four (4) years need not be successive or joined
38 years of service. In computing the average compensation for
39 retirement, disability or survivor benefits, any amount lawfully
40 paid in a lump sum for personal leave or major medical leave shall
41 be included in the calculation to the extent that the amount does
42 not exceed an amount that is equal to thirty (30) days of earned
43 compensation and to the extent that it does not cause the
44 employee's earned compensation to exceed the maximum reportable
45 amount specified in paragraph (k) of this section; however, this



46 thirty-day limitation shall not prevent the inclusion in the
47 calculation of leave earned under federal regulations before July
48 1, 1976, and frozen as of that date as referred to in Section
49 25-3-99. In computing the average compensation, no amounts shall
50 be used that are in excess of the amount on which contributions
51 were required and paid, and no nontaxable amounts paid by the
52 employer for health or life insurance premiums for the employee
53 shall be used. If any member who is or has been granted any
54 increase in annual salary or compensation of more than eight
55 percent (8%) retires within twenty-four (24) months from the date
56 that the increase becomes effective, then the board shall exclude
57 that part of the increase in salary or compensation that exceeds
58 eight percent (8%) in calculating that member's average
59 compensation for retirement purposes. The board may enforce this
60 provision by rule or regulation. However, increases in
61 compensation in excess of eight percent (8%) per year granted
62 within twenty-four (24) months of the date of retirement may be
63 included in the calculation of average compensation if
64 satisfactory proof is presented to the board showing that the
65 increase in compensation was the result of an actual change in the
66 position held or services rendered, or that the compensation
67 increase was authorized by the State Personnel Board or was
68 increased as a result of statutory enactment, and the employer
69 furnishes an affidavit stating that the increase granted within
70 the last twenty-four (24) months was not contingent on a promise



71 or agreement of the employee to retire. Nothing in Section
72 25-3-31 shall affect the calculation of the average compensation
73 of any member for the purposes of this article. The average
74 compensation of any member who retires before July 1, 1992, shall
75 not exceed the annual salary of the Governor.

76 (g) "Beneficiary" means any person entitled to receive
77 a retirement allowance, an annuity or other benefit as provided by
78 Articles 1 and 3. The term "beneficiary" may also include an
79 organization, estate, trust or entity; however, a beneficiary
80 designated or entitled to receive monthly payments under an
81 optional settlement based on life contingency or under a statutory
82 monthly benefit may only be a natural person. In the event of the
83 death before retirement of any member * * * whose spouse and/or
84 children are not entitled to a retirement allowance on the basis
85 that the member has less than four (4) years of service
86 credit * * * and/or has not been married for a minimum of one (1)
87 year or the spouse has waived his or her entitlement to a
88 retirement allowance under Section 25-11-114, the lawful spouse of
89 a member at the time of the death of the member shall be the
90 beneficiary of the member unless the member has designated another
91 beneficiary after the date of marriage in writing, and filed that
92 writing in the office of the executive director of the board of
93 trustees. No designation or change of beneficiary shall be made
94 in any other manner.



95 (h) "Board" means the board of trustees provided in
96 Section 25-11-15 to administer the retirement system created under
97 this article.

98 (i) "Creditable service" means "prior service,"
99 "retroactive service" and all lawfully credited unused leave not
100 exceeding the accrual rates and limitations provided in Section
101 25-3-91 et seq., as of the date of withdrawal from service plus
102 "membership service" and other service for which credit is
103 allowable as provided in Section 25-11-109. Except to limit
104 creditable service reported to the system for the purpose of
105 computing an employee's retirement allowance or annuity or
106 benefits provided in this article, nothing in this paragraph shall
107 limit or otherwise restrict the power of the governing authority
108 of a municipality or other political subdivision of the state to
109 adopt such vacation and sick leave policies as it deems necessary.

110 (j) "Child" means either a natural child of the member,
111 a child that has been made a child of the member by applicable
112 court action before the death of the member, or a child under the
113 permanent care of the member at the time of the latter's death,
114 which permanent care status shall be determined by evidence
115 satisfactory to the board.

116 (k) "Earned compensation" means the full amount earned
117 during a fiscal year by an employee not to exceed the employee
118 compensation limit set pursuant to Section 401(a)(17) of the
119 Internal Revenue Code for the calendar year in which the fiscal



120 year begins and proportionately for less than one (1) year of
121 service. Except as otherwise provided in this paragraph, the
122 value of maintenance furnished to an employee shall not be
123 included in earned compensation. Earned compensation shall not
124 include any amounts paid by the employer for health or life
125 insurance premiums for an employee. Earned compensation shall be
126 limited to the regular periodic compensation paid, exclusive of
127 litigation fees, bond fees, performance-based incentive payments,
128 and other similar extraordinary nonrecurring payments. In
129 addition, any member in a covered position, as defined by Public
130 Employees' Retirement System laws and regulations, who is also
131 employed by another covered agency or political subdivision shall
132 have the earnings of that additional employment reported to the
133 Public Employees' Retirement System regardless of whether the
134 additional employment is sufficient in itself to be a covered
135 position. In addition, computation of earned compensation shall
136 be governed by the following:

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

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



145 (iii) In the case of members of the State
146 Legislature, all remuneration or amounts paid, except mileage
147 allowance, shall apply.

148 (iv) The amount by which an eligible employee's
149 salary is reduced under a salary reduction agreement authorized
150 under Section 25-17-5 shall be included as earned compensation
151 under this paragraph, provided this inclusion does not conflict
152 with federal law, including federal regulations and federal
153 administrative interpretations under the federal law, pertaining
154 to the Federal Insurance Contributions Act or to Internal Revenue
155 Code Section 125 cafeteria plans.

156 (v) Compensation in addition to an employee's base
157 salary that is paid to the employee under the vacation and sick
158 leave policies of a municipality or other political subdivision of
159 the state that employs him or her that exceeds the maximums
160 authorized by Section 25-3-91 et seq. shall be excluded from the
161 calculation of earned compensation under this article.

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

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

167 (viii) The value of maintenance furnished to an
168 employee before July 1, 2013, for which the proper amount of
169 employer and employee contributions have been paid, shall be



170 included in earned compensation. From and after July 1, 2013, the
171 value of maintenance furnished to an employee shall be reported as
172 earned compensation only if the proper amount of employer and
173 employee contributions have been paid on the maintenance and the
174 employee was receiving maintenance and having maintenance reported
175 to the system as of June 30, 2013. The value of maintenance when
176 not paid in money shall be fixed by the employing state agency,
177 and, in case of doubt, by the board of trustees as defined in
178 Section 25-11-15.

179 (ix) Except as otherwise provided in this
180 paragraph, the value of any in-kind benefits provided by the
181 employer shall not be included in earned compensation. As used in
182 this subparagraph, "in-kind benefits" shall include, but not be
183 limited to, group life insurance premiums, health or dental
184 insurance premiums, nonpaid major medical and personal leave,
185 employer contributions for social security and retirement, tuition
186 reimbursement or educational funding, day care or transportation
187 benefits.

188 (l) "Employee" means any person legally occupying a
189 position in the state service, and shall include the employees of
190 the retirement system created under this article.

191 (m) "Employer" means the State of Mississippi or any of
192 its departments, agencies or subdivisions from which any employee
193 receives his or her compensation.



194 (n) "Executive director" means the secretary to the
195 board of trustees, as provided in Section 25-11-15(9), and the
196 administrator of the Public Employees' Retirement System and all
197 systems under the management of the board of trustees. Wherever
198 the term "Executive Secretary of the Public Employees' Retirement
199 System" or "executive secretary" appears in this article or in any
200 other provision of law, it shall be construed to mean the
201 Executive Director of the Public Employees' Retirement System.

202 (o) "Fiscal year" means the period beginning on July 1
203 of any year and ending on June 30 of the next succeeding year.

204 (p) "Medical board" means the board of physicians or
205 any governmental or nongovernmental disability determination
206 service designated by the board of trustees that is qualified to
207 make disability determinations as provided for in Section
208 25-11-119.

209 (q) "Member" means any person included in the
210 membership of the system as provided in Section 25-11-105. * * *
211 For purposes of Sections 25-11-103, 25-11-111, 25-11-114 and
212 25-11-115, if a member of the system withdrew from state service
213 and received a refund of the amount of the accumulated
214 contributions to the credit of the member in the annuity savings
215 account before July 1, 2011, and the person reenters state service
216 and becomes a member of the system again on or after July 1, 2011,
217 and repays all or part of the amount received as a refund and
218 interest in order to receive creditable service for service



219 rendered before July 1, 2011, the member shall be considered to
220 have become a member of the system on or after July 1, 2011.

221 (r) "Membership service" means service as an employee
222 in a covered position rendered while a contributing member of the
223 retirement system.

224 (s) "Position" means any office or any employment in
225 the state service, or two (2) or more of them, the duties of which
226 call for services to be rendered by one (1) person, including
227 positions jointly employed by federal and state agencies
228 administering federal and state funds. The employer shall
229 determine upon initial employment and during the course of
230 employment of an employee who does not meet the criteria for
231 coverage in the Public Employees' Retirement System based on the
232 position held, whether the employee is or becomes eligible for
233 coverage in the Public Employees' Retirement System based upon any
234 other employment in a covered agency or political subdivision. If
235 or when the employee meets the eligibility criteria for coverage
236 in the other position, then the employer must withhold
237 contributions and report wages from the noncovered position in
238 accordance with the provisions for reporting of earned
239 compensation. Failure to deduct and report those contributions
240 shall not relieve the employee or employer of liability thereof.
241 The board shall adopt such rules and regulations as necessary to
242 implement and enforce this provision.



