

By: Representatives Hale, Arnold, Carpenter, To: Appropriations
Eubanks

HOUSE BILL NO. 980

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE MEMBERS OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
3 WHO ARE ELIGIBLE TO RECEIVE A RETIREMENT ALLOWANCE TO PURCHASE ONE
4 YEAR OF CREDITABLE SERVICE EVERY FIVE YEARS OF MEMBERSHIP SERVICE
5 AS A LAW ENFORCEMENT OFFICER, FIREFIGHTER OR EMERGENCY MANAGEMENT
6 AGENCY PERSONNEL IN THE FULL-TIME EMPLOYMENT OF AN EMPLOYER THAT
7 PARTICIPATES IN THE SYSTEM; TO PROVIDE THAT ANY SUCH MEMBER SHALL
8 PAY TO THE RETIREMENT SYSTEM BEFORE THE DATE OF RETIREMENT ONE
9 PERCENT OF THE HIGHER OF THE MEMBER'S CURRENT ANNUAL EARNED
10 COMPENSATION OR THE PREVIOUS YEAR'S ANNUAL EARNED COMPENSATION FOR
11 EACH YEAR OF CLAIMED CREDIBLE SERVICE; TO PROVIDE THAT THE
12 CREDITABLE SERVICE MUST BE PURCHASED IN INCREMENTS OF FIVE YEARS
13 UNLESS THE TOTAL CREDITABLE SERVICE CLAIMED IS LESS THAN FIVE
14 YEARS, IN WHICH CASE THE CREDITABLE SERVICE MUST BE PURCHASED IN
15 ITS ENTIRETY; AND FOR RELATED PURPOSES.

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

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

19 25-11-109. (1) Under such rules and regulations as the
20 board of trustees shall adopt, each person who becomes a member of
21 this retirement system, as provided in Section 25-11-105, on or
22 before July 1, 1953, or who became a member of the system before
23 July 1, 2007, and contributes to the system for a minimum period
24 of four (4) years, or who became a member of the system on or



25 after July 1, 2007, and contributes to the system for a minimum
26 period of eight (8) years, shall receive credit for all state
27 service rendered before February 1, 1953. To receive that credit,
28 the member shall file a detailed statement of all services as an
29 employee rendered by him in the state service before February 1,
30 1953. For any member who joined the system after July 1, 1953,
31 and before July 1, 2007, any creditable service for which the
32 member is not required to make contributions shall not be credited
33 to the member until the member has contributed to the system for a
34 minimum period of at least four (4) years. For any member who
35 joined the system on or after July 1, 2007, any creditable service
36 for which the member is not required to make contributions shall
37 not be credited to the member until the member has contributed to
38 the system for a minimum period of at least eight (8) years.

39 (2) (a) (i) In the computation of creditable service for
40 service rendered before July 1, 2017, under the provisions of this
41 article, the total months of accumulative service during any
42 fiscal year shall be calculated in accordance with the schedule as
43 follows: ten (10) or more months of creditable service during any
44 fiscal year shall constitute a year of creditable service; seven
45 (7) months to nine (9) months inclusive, three-quarters (3/4) of a
46 year of creditable service; four (4) months to six (6) months
47 inclusive, one-half (1/2) year of creditable service; one (1)
48 month to three (3) months inclusive, one-quarter (1/4) of a year
49 of creditable service.



50 (ii) In the computation of creditable service
51 rendered on or after July 1, 2017, under the provisions of this
52 article, service credit shall be awarded in monthly increments in
53 a manner prescribed by regulations of the board.

54 (b) In no case shall credit be allowed for any period
55 of absence without compensation except for disability while in
56 receipt of a disability retirement allowance, nor shall less than
57 fifteen (15) days of service in any month, or service less than
58 the equivalent of one-half (1/2) of the normal working load for
59 the position and less than one-half (1/2) of the normal
60 compensation for the position in any month, constitute a month of
61 creditable service, nor shall more than one (1) year of service be
62 creditable for all services rendered in any one (1) fiscal year;
63 however, for a school employee, substantial completion of the
64 legal school term when and where the service was rendered shall
65 constitute a year of service credit. Any state or local elected
66 official shall be deemed a full-time employee for the purpose of
67 creditable service. However, an appointed or elected official
68 compensated on a per diem basis only shall not be allowed
69 creditable service for terms of office.

70 (c) In the computation of any retirement allowance or
71 any annuity or benefits provided in this article, any fractional
72 period of service of less than one (1) year shall be taken into
73 account and a proportionate amount of such retirement allowance,



annuity or benefit shall be granted for any such fractional period of service.