243 (t) "Prior service" means * * * service rendered before
244 February 1, 1953, for which credit is allowable under Sections
245 25-11-105 and 25-11-109, and which shall allow prior service for
246 any person who is now or becomes a member of the Public Employees'
247 Retirement System and who does contribute to the system for a
248 minimum period of four (4) years.

249 * * *

250 (u) "Regular interest" means interest compounded
251 annually at such a rate as determined by the board in accordance
252 with Section 25-11-121.

253 (v) "Retirement allowance" means an annuity for life as
254 provided in this article, payable each year in twelve (12) equal
255 monthly installments beginning as of the date fixed by the board.
256 The retirement allowance shall be calculated in accordance with
257 Section 25-11-111. However, any spouse who received a spouse
258 retirement benefit in accordance with Section 25-11-111(d) before
259 March 31, 1971, and those benefits were terminated because of
260 eligibility for a social security benefit, may again receive his
261 or her spouse retirement benefit from and after making application
262 with the board of trustees to reinstate the spouse retirement
263 benefit.

264 (w) "Retroactive service" means service rendered after
265 February 1, 1953, for which credit is allowable under Section
266 25-11-105(b) and Section 25-11-105(k).



267 (x) "System" means the Public Employees' Retirement
268 System of Mississippi established and described in Section
269 25-11-101.

270 (y) "State" means the State of Mississippi or any
271 political subdivision thereof or instrumentality of the state.

272 (z) "State service" means all offices and positions of
273 trust or employment in the employ of the state, or any political
274 subdivision or instrumentality of the state, that elect to
275 participate as provided by Section 25-11-105(f), including the
276 position of elected or fee officials of the counties and their
277 deputies and employees performing public services or any
278 department, independent agency, board or commission thereof, and
279 also includes all offices and positions of trust or employment in
280 the employ of joint state and federal agencies administering state
281 and federal funds and service rendered by employees of the public
282 schools. Effective July 1, 1973, all nonprofessional public
283 school employees, such as bus drivers, janitors, maids,
284 maintenance workers and cafeteria employees, shall have the option
285 to become members in accordance with Section 25-11-105(b), and
286 shall be eligible to receive credit for services before July 1,
287 1973, provided that the contributions and interest are paid by the
288 employee in accordance with that section; in addition, the county
289 or municipal separate school district may pay the employer
290 contribution and pro rata share of interest of the retroactive
291 service from available funds. From and after July 1, 1998,



292 retroactive service credit shall be purchased at the actuarial
293 cost in accordance with Section 25-11-105(b).

294 (aa) "Withdrawal from service" or "termination from
295 service" means complete severance of employment in the state
296 service of any member by resignation, dismissal or discharge.

297 (bb) The masculine pronoun, wherever used, includes the
298 feminine pronoun.

299 **SECTION 2.** Section 25-11-105, Mississippi Code of 1972, is
300 amended as follows:

301 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**

302 The membership of this retirement system shall be composed as
303 follows:

304 (a) (i) All persons who become employees in the state
305 service after January 31, 1953, and whose wages are subject to
306 payroll taxes and are lawfully reported on IRS Form W-2, except
307 those specifically excluded, or as to whom election is provided in
308 Articles 1 and 3, shall become members of the retirement system as
309 a condition of their employment.

310 (ii) From and after July 1, 2002, any individual
311 who is employed by a governmental entity to perform professional
312 services shall become a member of the system if the individual is
313 paid regular periodic compensation for those services that is
314 subject to payroll taxes, is provided all other employee benefits
315 and meets the membership criteria established by the regulations
316 adopted by the board of trustees that apply to all other members



317 of the system; however, any active member employed in such a
318 position on July 1, 2002, will continue to be an active member for
319 as long as they are employed in any such position.

320 (b) All persons who become employees in the state
321 service after January 31, 1953, except those specifically excluded
322 or as to whom election is provided in Articles 1 and 3, unless
323 they file with the board before the lapse of sixty (60) days of
324 employment or sixty (60) days after the effective date of the
325 cited articles, whichever is later, on a form prescribed by the
326 board, a notice of election not to be covered by the membership of
327 the retirement system and a duly executed waiver of all present
328 and prospective benefits that would otherwise inure to them on
329 account of their participation in the system, shall become members
330 of the retirement system; however, no credit for prior service
331 will be granted to members * * * until they have contributed to
332 Article 3 of the retirement system for a minimum period of at
333 least four (4) years * * *. Those members shall receive credit
334 for services performed before January 1, 1953, in employment now
335 covered by Article 3, but no credit shall be granted for
336 retroactive services between January 1, 1953, and the date of
337 their entry into the retirement system, unless the employee pays
338 into the retirement system both the employer's and the employee's
339 contributions on wages paid him during the period from January 31,
340 1953, to the date of his becoming a contributing member, together
341 with interest at the rate determined by the board of trustees.



342 Members reentering after withdrawal from service shall qualify for
343 prior service under the provisions of Section 25-11-117. From and
344 after July 1, 1998, upon eligibility as noted above, the member
345 may receive credit for such retroactive service provided:

346 (i) The member shall furnish proof satisfactory to
347 the board of trustees of certification of that service from the
348 covered employer where the services were performed; and

349 (ii) The member shall pay to the retirement system
350 on the date he or she is eligible for that credit or at any time
351 thereafter before the date of retirement the actuarial cost for
352 each year of that creditable service. The provisions of this
353 subparagraph (ii) shall be subject to the limitations of Section
354 415 of the Internal Revenue Code and regulations promulgated under
355 Section 415.

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

360 (c) All persons who become employees in the state
361 service after January 31, 1953, and who are eligible for
362 membership in any other retirement system shall become members of
363 this retirement system as a condition of their employment, unless
364 they elect at the time of their employment to become a member of
365 that other system.



366 (d) All persons who are employees in the state service
367 on January 31, 1953, and who are members of any nonfunded
368 retirement system operated by the State of Mississippi, or any of
369 its departments or agencies, shall become members of this system
370 with prior service credit unless, before February 1, 1953, they
371 file a written notice with the board of trustees that they do not
372 elect to become members.

373 (e) All persons who are employees in the state service
374 on January 31, 1953, and who under existing laws are members of
375 any fund operated for the retirement of employees by the State of
376 Mississippi, or any of its departments or agencies, shall not be
377 entitled to membership in this retirement system unless, before
378 February 1, 1953, any such person indicates by a notice filed with
379 the board, on a form prescribed by the board, his individual
380 election and choice to participate in this system, but no such
381 person shall receive prior service credit unless he becomes a
382 member on or before February 1, 1953.

383 (f) Each political subdivision of the state and each
384 instrumentality of the state or a political subdivision, or both,
385 is authorized to submit, for approval by the board of trustees, a
386 plan for extending the benefits of this article to employees of
387 any such political subdivision or instrumentality. Each such plan
388 or any amendment to the plan for extending benefits thereof shall
389 be approved by the board of trustees if it finds that the plan, or
390 the plan as amended, is in conformity with such requirements as



391 are provided in Articles 1 and 3; however, upon approval of the
392 plan or any such plan previously approved by the board of
393 trustees, the approved plan shall not be subject to cancellation
394 or termination by the political subdivision or instrumentality,
395 except that any community hospital serving a municipality that
396 joined the Public Employees' Retirement System as of November 1,
397 1956, to offer social security coverage for its employees and
398 later extended retirement annuity coverage to its employees as of
399 December 1, 1965, may, upon documentation of extreme financial
400 hardship, have future retirement annuity coverage cancelled or
401 terminated at the discretion of the board of trustees. No such
402 plan shall be approved unless:

403 (i) It provides that all services that constitute
404 employment as defined in Section 25-11-5 and are performed in the
405 employ of the political subdivision or instrumentality, by any
406 employees thereof, shall be covered by the plan, with the
407 exception of municipal employees who are already covered by
408 existing retirement plans; however, those employees in this class
409 may elect to come under the provisions of this article;

410 (ii) It specifies the source or sources from which
411 the funds necessary to make the payments required by paragraph (d)
412 of Section 25-11-123 and of paragraph (f) (v)2 and 3 of this
413 section are expected to be derived and contains reasonable
414 assurance that those sources will be adequate for that purpose;



415 (iii) It provides for such methods of
416 administration of the plan by the political subdivision or
417 instrumentality as are found by the board of trustees to be
418 necessary for the proper and efficient administration thereof;

419 (iv) It provides that the political subdivision or
420 instrumentality will make such reports, in such form and
421 containing such information, as the board of trustees may from
422 time to time require;

423 (v) It authorizes the board of trustees to
424 terminate the plan in its entirety in the discretion of the board
425 if it finds that there has been a failure to comply substantially
426 with any provision contained in the plan, the termination to take
427 effect at the expiration of such notice and on such conditions as
428 may be provided by regulations of the board and as may be
429 consistent with applicable federal law.

430 1. The board of trustees shall not finally
431 refuse to approve a plan submitted under paragraph (f), and shall
432 not terminate an approved plan without reasonable notice and
433 opportunity for hearing to each political subdivision or
434 instrumentality affected by the board's decision. The board's
435 decision in any such case shall be final, conclusive and binding
436 unless an appeal is taken by the political subdivision or
437 instrumentality aggrieved by the decision to the Circuit Court of
438 the First Judicial District of Hinds County, Mississippi, in



439 accordance with the provisions of law with respect to civil causes
440 by certiorari.

441 2. Each political subdivision or
442 instrumentality as to which a plan has been approved under this
443 section shall pay into the contribution fund, with respect to
444 wages (as defined in Section 25-11-5), at such time or times as
445 the board of trustees may by regulation prescribe, contributions
446 in the amounts and at the rates specified in the applicable
447 agreement entered into by the board.

448 3. Every political subdivision or
449 instrumentality required to make payments under paragraph (f)(v)2
450 of this section is authorized, in consideration of the employees'
451 retention in or entry upon employment after enactment of Articles
452 1 and 3, to impose upon its employees, as to services that are
453 covered by an approved plan, a contribution with respect to wages
454 (as defined in Section 25-11-5) not exceeding the amount provided
455 in Section 25-11-123(d) if those services constituted employment
456 within the meaning of Articles 1 and 3, and to deduct the amount
457 of the contribution from the wages as and when paid.
458 Contributions so collected shall be paid into the contribution
459 fund as partial discharge of the liability of the political
460 subdivisions or instrumentalities under paragraph (f)(v)2 of this
461 section. Failure to deduct the contribution shall not relieve the
462 employee or employer of liability for the contribution.



463 4. Any state agency, school, political
464 subdivision, instrumentality or any employer that is required to
465 submit contribution payments or wage reports under any section of
466 this chapter shall be assessed interest on delinquent payments or
467 wage reports as determined by the board of trustees in accordance
468 with rules and regulations adopted by the board and delinquent
469 payments, assessed interest and any other amount certified by the
470 board as owed by an employer, may be recovered by action in a
471 court of competent jurisdiction against the reporting agency
472 liable therefor or may, upon due certification of delinquency and
473 at the request of the board of trustees, be deducted from any
474 other monies payable to the reporting agency by any department or
475 agency of the state.

476 5. Each political subdivision of the state
477 and each instrumentality of the state or a political subdivision
478 or subdivisions that submit a plan for approval of the board, as
479 provided in this section, shall reimburse the board for coverage
480 into the expense account, its pro rata share of the total expense
481 of administering Articles 1 and 3 as provided by regulations of
482 the board.

483 (g) The board may, in its discretion, deny the right of
484 membership in this system to any class of employees whose
485 compensation is only partly paid by the state or who are occupying
486 positions on a part-time or intermittent basis. The board may, in



487 its discretion, make optional with employees in any such classes
488 their individual entrance into this system.

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

495 (i) If any member of this system changes his employment
496 to any agency of the state having an actuarially funded retirement
497 system, the board of trustees may authorize the transfer of the
498 member's creditable service and of the present value of the
499 member's employer's accumulation account and of the present value
500 of the member's accumulated membership contributions to that other
501 system, provided that the employee agrees to the transfer of his
502 accumulated membership contributions and provided that the other
503 system is authorized to receive and agrees to make the transfer.

504 If any member of any other actuarially funded system
505 maintained by an agency of the state changes his employment to an
506 agency covered by this system, the board of trustees may authorize
507 the receipt of the transfer of the member's creditable service and
508 of the present value of the member's employer's accumulation
509 account and of the present value of the member's accumulated
510 membership contributions from the other system, provided that the
511 employee agrees to the transfer of his accumulated membership



512 contributions to this system and provided that the other system is
513 authorized and agrees to make the transfer.

514 (j) Wherever state employment is referred to in this
515 section, it includes joint employment by state and federal
516 agencies of all kinds.

517 (k) Employees of a political subdivision or
518 instrumentality who were employed by the political subdivision or
519 instrumentality before an agreement between the entity and the
520 Public Employees' Retirement System to extend the benefits of this
521 article to its employees, and which agreement provides for the
522 establishment of retroactive service credit, and who * * * have
523 been members of the retirement system * * * and have remained
524 contributors to the retirement system for four (4) years * * * may
525 receive credit for that retroactive service with the political
526 subdivision or instrumentality, provided that the employee and/or
527 employer, as provided under the terms of the modification of the
528 joinder agreement in allowing that coverage, pay into the
529 retirement system the employer's and employee's contributions on
530 wages paid the member during the previous employment, together
531 with interest or actuarial cost as determined by the board
532 covering the period from the date the service was rendered until
533 the payment for the credit for the service was made. Those wages
534 shall be verified by the Social Security Administration or
535 employer payroll records. Effective July 1, 1998, upon
536 eligibility as noted above, a member may receive credit for that



537 retroactive service with the political subdivision or
538 instrumentality provided:

539 (i) The member shall furnish proof satisfactory to
540 the board of trustees of certification of those services from the
541 political subdivision or instrumentality where the services were
542 rendered or verification by the Social Security Administration;
543 and

544 (ii) The member shall pay to the retirement system
545 on the date he or she is eligible for that credit or at any time
546 thereafter before the date of retirement the actuarial cost for
547 each year of that creditable service. The provisions of this
548 subparagraph (ii) shall be subject to the limitations of Section
549 415 of the Internal Revenue Code and regulations promulgated under
550 Section 415.

551 Nothing contained in this paragraph (k) shall be construed to
552 limit the authority of the board to allow the correction of
553 reporting errors or omissions based on the payment of employee and
554 employer contributions plus applicable interest. Payment for that
555 time shall be made in increments of not less than one-quarter
556 (1/4) year of creditable service beginning with the most recent
557 service. Upon the payment of all or part of the required
558 contributions, plus interest or the actuarial cost as provided
559 above, the member shall receive credit for the period of
560 creditable service for which full payment has been made to the
561 retirement system.



562 (1) Through June 30, 1998, any state service eligible
563 for retroactive service credit, no part of which has ever been
564 reported, and requiring the payment of employee and employer
565 contributions plus interest, or, from and after July 1, 1998, any
566 state service eligible for retroactive service credit, no part of
567 which has ever been reported to the retirement system, and
568 requiring the payment of the actuarial cost for that creditable
569 service, may, at the member's option, be purchased in quarterly
570 increments as provided above at the time that its purchase is
571 otherwise allowed.

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

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

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

579 (a) Patient or inmate help in state charitable, penal
580 or correctional institutions;

581 (b) Students of any state educational institution
582 employed by any agency of the state for temporary, part-time or
583 intermittent work;

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



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

591 **III. TERMINATION OF MEMBERSHIP**

592 Membership in this system shall cease by a member withdrawing
593 his accumulated contributions, or by a member withdrawing from
594 active service with a retirement allowance, or by a member's
595 death.

596 **SECTION 3.** Section 25-11-109, Mississippi Code of 1972, is
597 amended as follows:

598 25-11-109. (1) Under such rules and regulations as the
599 board of trustees shall adopt, each person who becomes a member of
600 this retirement system, as provided in Section 25-11-105, on or
601 before July 1, 1953, or who * * * becomes a member of the
602 system * * * and contributes to the system for a minimum period of
603 four (4) years * * * shall receive credit for all state service
604 rendered before February 1, 1953. To receive that credit, the
605 member shall file a detailed statement of all services as an
606 employee rendered by him in the state service before February 1,
607 1953. For any member who joined the system after July 1,
608 1953, * * * any creditable service for which the member is not
609 required to make contributions shall not be credited to the member
610 until the member has contributed to the system for a minimum
611 period of at least four (4) years. * * *



612 (2) In the computation of creditable service under the
613 provisions of this article, the total months of accumulative
614 service during any fiscal year shall be calculated in accordance
615 with the schedule as follows: ten (10) or more months of
616 creditable service during any fiscal year shall constitute a year
617 of creditable service; seven (7) months to nine (9) months
618 inclusive, three-quarters (3/4) of a year of creditable service;
619 four (4) months to six (6) months inclusive, * * * one-half (1/2)
620 year of creditable service; one (1) month to three (3) months
621 inclusive, one-quarter (1/4) of a year of creditable service. In
622 no case shall credit be allowed for any period of absence without
623 compensation except for disability while in receipt of a
624 disability retirement allowance, nor shall less than fifteen (15)
625 days of service in any month, or service less than the equivalent
626 of one-half (1/2) of the normal working load for the position and
627 less than one-half (1/2) of the normal compensation for the
628 position in any month, constitute a month of creditable service,
629 nor shall more than one (1) year of service be creditable for all
630 services rendered in any one (1) fiscal year; however, for a
631 school employee, substantial completion of the legal school term
632 when and where the service was rendered shall constitute a year of
633 service credit. Any state or local elected official shall be
634 deemed a full-time employee for the purpose of creditable service.
635 However, an appointed or elected official compensated on a per



636 diem basis only shall not be allowed creditable service for terms
637 of office.

638 In the computation of any retirement allowance or any annuity
639 or benefits provided in this article, any fractional period of
640 service of less than one (1) year shall be taken into account and
641 a proportionate amount of such retirement allowance, annuity or
642 benefit shall be granted for any such fractional period of
643 service.

644 In the computation of unused leave for creditable service
645 authorized in Section 25-11-103, the following shall govern:
646 twenty-one (21) days of unused leave shall constitute one (1)
647 month of creditable service and in no case shall credit be allowed
648 for any period of unused leave of less than fifteen (15) days.
649 The number of months of unused leave shall determine the number of
650 quarters or years of creditable service in accordance with the
651 above schedule for membership and prior service. In order for the
652 member to receive creditable service for the number of days of
653 unused leave, the system must receive certification from the
654 governing authority.