(d) (i) In the computation of unused leave for creditable service authorized in Section 25-11-103, the following shall govern for members who retire before July 1, 2017: twenty-one (21) days of unused leave shall constitute one (1) month of creditable service and in no case shall credit be allowed for any period of unused leave of less than fifteen (15) days. The number of months of unused leave shall determine the number of quarters or years of creditable service in accordance with the above schedule for membership and prior service.

(ii) In the computation of unused leave for creditable service authorized in Section 25-11-103, the following shall govern for members who retire on or after July 1, 2017: creditable service for unused leave shall be calculated in monthly increments in which one (1) month of service credit shall be awarded for each twenty-one (21) days of unused leave, except that the first fifteen (15) to fifty-seven (57) days of leave shall constitute three (3) months of service for those who became a member of the system before July 1, 2017.

(iii) In order for the member to receive creditable service for the number of days of unused leave under this paragraph, the system must receive certification from the governing authority.



98 (e) For the purposes of this subsection, members of the
99 system who retire on or after July 1, 2010, shall receive credit
100 for one-half (1/2) day of leave for each full year of membership
101 service accrued after June 30, 2010. The amount of leave received
102 by a member under this paragraph shall be added to the lawfully
103 credited unused leave for which creditable service is provided
104 under Section 25-11-103(i).

105 (f) For the purpose of this subsection, for members of
106 the system who are elected officers and who retire on or after
107 July 1, 1987, the following shall govern:

108 (i) For service before July 1, 1984, the members
109 shall receive credit for leave (combined personal and major
110 medical) for service as an elected official before that date at
111 the rate of thirty (30) days per year.

112 (ii) For service on and after July 1, 1984, the
113 member shall receive credit for personal and major medical leave
114 beginning July 1, 1984, at the rates authorized in Sections
115 25-3-93 and 25-3-95, computed as a full-time employee.

116 (iii) If a member is employed in a covered
117 nonelected position and a covered elected position simultaneously,
118 that member may not receive service credit for accumulated unused
119 leave for both positions at retirement for the period during which
120 the member was dually employed. During the period during which
121 the member is dually employed, the member shall only receive



credit for leave as provided for in this paragraph for an elected official.

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

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

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

(5) Creditable service at retirement, on which the retirement allowance of a member shall be based, shall consist of the membership service rendered by him since he last became a



member, and also, if he has a prior service certificate that is in full force and effect, the amount of the service certified on his prior service certificate.

(6) Any member who served on active duty in the Armed Forces of the United States, who served in the Commissioned Corps of the United States Public Health Service before 1972 or who served in maritime service during periods of hostility in World War II, shall be entitled to creditable service at no cost for his service on active duty in the Armed Forces, in the Commissioned Corps of the United States Public Health Service before 1972 or in such maritime service, provided he entered state service after his discharge from the Armed Forces or entered state service after he completed such maritime service. The maximum period for such creditable service for all military service as defined in this subsection (6) shall not exceed four (4) years unless positive proof can be furnished by such person that he was retained in the Armed Forces during World War II or in maritime service during World War II by causes beyond his control and without opportunity of discharge. The member shall furnish proof satisfactory to the board of trustees of certification of military service or maritime service records showing dates of entrance into active duty service and the date of discharge. From and after July 1, 1993, no creditable service shall be granted for any military service or maritime service to a member who qualifies for a retirement allowance in another public retirement system administered by the



Board of Trustees of the Public Employees' Retirement System based, in whole or in part, on such military or maritime service. In no case shall the member receive creditable service if the member received a dishonorable discharge from the Armed Forces of the United States.

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

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

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

(iii) The employer at the time the member's service was interrupted and to which employment the member returns pays the contributions it would have made into the retirement



197 system for such period based on the member's salary at the time
198 the service was interrupted.

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

204 (c) The member shall furnish proof satisfactory to the
205 board of trustees of certification of military service showing
206 dates of entrance into qualified service and the date of discharge
207 as well as proof that the member has returned to active employment
208 within the time specified.

209 (8) Any member of the Public Employees' Retirement System
210 who became a member of the system before July 1, 2007, and who has
211 at least four (4) years of membership service credit, or who
212 became a member of the system on or after July 1, 2007, and who
213 has at least eight (8) years of membership service credit, shall
214 be entitled to receive a maximum of five (5) years' creditable
215 service for service rendered in another state as a public employee
216 of such other state, or a political subdivision, public education
217 system or other governmental instrumentality thereof, or service
218 rendered as a teacher in American overseas dependent schools
219 conducted by the Armed Forces of the United States for children of
220 citizens of the United States residing in areas outside the
221 continental United States, provided that:



222 (a) The member shall furnish proof satisfactory to the
223 board of trustees of certification of such services from the
224 state, public education system, political subdivision or
225 retirement system of the state where the services were performed
226 or the governing entity of the American overseas dependent school
227 where the services were performed; and

228 (b) The member is not receiving or will not be entitled
229 to receive from the public retirement system of the other state or
230 from any other retirement plan, including optional retirement
231 plans, sponsored by the employer, a retirement allowance including
232 such services; and

233 (c) The member shall pay to the retirement system on
234 the date he or she is eligible for credit for such out-of-state
235 service or at any time thereafter before the date of retirement
236 the actuarial cost as determined by the actuary for each year of
237 out-of-state creditable service. The provisions of this
238 subsection are subject to the limitations of Section 415 of the
239 Internal Revenue Code and regulations promulgated under that
240 section.