655 For the purposes of this subsection, members of the system
656 who retire on or after July 1, 2010, shall receive credit
657 for * * * one-half (1/2) day of leave for each full year of
658 membership service accrued after June 30, 2010. The amount of
659 leave received by a member under this paragraph shall be added to



660 the lawfully credited unused leave for which creditable service is
661 provided under Section 25-11-103(i).

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

665 (a) For service before July 1, 1984, the members shall
666 receive credit for leave (combined personal and major medical) for
667 service as an elected official before that date at the rate of
668 thirty (30) days per year.

669 (b) For service on and after July 1, 1984, the member
670 shall receive credit for personal and major medical leave
671 beginning July 1, 1984, at the rates authorized in Sections
672 25-3-93 and 25-3-95, computed as a full-time employee.

673 (3) Subject to the above restrictions and to such other
674 rules and regulations as the board may adopt, the board shall
675 verify, as soon as practicable after the filing of such statements
676 of service, the services therein claimed.

677 (4) Upon verification of the statement of prior service, the
678 board shall issue a prior service certificate certifying to each
679 member the length of prior service for which credit shall have
680 been allowed on the basis of his statement of service. So long as
681 membership continues, a prior service certificate shall be final
682 and conclusive for retirement purposes as to such service,
683 provided that any member may within five (5) years from the date
684 of issuance or modification of such certificate request the board



685 of trustees to modify or correct his prior service certificate.
686 Any modification or correction authorized shall only apply
687 prospectively.

688 When membership ceases, such prior service certificates shall
689 become void. Should the employee again become a member, he shall
690 enter the system as an employee not entitled to prior service
691 credit except as provided in Sections 25-11-105(I), 25-11-113 and
692 25-11-117.

693 (5) Creditable service at retirement, on which the
694 retirement allowance of a member shall be based, shall consist of
695 the membership service rendered by him since he last became a
696 member, and also, if he has a prior service certificate that is in
697 full force and effect, the amount of the service certified on his
698 prior service certificate.

699 (6) Any member who served on active duty in the Armed Forces
700 of the United States, who served in the Commissioned Corps of the
701 United States Public Health Service before 1972 or who served in
702 maritime service during periods of hostility in World War II,
703 shall be entitled to creditable service at no cost for his service
704 on active duty in the Armed Forces, in the Commissioned Corps of
705 the United States Public Health Service before 1972 or in such
706 maritime service, provided he entered state service after his
707 discharge from the Armed Forces or entered state service after he
708 completed such maritime service. The maximum period for such
709 creditable service for all military service as defined in this



710 subsection (6) shall not exceed four (4) years unless positive
711 proof can be furnished by such person that he was retained in the
712 Armed Forces during World War II or in maritime service during
713 World War II by causes beyond his control and without opportunity
714 of discharge. The member shall furnish proof satisfactory to the
715 board of trustees of certification of military service or maritime
716 service records showing dates of entrance into active duty service
717 and the date of discharge. From and after July 1, 1993, no
718 creditable service shall be granted for any military service or
719 maritime service to a member who qualifies for a retirement
720 allowance in another public retirement system administered by the
721 Board of Trustees of the Public Employees' Retirement System
722 based, in whole or in part, on such military or maritime service.
723 In no case shall the member receive creditable service if the
724 member received a dishonorable discharge from the Armed Forces of
725 the United States.

726 (7) (a) Any member of the Public Employees' Retirement
727 System whose membership service is interrupted as a result of
728 qualified military service within the meaning of Section 414(u) (5)
729 of the Internal Revenue Code, and who has received the maximum
730 service credit available under subsection (6) of this section,
731 shall receive creditable service for the period of qualified
732 military service that does not qualify as creditable service under
733 subsection (6) of this section upon reentering membership service
734 in an amount not to exceed five (5) years if:



735 (i) The member pays the contributions he would
736 have made to the retirement system if he had remained in
737 membership service for the period of qualified military service
738 based upon his salary at the time his membership service was
739 interrupted;

740 (ii) The member returns to membership service
741 within ninety (90) days of the end of his qualified military
742 service; and

743 (iii) The employer at the time the member's
744 service was interrupted and to which employment the member returns
745 pays the contributions it would have made into the retirement
746 system for such period based on the member's salary at the time
747 the service was interrupted.

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

753 (c) The member shall furnish proof satisfactory to the
754 board of trustees of certification of military service showing
755 dates of entrance into qualified service and the date of discharge
756 as well as proof that the member has returned to active employment
757 within the time specified.

758 (8) Any member of the Public Employees' Retirement
759 System * * * and who has at least four (4) years of membership



760 service credit * * * shall be entitled to receive a maximum of
761 five (5) years' creditable service for service rendered in another
762 state as a public employee of such other state, or a political
763 subdivision, public education system or other governmental
764 instrumentality thereof, or service rendered as a teacher in
765 American overseas dependent schools conducted by the Armed Forces
766 of the United States for children of citizens of the United States
767 residing in areas outside the continental United States, provided
768 that:

769 (a) The member shall furnish proof satisfactory to the
770 board of trustees of certification of such services from the
771 state, public education system, political subdivision or
772 retirement system of the state where the services were performed
773 or the governing entity of the American overseas dependent school
774 where the services were performed; and

775 (b) The member is not receiving or will not be entitled
776 to receive from the public retirement system of the other state or
777 from any other retirement plan, including optional retirement
778 plans, sponsored by the employer, a retirement allowance including
779 such services; and

780 (c) The member shall pay to the retirement system on
781 the date he or she is eligible for credit for such out-of-state
782 service or at any time thereafter before the date of retirement
783 the actuarial cost as determined by the actuary for each year of
784 out-of-state creditable service. The provisions of this



785 subsection are subject to the limitations of Section 415 of the
786 Internal Revenue Code and regulations promulgated under that
787 section.

788 (9) Any member of the Public Employees' Retirement System
789 who * * * has at least four (4) years of membership service
790 credit * * * and who receives, or has received, professional leave
791 without compensation for professional purposes directly related to
792 the employment in state service shall receive creditable service
793 for the period of professional leave without compensation
794 provided:

795 (a) The professional leave is performed with a public
796 institution or public agency of this state, or another state or
797 federal agency;

798 (b) The employer approves the professional leave
799 showing the reason for granting the leave and makes a
800 determination that the professional leave will benefit the
801 employee and employer;

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

804 (d) The employee shall serve the employer on a
805 full-time basis for a period of time equivalent to the
806 professional leave period granted immediately following the
807 termination of the leave period;

808 (e) The contributing member shall pay to the retirement
809 system the actuarial cost as determined by the actuary for each



810 year of professional leave. The provisions of this subsection are
811 subject to the regulations of the Internal Revenue Code
812 limitations;

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

816 Any actively contributing member participating in the School
817 Administrator Sabbatical Program established in Section 37-9-77
818 shall qualify for continued participation under this subsection
819 (9).

820 (10) Any member of the Public Employees' Retirement System
821 who * * * has at least four (4) years of credited membership
822 service * * * shall be entitled to receive a maximum of ten (10)
823 years creditable service for:

824 (a) Any service rendered as an employee of any
825 political subdivision of this state, or any instrumentality
826 thereof, that does not participate in the Public Employees'
827 Retirement System; or

828 (b) Any service rendered as an employee of any
829 political subdivision of this state, or any instrumentality
830 thereof, that participates in the Public Employees' Retirement
831 System but did not elect retroactive coverage; or

832 (c) Any service rendered as an employee of any
833 political subdivision of this state, or any instrumentality
834 thereof, for which coverage of the employee's position was or is



835 excluded; provided that the member pays into the retirement system
836 the actuarial cost as determined by the actuary for each year, or
837 portion thereof, of such service. Payment for such service may be
838 made in increments of * * * one-quarter (1/4) year of creditable
839 service. After a member has made full payment to the retirement
840 system for all or any part of such service, the member shall
841 receive creditable service for the period of such service for
842 which full payment has been made to the retirement system.

843 **SECTION 4.** Section 25-11-111, Mississippi Code of 1972, is
844 amended as follows:

845 25-11-111. (a) (1) Any member * * * upon withdrawal from
846 service upon or after attainment of the age of sixty (60) years
847 who has completed at least four (4) years of membership service,
848 or any member who became a member of the system before July 1,
849 2011, upon withdrawal from service regardless of age who has
850 completed at least twenty-five (25) years of creditable service,
851 shall be entitled to receive a retirement allowance, which shall
852 begin on the first of the month following the date the member's
853 application for the allowance is received by the board, but in no
854 event before withdrawal from service.

855 (2) * * * Any member who became a member of the system
856 on or after July 1, 2011, upon withdrawal from service regardless
857 of age who has completed at least thirty (30) years of creditable
858 service, shall be entitled to receive a retirement allowance,
859 which shall begin on the first of the month following the date the



860 member's application for the allowance is received by the board,
861 but in no event before withdrawal from service.

862 (b) * * * Any member * * * whose withdrawal from service
863 occurs before attaining the age of sixty (60) years who has
864 completed four (4) or more years of membership service and has not
865 received a refund of his accumulated contributions, shall be
866 entitled to receive a retirement allowance, beginning upon his
867 attaining the age of sixty (60) years, of the amount earned and
868 accrued at the date of withdrawal from service.

869 * * *

870 (c) Any member in service who has qualified for retirement
871 benefits may select any optional method of settlement of
872 retirement benefits by notifying the Executive Director of the
873 Board of Trustees of the Public Employees' Retirement System in
874 writing, on a form prescribed by the board, of the option he has
875 selected and by naming the beneficiary of the option and
876 furnishing necessary proof of age. The option, once selected, may
877 be changed at any time before actual retirement or death, but upon
878 the death or retirement of the member, the optional settlement
879 shall be placed in effect upon proper notification to the
880 executive director.

881 (d) Any member who became a member of the system before July
882 1, 2011, shall be entitled to an annual retirement allowance which
883 shall consist of:



884 (1) A member's annuity, which shall be the actuarial
885 equivalent of the accumulated contributions of the member at the
886 time of retirement computed according to the actuarial table in
887 use by the system; and

888 (2) An employer's annuity, which, together with the
889 member's annuity provided above, shall be equal to two percent
890 (2%) of the average compensation for each year of service up to
891 and including twenty-five (25) years of creditable service, and
892 two and one-half percent (2-1/2%) of the average compensation for
893 each year of service exceeding twenty-five (25) years of
894 creditable service.

895 (3) Any retired member or beneficiary thereof who was
896 eligible to receive a retirement allowance before July 1, 1991,
897 and who is still receiving a retirement allowance on July 1, 1992,
898 shall receive an increase in the annual retirement allowance of
899 the retired member equal to one-eighth of one percent (1/8 of 1%)
900 of the average compensation for each year of state service in
901 excess of twenty-five (25) years of membership service up to and
902 including thirty (30) years. The maximum increase shall be
903 five-eighths of one percent (5/8 of 1%). In no case shall a
904 member who has been retired before July 1, 1987, receive less than
905 Ten Dollars (\$10.00) per month for each year of creditable service
906 and proportionately for each quarter year thereof. Persons
907 retired on or after July 1, 1987, shall receive at least Ten
908 Dollars (\$10.00) per month for each year of service and



909 proportionately for each quarter year thereof reduced for the
910 option selected. However, such Ten Dollars (\$10.00) minimum per
911 month for each year of creditable service shall not apply to a
912 retirement allowance computed under Section 25-11-114 based on a
913 percentage of the member's average compensation.

914 (e) Any member who became a member of the system on or after
915 July 1, 2011, shall be entitled to an annual retirement allowance
916 which shall consist of:

917 (1) A member's annuity, which shall be the actuarial
918 equivalent of the accumulated contributions of the member at the
919 time of retirement computed according to the actuarial table in
920 use by the system; and

921 (2) An employer's annuity, which, together with the
922 member's annuity provided above, shall be equal to two percent
923 (2%) of the average compensation for each year of service up to
924 and including thirty (30) years of creditable service, and two and
925 one-half percent (2-1/2%) of average compensation for each year of
926 service exceeding thirty (30) years of creditable service.

927 (f) Any member who became a member of the system on or after
928 July 1, 2011, upon withdrawal from service upon or after attaining
929 the age of sixty (60) years who has completed at least * * * four
930 (4) years of membership service, or any such member upon
931 withdrawal from service regardless of age who has completed at
932 least thirty (30) years of creditable service, shall be entitled
933 to receive a retirement allowance computed in accordance with the



934 formula set forth in subsection (e) of this section. In the case
935 of the retirement of any member who has attained age sixty (60)
936 but who has not completed at least thirty (30) years of creditable
937 service, the retirement allowance shall be computed in accordance
938 with the formula set forth in subsection (e) of this section
939 except that the total annual retirement allowance shall be reduced
940 by an actuarial equivalent factor for each year of creditable
941 service below thirty (30) years or the number of years in age that
942 the member is below age sixty-five (65), whichever is less.

943 (g) No member, except members excluded by the Age
944 Discrimination in Employment Act Amendments of 1986 (Public Law
945 99-592), under either Article 1 or Article 3 in state service
946 shall be required to retire because of age.

947 (h) No payment on account of any benefit granted under the
948 provisions of this section shall become effective or begin to
949 accrue until January 1, 1953.

950 (i) (1) A retiree or beneficiary may, on a form prescribed
951 by and filed with the retirement system, irrevocably waive all or
952 a portion of any benefits from the retirement system to which the
953 retiree or beneficiary is entitled. The waiver shall be binding
954 on the heirs and assigns of any retiree or beneficiary and the
955 same must agree to forever hold harmless the Public Employees'
956 Retirement System of Mississippi from any claim to the waived
957 retirement benefits.



958 (2) Any waiver under this subsection shall apply only
959 to the person executing the waiver. A beneficiary shall be
960 entitled to benefits according to the option selected by the
961 member at the time of retirement. However, a beneficiary may, at
962 the option of the beneficiary, execute a waiver of benefits under
963 this subsection.

964 (3) The retirement system shall retain in the annuity
965 reserve account amounts that are not used to pay benefits because
966 of a waiver executed under this subsection.

967 (4) The board of trustees may provide rules and
968 regulations for the administration of waivers under this
969 subsection.

970 **SECTION 5.** Section 25-11-113, Mississippi Code of 1972, is
971 amended as follows:

972 25-11-113. (1) (a) Upon the application of a member or his
973 employer, any active member in state service who * * * has at
974 least four (4) years of membership service credit * * * may be
975 retired by the board of trustees on the first of the month
976 following the date of filing the application on a disability
977 retirement allowance, but in no event shall the disability
978 retirement allowance begin before termination of state service,
979 provided that the medical board, after an evaluation of medical
980 evidence that may or may not include an actual physical
981 examination by the medical board, certifies that the member is
982 mentally or physically incapacitated for the further performance



983 of duty, that the incapacity is likely to be permanent, and that
984 the member should be retired; however, the board of trustees may
985 accept a disability medical determination from the Social Security
986 Administration in lieu of a certification from the medical board.
987 For the purposes of disability determination, the medical board
988 shall apply the following definition of disability: the inability
989 to perform the usual duties of employment or the incapacity to
990 perform such lesser duties, if any, as the employer, in its
991 discretion, may assign without material reduction in compensation,
992 or the incapacity to perform the duties of any employment covered
993 by the Public Employees' Retirement System (Section 25-11-101 et
994 seq.) that is actually offered and is within the same general
995 territorial work area, without material reduction in compensation.
996 The employer shall be required to furnish the job description and
997 duties of the member. The employer shall further certify whether
998 the employer has offered the member other duties and has complied
999 with the applicable provisions of the Americans With Disabilities
1000 Act in affording reasonable accommodations that would allow the
1001 employee to continue employment.

1002 (b) Any inactive member * * * with four (4) or more
1003 years of membership service credit * * * who has withdrawn from
1004 active state service, is not eligible for a disability retirement
1005 allowance unless the disability occurs within six (6) months of
1006 the termination of active service and unless satisfactory proof is



1007 presented to the board of trustees that the disability was the
1008 direct cause of withdrawal from state service.

1009 (c) Any member who is or becomes eligible for service
1010 retirement benefits under Section 25-11-111 while pursuing a
1011 disability retirement allowance under this section or Section
1012 25-11-114 may elect to receive a service retirement allowance
1013 pending a final determination on eligibility for a disability
1014 retirement allowance or withdrawal of the application for the
1015 disability retirement allowance. In such a case, an application
1016 for a disability retirement allowance must be on file with the
1017 system before the beginning of a service retirement allowance. If
1018 the application is approved, the option selected and beneficiary
1019 designated on the retirement application shall be used to
1020 determine the disability retirement allowance. If the application
1021 is not approved or if the application is withdrawn, the service
1022 retirement allowance shall continue to be paid in accordance with
1023 the option selected. No person may apply for a disability
1024 retirement allowance after the person begins to receive a service
1025 retirement allowance.

1026 (d) If the medical board certifies that the member is
1027 not mentally or physically incapacitated for the future
1028 performance of duty, the member may request, within sixty (60)
1029 days, a hearing before the hearing officer as provided in Section
1030 25-11-120. All hearings shall be held in accordance with rules



1031 and regulations adopted by the board to govern those hearings.

1032 The hearing may be closed upon the request of the member.

1033 (e) The medical board may request additional medical
1034 evidence and/or other physicians to conduct an evaluation of the
1035 member's condition. If the medical board requests additional
1036 medical evidence and the member refuses the request, the
1037 application shall be considered void.

1038 (2) Allowance on disability retirement.

1039 (a) Upon retirement for disability, an eligible member
1040 shall receive a retirement allowance if he has attained the age of
1041 sixty (60) years.

1042 (b) Except as provided in paragraph (c) of this
1043 subsection (2), an eligible member who is retired for disability
1044 and who has not attained sixty (60) years of age shall receive a
1045 disability benefit as computed in Section 25-11-111(d), which
1046 shall consist of:

1047 (i) A member's annuity, which shall be the
1048 actuarial equivalent of his accumulated contributions at the time
1049 of retirement; and

1050 (ii) An employer's annuity equal to the amount
1051 that would have been payable as a retirement allowance for
1052 eligible creditable service if the member had continued in service
1053 to the age of sixty (60) years, which shall apply to the allowance
1054 for disability retirement paid to retirees receiving such
1055 allowance upon and after April 12, 1977. This employer's annuity



1056 shall be computed on the basis of the average "earned
1057 compensation" as defined in Section 25-11-103.

1058 (c) For persons who become members after June 30, 1992,
1059 and for active members on June 30, 1992, who elect benefits under
1060 this paragraph (c) instead of those provided under paragraph (b)
1061 of this subsection (2), the disability allowance shall consist of
1062 two (2) parts: a temporary allowance and a deferred allowance.