241 (9) Any member of the Public Employees' Retirement System
242 who became a member of the system before July 1, 2007, and has at
243 least four (4) years of membership service credit, or who became a
244 member of the system on or after July 1, 2007, and has at least
245 eight (8) years of membership service credit, and who receives, or
246 has received, professional leave without compensation for



professional purposes directly related to the employment in state service shall receive creditable service for the period of professional leave without compensation provided:

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

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

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

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

(e) The contributing member shall pay to the retirement system the actuarial cost as determined by the actuary for each year of professional leave. The provisions of this subsection are subject to the regulations of the Internal Revenue Code limitations;

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



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

(10) Any member of the Public Employees' Retirement System who became a member of the system before July 1, 2007, and has at least four (4) years of credited membership service, or who became a member of the system on or after July 1, 2007, and has at least eight (8) years of credited membership service, shall be entitled to receive a maximum of ten (10) years creditable service for:

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

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

(c) Any service rendered as an employee of any political subdivision of this state, or any instrumentality thereof, for which coverage of the employee's position was or is excluded; provided that the member pays into the retirement system the actuarial cost as determined by the actuary for each year, or portion thereof, of such service. Payment for such service may be made in increments of one-quarter (1/4) year of creditable



service. After a member has made full payment to the retirement system for all or any part of such service, the member shall receive creditable service for the period of such service for which full payment has been made to the retirement system.

(11) (a) As used in this subsection, the following terms shall be defined as follows:

(i) "Emergency management agency personnel" means a person who is involved in performing emergency management functions that provide for the health and safety of persons and property in the State of Mississippi by responding to hazards and other emergency incidents, and who is employed by an emergency management agency that is duly authorized and empowered under state or federal law to engage in emergency management activities in the State of Mississippi.

(ii) "Firefighter" means a person who is trained for the prevention and control of loss of life and property from fire or other emergencies, who is assigned to fire-fighting activity, and is required to respond to alarms and perform emergency actions at the location of a fire, hazardous materials or other emergency incident.

(iii) "Law enforcement officer" means municipal police officers and narcotics agents, sheriffs, deputy sheriffs, constables, conservation officers, enforcement officers of the Department of Marine Resources, agents and inspectors of the Alcoholic Beverage Control Division of the Department of Revenue,



inspection station employees, enforcement officers and inspectors
of the Mississippi Department of Transportation, state
correctional facility guards and enforcement officers of the
Department of Corrections, and any other full-time officer or
employee of the state or any agency, department, institution or
county thereof who is authorized to carry a firearm while in the
performance of his official duties and who has met the minimum
educational and training standards established by the Board on Law
Enforcement Officer Standards and Training for permanent,
full-time law enforcement officers and has received a certificate
from that board. The term "law enforcement officer" does not
include any position that is covered by the Mississippi Highway
Safety Patrol Retirement System.

(b) Any member of the Public Employees' Retirement
System who is eligible to receive a retirement allowance for
service or disability retirement shall be entitled to receive one
(1) year of creditable service every five (5) years of membership
service as a law enforcement officer, firefighter or emergency
management agency personnel in the full-time employment of an
employer that participates in the system, provided that:

(i) The member shall furnish proof satisfactory to
the board of trustees of certification of each year of claimed
service from each employer for which the service was performed;
and



345 (ii) The member is not receiving or will not be
346 entitled to receive from a public retirement system of any other
347 state or from any other retirement plan, including optional
348 retirement plans, a retirement allowance including that service;
349 and

350 (iii) The member shall pay to the retirement
351 system at any time before the date of retirement one percent (1%)
352 of the higher of the member's current annual earned compensation
353 or the previous year's annual earned compensation for each year of
354 claimed credible service. The creditable service must be
355 purchased in increments of five (5) years unless the total
356 creditable service claimed is less than five (5) years, in which
357 case the creditable service must be purchased in its entirety.
358 The provisions of this subsection (11) are subject to the
359 limitations of Section 415 of the Internal Revenue Code and
360 regulations promulgated under that section.

361 **SECTION 2.** This act shall take effect and be in force from
362 and after July 1, 2017.