1063 The temporary allowance shall equal the greater of (i) forty
1064 percent (40%) of average compensation at the time of disability,
1065 plus ten percent (10%) of average compensation for each of the
1066 first two (2) dependent children, as defined in Sections 25-11-103
1067 and 25-11-114, or (ii) the accrued benefit based on actual
1068 service. It shall be payable for a period of time based on the
1069 member's age at disability, as follows:

1070	Age at Disability	Duration
1071	60 and earlier	to age 65
1072	61	to age 66
1073	62	to age 66
1074	63	to age 67
1075	64	to age 67
1076	65	to age 68
1077	66	to age 68
1078	67	to age 69
1079	68	to age 70
1080	69 and over	one year



1081 The deferred allowance shall begin when the temporary
1082 allowance ends and shall be payable for life. The deferred
1083 allowance shall equal the greater of (i) the allowance that would
1084 have been payable had the member continued in service to the
1085 termination age of the temporary allowance, but no more than forty
1086 percent (40%) of average compensation, or (ii) the accrued benefit
1087 based on actual service at the time of disability. The deferred
1088 allowance as determined at the time of disability shall be
1089 adjusted in accordance with Section 25-11-112 for the period
1090 during which the temporary annuity is payable. In no case shall a
1091 member receive less than Ten Dollars (\$10.00) per month for each
1092 year of service and proportionately for each quarter year thereof
1093 reduced for the option selected.

1094 (d) The member may elect to receive the actuarial
1095 equivalent of the disability retirement allowance in a reduced
1096 allowance payable throughout life under any of the provisions of
1097 the options provided under Section 25-11-115.

1098 (e) If a disability retiree who has not selected an
1099 option under Section 25-11-115 dies before being repaid in
1100 disability benefits the sum of his total contributions, then his
1101 named beneficiary shall receive the difference in cash, which
1102 shall apply to all deceased disability retirees from and after
1103 January 1, 1953.

1104 (3) Reexamination of retirees retired on account of
1105 disability. Except as otherwise provided in this section, once



1106 each year during the first five (5) years following retirement of
1107 a member on a disability retirement allowance, and once in every
1108 period of three (3) years thereafter, the board of trustees may,
1109 and upon his application shall, require any disability retiree who
1110 has not yet attained the age of sixty (60) years or the
1111 termination age of the temporary allowance under subsection (2)(c)
1112 of this section to undergo a medical examination, the examination
1113 to be made at the place of residence of the retiree or other place
1114 mutually agreed upon by a physician or physicians designated by
1115 the board. The board, however, in its discretion, may authorize
1116 the medical board to establish reexamination schedules appropriate
1117 to the medical condition of individual disability retirees. If
1118 any disability retiree who has not yet attained the age of sixty
1119 (60) years or the termination age of the temporary allowance under
1120 subsection (2)(c) of this section refuses to submit to any medical
1121 examination provided in this section, his allowance may be
1122 discontinued until his withdrawal of that refusal; and if his
1123 refusal continues for one (1) year, all his rights to a disability
1124 benefit shall be revoked by the board of trustees.

1125 (4) If the medical board reports and certifies to the board
1126 of trustees, after a comparable job analysis or other similar
1127 study, that the disability retiree is engaged in, or is able to
1128 engage in, a gainful occupation paying more than the difference
1129 between his disability allowance, exclusive of cost-of-living
1130 adjustments, and the average compensation, and if the board of



1131 trustees concurs in the report, the disability benefit shall be
1132 reduced to an amount that, together with the amount earnable by
1133 him, equals the amount of his average compensation. If his
1134 earning capacity is later changed, the amount of the benefit may
1135 be further modified, provided that the revised benefit shall not
1136 exceed the amount originally granted. A retiree receiving a
1137 disability benefit who is restored to active service at a salary
1138 less than the average compensation shall not become a member of
1139 the retirement system.

1140 (5) If a disability retiree under the age of sixty (60)
1141 years or the termination age of the temporary allowance under
1142 subsection (2) (c) of this section is restored to active service at
1143 a compensation not less than his average compensation, his
1144 disability benefit shall end, he shall again become a member of
1145 the retirement system, and contributions shall be withheld and
1146 reported. Any such prior service certificate, on the basis of
1147 which his service was computed at the time of retirement, shall be
1148 restored to full force and effect. In addition, upon his later
1149 retirement he shall be credited with all creditable service as a
1150 member, but the total retirement allowance paid to the retired
1151 member in his previous retirement shall be deducted from his
1152 retirement reserve and taken into consideration in recalculating
1153 the retirement allowance under a new option selected.

1154 (6) If following reexamination in accordance with the
1155 provisions contained in this section, the medical board determines



1156 that a retiree retired on account of disability is physically and
1157 mentally able to return to the employment from which he is
1158 retired, the board of trustees, upon certification of those
1159 findings from the medical board, shall, after a reasonable period
1160 of time, terminate the disability allowance, whether or not the
1161 retiree is reemployed or seeks that reemployment. In addition, if
1162 the board of trustees determines that the retiree is no longer
1163 sustaining a loss of income as established by documented evidence
1164 of the retiree's earned income, the eligibility for a disability
1165 allowance shall terminate and the allowance terminated within a
1166 reasonable period of time. If the retirement allowance is
1167 terminated under the provisions of this section, the retiree may
1168 later qualify for a retirement allowance under Section 25-11-111
1169 based on actual years of service credit plus credit for the period
1170 during which a disability allowance was paid.

1171 (7) Any current member as of June 30, 1992, who retires on a
1172 disability retirement allowance after June 30, 1992, and who has
1173 not elected to receive benefits under subsection (2)(c) of this
1174 section, shall relinquish all rights under the Age Discrimination
1175 in Employment Act of 1967, as amended, with regard to the benefits
1176 payable under this section.

1177 **SECTION 6.** Section 25-11-114, Mississippi Code of 1972, is
1178 amended as follows:

1179 25-11-114. (1) The applicable benefits provided in
1180 subsections (2) and (3) of this section shall be paid to eligible



1181 beneficiaries of any member who * * * has completed four (4) or
1182 more years of membership service * * * and who dies before
1183 retirement and who has not filed a Pre-Retirement Optional
1184 Retirement Form as provided in Section 25-11-111.

1185 (2) (a) The surviving spouse of a member who dies before
1186 retirement shall receive a monthly benefit computed in accordance
1187 with paragraph (d) of this subsection (2) as if the member had
1188 nominated his spouse as beneficiary if:

1189 (i) The member completed the requisite minimum
1190 number of years of membership service to qualify for a retirement
1191 allowance at age sixty (60);

1192 (ii) The spouse has been married to the member for
1193 not less than one (1) year preceding the death of the member;

1194 (iii) The member has not exercised any other
1195 option.

1196 (b) If, at the time of the member's death, there are no
1197 dependent children, and the surviving spouse, who otherwise would
1198 receive the annuity under this subsection (2), has filed with the
1199 system a signed written waiver of his or her rights to the annuity
1200 and that waiver was in effect at the time of the member's death, a
1201 lump-sum distribution of the deceased member's accumulated
1202 contributions shall be refunded in accordance with Section
1203 25-11-117.

1204 (c) The spouse annuity shall begin on the first day of
1205 the month following the date of the member's death, but in case of



1206 late filing, retroactive payments will be made for a period of not
1207 more than one (1) year.

1208 (d) The spouse of a member who is eligible to receive a
1209 monthly benefit under paragraph (a) of this subsection (2) shall
1210 receive a benefit for life equal to the higher of the following:

1211 (i) The greater of twenty percent (20%) of the
1212 deceased member's average compensation as defined in Section
1213 25-11-103 at the time of death or Fifty Dollars (\$50.00) monthly;
1214 or

1215 (ii) Benefits calculated under Option 2 of Section
1216 25-11-115. The method of calculating the retirement benefits
1217 shall be on the same basis as provided in Section 25-11-111(d) or
1218 (e), as applicable. However, if the member dies before being
1219 qualified for a retirement allowance, then the benefits shall be
1220 reduced by an actuarially determined percentage or factor based on
1221 the lesser of either the number of years of service credit or the
1222 number of years in age required to qualify for a retirement
1223 allowance in Section 25-11-111(d) or (e), as applicable.

1224 (e) The surviving spouse of a deceased member who
1225 previously received spouse retirement benefits under paragraph
1226 (d)(i) of this subsection from and after July 1, 1992, and whose
1227 benefits were terminated before July 1, 2004, because of
1228 remarriage, may again receive the retirement benefits authorized
1229 under paragraph (d)(i) of this subsection by making application
1230 with the board to reinstate those benefits. Any reinstatement of



1231 the benefits shall be prospective only and shall begin after the
1232 first of the month following the date of the application for
1233 reinstatement, but no earlier than July 1, 2004. From and after
1234 July 1, 2010, any spouse who chose Option 2 from and after July 1,
1235 1992, but before July 1, 2004, where the benefit, although payable
1236 for life, was less than the benefit available under the
1237 calculation in paragraph (d)(i) of this subsection shall have his
1238 or her benefit increased to the amount which provides the greater
1239 benefit.

1240 (3) (a) Subject to the maximum limitation provided in this
1241 paragraph, the member's dependent children each shall receive an
1242 annuity of the greater of ten percent (10%) of the member's
1243 average compensation as defined in Section 25-11-103 at the time
1244 of the death of the member or Fifty Dollars (\$50.00) monthly;
1245 however, if there are more than three (3) dependent children, each
1246 dependent child shall receive an equal share of a total annuity
1247 equal to thirty percent (30%) of the member's average
1248 compensation, provided that the total annuity shall not be less
1249 than One Hundred Fifty Dollars (\$150.00) per month for all
1250 children.

1251 (b) A child shall be considered to be a dependent child
1252 until marriage, or the attainment of age nineteen (19), whichever
1253 comes first; however, this age limitation shall be extended beyond
1254 age nineteen (19), but in no event beyond the attainment of age
1255 twenty-three (23), as long as the child is a student regularly



1256 pursuing a full-time course of resident study or training in an
1257 accredited high school, trade school, technical or vocational
1258 institute, junior or community college, college, university or
1259 comparable recognized educational institution duly licensed by a
1260 state. A student child whose birthday falls during the school
1261 year (September 1 through June 30) is considered not to reach age
1262 twenty-three (23) until the July 1 following the actual
1263 twenty-third birthday. A full-time course of resident study or
1264 training means a day or evening noncorrespondence course that
1265 includes school attendance at the rate of at least thirty-six (36)
1266 weeks per academic year or other applicable period with a subject
1267 load sufficient, if successfully completed, to attain the
1268 educational or training objective within the period generally
1269 accepted as minimum for completion, by a full-time day student, of
1270 the academic or training program concerned. Any child who is
1271 physically or mentally incompetent, as adjudged by either a
1272 Mississippi court of competent jurisdiction or by the board, shall
1273 receive benefits for as long as the incompetency exists.

1274 (c) If there are more than three (3) dependent
1275 children, upon a child's ceasing to be a dependent child, his
1276 annuity shall terminate and there shall be a redetermination of
1277 the amounts payable to any remaining dependent children.

1278 (d) Annuities payable under this subsection (3) shall
1279 begin the first day of the month following the date of the
1280 member's death or in case of late filing, retroactive payments



1281 will be made for a period of not more than one (1) year. Those
1282 benefits may be paid to a surviving parent or the lawful custodian
1283 of a dependent child for the use and benefit of the child without
1284 the necessity of appointment as guardian.

1285 (4) (a) Death benefits in the line of duty. Regardless of
1286 the number of years of the member's creditable service, the spouse
1287 and/or the dependent children of an active member who is killed in
1288 the line of performance of duty or dies as a direct result of an
1289 accident occurring in the line of performance of duty shall
1290 qualify, on approval of the board, for a retirement allowance on
1291 the first of the month following the date of death, but in the
1292 case of late filing, retroactive payments will be made for a
1293 period of not more than one (1) year. The spouse shall receive a
1294 retirement allowance for life equal to one-half (1/2) of the
1295 average compensation as defined in Section 25-11-103. In addition
1296 to the retirement allowance for the spouse, or if there is no
1297 surviving spouse, the member's dependent child shall receive a
1298 retirement allowance in the amount of one-fourth (1/4) of the
1299 member's average compensation as defined in Section 25-11-103;
1300 however, if there are two (2) or more dependent children, each
1301 dependent child shall receive an equal share of a total annuity
1302 equal to one-half (1/2) of the member's average compensation. If
1303 there are more than two (2) dependent children, upon a child's
1304 ceasing to be a dependent child, his annuity shall terminate and
1305 there shall be a redetermination of the amounts payable to any



1306 remaining dependent children. Those benefits shall cease to be
1307 paid for the support and maintenance of each child upon the child
1308 attaining the age of nineteen (19) years; however, the spouse
1309 shall continue to be eligible for the aforesaid retirement
1310 allowance. Those benefits may be paid to a surviving parent or
1311 lawful custodian of the children for the use and benefit of the
1312 children without the necessity of appointment as guardian. Any
1313 spouse who received spouse retirement benefits under this
1314 paragraph (a) from and after April 4, 1984, and whose benefits
1315 were terminated before July 1, 2004, because of remarriage, may
1316 again receive the retirement benefits authorized under this
1317 paragraph (a) by making application with the board to reinstate
1318 those benefits. Any reinstatement of the benefits shall be
1319 prospective only and shall begin after the first of the month
1320 following the date of the application for reinstatement, but not
1321 earlier than July 1, 2004.

1322 (b) A child shall be considered to be a dependent child
1323 until marriage, or the attainment of age nineteen (19), whichever
1324 comes first; however, this age limitation shall be extended beyond
1325 age nineteen (19), but in no event beyond the attainment of age
1326 twenty-three (23), as long as the child is a student regularly
1327 pursuing a full-time course of resident study or training in an
1328 accredited high school, trade school, technical or vocational
1329 institute, junior or community college, college, university or
1330 comparable recognized educational institution duly licensed by a



1331 state. A student child whose birthday falls during the school
1332 year (September 1 through June 30) is considered not to reach age
1333 twenty-three (23) until the July 1 following the actual
1334 twenty-third birthday. A full-time course of resident study or
1335 training means a day or evening noncorrespondence course that
1336 includes school attendance at the rate of at least thirty-six (36)
1337 weeks per academic year or other applicable period with a subject
1338 load sufficient, if successfully completed, to attain the
1339 educational or training objective within the period generally
1340 accepted as minimum for completion, by a full-time day student, of
1341 the academic or training program concerned. Any child who is
1342 physically or mentally incompetent, as adjudged by either a
1343 Mississippi court of competent jurisdiction or by the board, shall
1344 receive benefits for as long as the incompetency exists.

1345 (5) If all the annuities provided for in this section
1346 payable on account of the death of a member terminate before there
1347 has been paid an aggregate amount equal to the member's
1348 accumulated contributions standing to the member's credit in the
1349 annuity savings account at the time of the member's death, the
1350 difference between the accumulated contributions and the aggregate
1351 amount of annuity payments shall be paid to the person that the
1352 member has nominated by written designation duly executed and
1353 filed with the board. If there is no designated beneficiary
1354 surviving at termination of benefits, the difference shall be
1355 payable under Section 25-11-117.1(1).



1356 (6) Regardless of the number of years of creditable service,
1357 upon the application of a member or employer, any active member
1358 who becomes disabled as a direct result of an accident or
1359 traumatic event resulting in a physical injury occurring in the
1360 line of performance of duty, provided that the medical board or
1361 other designated governmental agency after a medical examination
1362 certifies that the member is mentally or physically incapacitated
1363 for the further performance of duty and the incapacity is likely
1364 to be permanent, may be retired by the board of trustees on the
1365 first of the month following the date of filing the application
1366 but in no event shall the retirement allowance begin before the
1367 termination of state service. The retirement allowance shall
1368 equal the allowance on disability retirement as provided in
1369 Section 25-11-113 but shall not be less than fifty percent (50%)
1370 of average compensation. Line of duty disability benefits under
1371 this section shall be administered in accordance with the
1372 provisions of Section 25-11-113(1)(b), (c), (d) and (e), (3), (4),
1373 (5) and (6).

1374 (7) For purposes of determining death or disability benefits
1375 under this section, the following shall apply:

1376 (a) Permanent and total disability resulting from a
1377 cardiovascular, pulmonary or musculoskeletal condition that was
1378 not a direct result of a traumatic event occurring in the
1379 performance of duty shall be deemed an ordinary disability.



1380 (b) A mental disability based exclusively on employment
1381 duties occurring on an ongoing basis shall be deemed an ordinary
1382 disability.

1383 (8) If the deceased or disabled member has less than four
1384 (4) years of membership service, the average compensation as
1385 defined in Section 25-11-103 shall be the average of all annual
1386 earned compensation in state service for the purposes of benefits
1387 provided in this section.

1388 (9) In case of death or total and permanent disability under
1389 subsection (4) or subsection (6) of this section and before the
1390 board shall consider any application for a retirement allowance,
1391 the employer must certify to the board that the member's death or
1392 disability was a direct result of an accident or a traumatic event
1393 occurring during and as a result of the performance of the regular
1394 and assigned duties of the employee and that the death or
1395 disability was not the result of the willful negligence of the
1396 employee.

1397 (10) The application for the retirement allowance must be
1398 filed within one (1) year after death of an active member who is
1399 killed in the line of performance of duty or dies as a direct
1400 result of an accident occurring in the line of performance of duty
1401 or traumatic event; but the board of trustees may consider an
1402 application for disability filed after the one-year period if it
1403 can be factually demonstrated to the satisfaction of the board of
1404 trustees that the disability is due to the accident and that the



1405 filing was not accomplished within the one-year period due to a
1406 delayed manifestation of the disability or to circumstances beyond
1407 the control of the member. However, in case of late filing,
1408 retroactive payments will be made for a period of not more than
1409 one (1) year only.

1410 (11) (a) Notwithstanding any other section of this article
1411 and in lieu of any payments to a designated beneficiary for a
1412 refund of contributions under Section 25-11-117, the spouse and/or
1413 children shall be eligible for the benefits payable under this
1414 section, and the spouse may elect, for both the spouse and/or
1415 children, to receive benefits in accordance with either
1416 subsections (2) and (3) or subsection (4) of this section;
1417 otherwise, the contributions to the credit of the deceased member
1418 shall be refunded in accordance with Section 25-11-117.

1419 (b) Notwithstanding any other section of this article,
1420 a spouse who is entitled to receive a monthly benefit under either
1421 subsection (2) or (4) of this section and who is also the named
1422 beneficiary for a refund of accumulated contributions in the
1423 member's annuity savings account, may, after the death of the
1424 member, elect to receive a refund of accumulated contributions in
1425 lieu of a monthly allowance, provided that there are no dependent
1426 children entitled to benefits under subsection (3) of this
1427 section.

1428 (12) If the member has previously received benefits from the
1429 system to which he was not entitled and has not repaid in full all



1430 amounts payable by him to the system, the annuity amounts
1431 otherwise provided by this section shall be withheld and used to
1432 effect repayment until the total of the withholdings repays in
1433 full all amounts payable by him to the system.

1434 **SECTION 7.** Section 25-11-117, Mississippi Code of 1972, is
1435 amended as follows:

1436 25-11-117. (1) A member may be paid a refund of the amount
1437 of accumulated contributions to the credit of the member in the
1438 annuity savings account, provided that the member has withdrawn
1439 from state service and has not returned to state service on the
1440 date the refund of the accumulated contributions would be paid.
1441 That refund of the contributions to the credit of the member in
1442 the annuity savings account shall be paid within ninety (90) days
1443 from receipt in the office of the retirement system of the
1444 properly completed form requesting the payment. In the event of
1445 death before retirement of any member whose spouse and/or children
1446 are not entitled to a retirement allowance, the accumulated
1447 contributions to the credit of the deceased member in the annuity
1448 savings account shall be paid to the designated beneficiary on
1449 file in writing in the office of the executive director of the
1450 board of trustees within ninety (90) days from receipt of a
1451 properly completed form requesting the payment. If there is no
1452 such designated beneficiary on file for the deceased member in the
1453 office of the system, upon the filing of a proper request with the
1454 board, the contributions to the credit of the deceased member in



1455 the annuity savings account shall be refunded under Section
1456 25-11-117.1(1). The payment of the refund shall discharge all
1457 obligations of the retirement system to the member on account of
1458 any creditable service rendered by the member before the receipt
1459 of the refund. By the acceptance of the refund, the member shall
1460 waive and relinquish all accrued rights in the system.

1461 (2) Under the Unemployment Compensation Amendments of 1992
1462 (Public Law 102-318 (UCA)), a member or the spouse of a member who
1463 is an eligible beneficiary entitled to a refund under this section
1464 may elect, on a form prescribed by the board under rules and
1465 regulations established by the board, to have an eligible rollover
1466 distribution of accumulated contributions payable under this
1467 section paid directly to an eligible retirement plan, as defined
1468 under applicable federal law, or an individual retirement account.
1469 If the member or the spouse of a member who is an eligible
1470 beneficiary makes that election and specifies the eligible
1471 retirement plan or individual retirement account to which the
1472 distribution is to be paid, the distribution will be made in the
1473 form of a direct trustee-to-trustee transfer to the specified
1474 eligible retirement plan. A nonspouse beneficiary may elect to
1475 have an eligible rollover distribution paid in the form of a
1476 direct trustee-to-trustee transfer to an individual retirement
1477 account established to receive the distribution on behalf of the
1478 nonspouse beneficiary. Flexible rollovers under this subsection
1479 shall not be considered assignments under Section 25-11-129.



1480 (3) * * * If any person * * * has received a refund,
1481 reenters the state service and again becomes a member of the
1482 system, the member may repay all or part of the amounts previously
1483 received as a refund, together with regular interest covering the
1484 period from the date of refund to the date of repayment; however,
1485 the amounts that are repaid by the member and the creditable
1486 service related thereto shall not be used in any benefit
1487 calculation or determination until the member has remained a
1488 contributor to the system for a period of at least four (4) years
1489 after the member's reentry into state service. Repayment for that
1490 time shall be made in increments of not less than one-quarter
1491 (1/4) year of creditable service beginning with the most recent
1492 service for which refund has been made. Upon the repayment of all
1493 or part of that refund and interest, the member shall again
1494 receive credit for the period of creditable service for which full
1495 repayment has been made to the system.

1496 * * *

1497 (4) (a) In order to provide a source of income to members
1498 who have applied for disability benefits under Section 25-11-113
1499 or 25-11-114, the board may provide, at the employee's election, a
1500 temporary benefit to be paid from the member's accumulated
1501 contributions, if any, without forfeiting the right to pursue
1502 disability benefits, provided that the member has exhausted all
1503 personal and medical leave and has terminated his or her



1504 employment. The board may prescribe rules and regulations for
1505 carrying out the provisions of this subsection (4).

1506 (b) If a member who has elected to receive temporary
1507 benefits under this subsection later applies for a refund of his
1508 or her accumulated contributions, all amounts paid under this
1509 subsection shall be deducted from the accumulated contributions
1510 and the balance will be paid to the member. If a member who has
1511 elected to receive temporary benefits under this subsection is
1512 later approved for a disability retirement allowance, and a
1513 service retirement allowance or survivor benefits are paid on the
1514 account, the board shall adjust the benefits in such a manner that
1515 no more than the actuarial equivalent of the benefits to which the
1516 member or beneficiary was or is entitled shall be paid.

1517 (c) The board may study, develop and propose a
1518 disability benefit structure, including short- and long-term
1519 disability benefits, provided that it is the actuarial equivalent
1520 of the benefits currently provided in Section 25-11-113 or
1521 25-11-114.

1522 **SECTION 8.** Section 25-11-311, Mississippi Code of 1972, is
1523 amended as follows:

1524 25-11-311. (1) A member may be paid a refund of the amount
1525 of accumulated contributions to the credit of the member in the
1526 annuity savings account, provided the member has withdrawn from
1527 state service and further provided the member has not returned to
1528 state service on the date the refund of the accumulated



1529 contributions would be paid. The refund of the contributions to
1530 the credit of the member in the annuity savings account shall be
1531 paid within ninety (90) days from receipt in the office of the
1532 retirement system of the properly completed form requesting that
1533 payment. In the event of death before retirement of any member
1534 whose spouse and/or children are not entitled to a retirement
1535 allowance, the accumulated contributions to the credit of the
1536 deceased member in the annuity savings account shall be paid to
1537 the designated beneficiary on file in writing in the office of the
1538 executive director of the board of trustees within ninety (90)
1539 days from receipt of a properly completed form requesting that
1540 payment. If there is no such designated beneficiary on file for
1541 the deceased member in the office of the system, upon the filing
1542 of a proper request with the board, the contributions to the
1543 credit of the deceased member in the annuity savings account shall
1544 be refunded under Section 25-11-311.1(1). The payment of the
1545 refund shall discharge all obligations of the retirement system to
1546 the member on account of any creditable service rendered by the
1547 member before the receipt of the refund. By the acceptance of the
1548 refund, the member shall waive and relinquish all accrued rights
1549 in the plan.

1550 (2) Pursuant to the Unemployment Compensation Amendments of
1551 1992 (Public Law 102-318 (USCS)), a member or the spouse of a
1552 member who is an eligible beneficiary making application for a
1553 refund under this section may elect, on a form prescribed by the



1554 board under rules and regulations established by the board, to
1555 have an eligible rollover distribution of accumulated
1556 contributions payable under this section paid directly to an
1557 eligible retirement plan, as defined under applicable federal law,
1558 or an individual retirement account. If the member or the spouse
1559 of a member who is an eligible beneficiary makes that election and
1560 specifies the eligible retirement plan or individual retirement
1561 account to which the distribution is to be paid, the distribution
1562 will be made in the form of a direct trustee-to-trustee transfer
1563 to the specified eligible retirement plan. A nonspouse
1564 beneficiary may elect to have an eligible rollover distribution of
1565 accumulated contributions paid in the form of a direct
1566 trustee-to-trustee transfer to an individual retirement account
1567 established to receive the distribution on behalf of the nonspouse
1568 beneficiary. Flexible rollovers under this subsection shall not
1569 be considered assignments under Section 25-11-129.

1570 (3) * * * If any person who * * * has received a refund, is
1571 reelected to the Legislature or as President of the Senate and
1572 again becomes a member of the plan, the member may repay all or
1573 part of the amounts previously received as a refund, together with
1574 regular interest covering the period from the date of refund to
1575 the date of repayment; however, the amounts that are repaid by the
1576 member and the creditable service related thereto shall not be
1577 used in any benefit calculation or determination until the member
1578 has remained a contributor to the system for a period of at least



1579 four (4) years after the member's reentry into state service.
1580 Repayment for that time shall be made in increments of not less
1581 than one-quarter (1/4) year of creditable service beginning with
1582 the most recent service for which refund has been made. Upon the
1583 repayment of all or part of that refund and interest, the member
1584 shall again receive credit for the period of creditable service
1585 for which full repayment has been made to the system.

1586 * * *

1587 **SECTION 9.** Section 25-11-315, Mississippi Code of 1972, is
1588 amended as follows:

1589 25-11-315. (1) Any member of the State Legislature or the
1590 President of the Senate who becomes a member of the plan on July
1591 1, 1989, shall be eligible for prior service as a member of the
1592 State Legislature or as President of the Senate. Each member
1593 shall submit to the board a verification of prior service as a
1594 member of the State Legislature or as President of the Senate.
1595 Upon receipt of that prior service statement, the board shall
1596 issue a prior service certificate certifying to each member the
1597 length of prior service for which credit has been allowed on the
1598 basis of the statement of service. Additional prior service
1599 regulations in force shall be those found in Section 25-11-101 et
1600 seq.

1601 (2) * * * Any member of the State Legislature or the
1602 President of the Senate who becomes a member of this plan after
1603 July 1, 1989, * * * shall not be allowed prior service unless the



1604 member serves as a member of the State Legislature or as President
1605 of the Senate for a minimum of four (4) years and contributes to
1606 the plan for a minimum period of four (4) years.

1607 * * *

1608 **SECTION 10.** This act shall take effect and be in force from
1609 and after July 1, 2016.

