

By: Representative Rushing

To: Appropriations

HOUSE BILL NO. 251

1 AN ACT TO AMEND SECTION 25-11-105, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT A MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT
3 SYSTEM SHALL BE TERMINATED FROM MEMBERSHIP IN THE SYSTEM IF THE
4 MEMBER IS CONVICTED OF OR PLEADS GUILTY OR NOLO CONTENDERE TO A
5 FELONY THAT IS RELATED TO OR IN CONNECTION WITH THE MEMBER'S
6 EMPLOYMENT IN THE STATE SERVICE AND THAT IS COMMITTED ON OR AFTER
7 JULY 1, 2018; TO AMEND SECTION 25-11-111, MISSISSIPPI CODE OF
8 1972, TO PROVIDE THAT ANY MEMBER WHO IS CHARGED WITH ANY SUCH
9 CRIME WHO RETIRES AND RECEIVES A RETIREMENT ALLOWANCE AFTER BEING
10 CHARGED WITH THE CRIME SHALL CONTINUE TO RECEIVE THE RETIREMENT
11 ALLOWANCE UNTIL SUCH TIME AS THE MEMBER IS CONVICTED OF OR PLEADS
12 GUILTY OR NOLO CONTENDERE TO THE CRIME, AT WHICH TIME THE MEMBER'S
13 RETIREMENT ALLOWANCE SHALL BE TERMINATED; TO AMEND SECTION
14 25-11-117, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE REFUND
15 WITHOUT ANY INTEREST, OF THE ACCUMULATED CONTRIBUTIONS OF ANY
16 MEMBER WHO IS CONVICTED OF ANY SUCH CRIME; TO AMEND SECTIONS
17 25-15-3 AND 25-15-13, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT
18 ANY ACTIVE MEMBER OF THE SYSTEM WHO IS PARTICIPATING IN THE STATE
19 AND SCHOOL EMPLOYEES LIFE AND HEALTH INSURANCE PLAN, AND WHO
20 OTHERWISE WOULD BE ELIGIBLE TO RECEIVE A RETIREMENT ALLOWANCE BUT
21 IS TERMINATED FROM MEMBERSHIP IN THE SYSTEM BECAUSE OF THE
22 MEMBER'S CONVICTION OF OR PLEA OF GUILTY OR NOLO CONTENDERE TO ANY
23 SUCH CRIME, SHALL BE ELIGIBLE TO CONTINUE TO PARTICIPATE IN THE
24 PLAN UNDER THE SAME CONDITIONS AND COVERAGES FOR RETIRED
25 EMPLOYEES; AND FOR RELATED PURPOSES.

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

27 **SECTION 1.** Section 25-11-105, Mississippi Code of 1972, is
28 amended as follows:

29 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**



30 The membership of this retirement system shall be composed as
31 follows:

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

38 (ii) From and after July 1, 2002, any individual
39 who is employed by a governmental entity to perform professional
40 services shall become a member of the system if the individual is
41 paid regular periodic compensation for those services that is
42 subject to payroll taxes, is provided all other employee benefits
43 and meets the membership criteria established by the regulations
44 adopted by the board of trustees that apply to all other members
45 of the system; however, any active member employed in such a
46 position on July 1, 2002, will continue to be an active member for
47 as long as they are employed in any such position.

48 (b) All persons who become employees in the state
49 service after January 31, 1953, except those specifically excluded
50 or as to whom election is provided in Articles 1 and 3, unless
51 they file with the board before the lapse of sixty (60) days of
52 employment or sixty (60) days after the effective date of the
53 cited articles, whichever is later, on a form prescribed by the
54 board, a notice of election not to be covered by the membership of



55 the retirement system and a duly executed waiver of all present
56 and prospective benefits that would otherwise inure to them on
57 account of their participation in the system, shall become members
58 of the retirement system; however, no credit for prior service
59 will be granted to members who became members of the system before
60 July 1, 2007, until they have contributed to Article 3 of the
61 retirement system for a minimum period of at least four (4) years,
62 or to members who became members of the system on or after July 1,
63 2007, until they have contributed to Article 3 of the retirement
64 system for a minimum period of at least eight (8) years. Those
65 members shall receive credit for services performed before January
66 1, 1953, in employment now covered by Article 3, but no credit
67 shall be granted for retroactive services between January 1, 1953,
68 and the date of their entry into the retirement system, unless the
69 employee pays into the retirement system both the employer's and
70 the employee's contributions on wages paid him during the period
71 from January 31, 1953, to the date of his becoming a contributing
72 member, together with interest at the rate determined by the board
73 of trustees. Members reentering after withdrawal from service
74 shall qualify for prior service under the provisions of Section
75 25-11-117. From and after July 1, 1998, upon eligibility as noted
76 above, the member may receive credit for such retroactive service
77 provided:



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

81 (ii) The member shall pay to the retirement system
82 on the date he or she is eligible for that credit or at any time
83 thereafter before the date of retirement the actuarial cost for
84 each year of that creditable service. The provisions of this
85 subparagraph (ii) shall be subject to the limitations of Section
86 415 of the Internal Revenue Code and regulations promulgated under
87 Section 415.

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

92 (c) All persons who become employees in the state
93 service after January 31, 1953, and who are eligible for
94 membership in any other retirement system shall become members of
95 this retirement system as a condition of their employment, unless
96 they elect at the time of their employment to become a member of
97 that other system.

98 (d) All persons who are employees in the state service
99 on January 31, 1953, and who are members of any nonfunded
100 retirement system operated by the State of Mississippi, or any of
101 its departments or agencies, shall become members of this system
102 with prior service credit unless, before February 1, 1953, they



103 file a written notice with the board of trustees that they do not
104 elect to become members.

105 (e) All persons who are employees in the state service
106 on January 31, 1953, and who under existing laws are members of
107 any fund operated for the retirement of employees by the State of
108 Mississippi, or any of its departments or agencies, shall not be
109 entitled to membership in this retirement system unless, before
110 February 1, 1953, any such person indicates by a notice filed with
111 the board, on a form prescribed by the board, his individual
112 election and choice to participate in this system, but no such
113 person shall receive prior service credit unless he becomes a
114 member on or before February 1, 1953.

115 (f) Each political subdivision of the state and each
116 instrumentality of the state or a political subdivision, or both,
117 is authorized to submit, for approval by the board of trustees, a
118 plan for extending the benefits of this article to employees of
119 any such political subdivision or instrumentality. Each such plan
120 or any amendment to the plan for extending benefits thereof shall
121 be approved by the board of trustees if it finds that the plan, or
122 the plan as amended, is in conformity with such requirements as
123 are provided in Articles 1 and 3; however, upon approval of the
124 plan or any such plan previously approved by the board of
125 trustees, the approved plan shall not be subject to cancellation
126 or termination by the political subdivision or instrumentality.
127 No such plan shall be approved unless:



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

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

140 (iii) It provides for such methods of
141 administration of the plan by the political subdivision or
142 instrumentality as are found by the board of trustees to be
143 necessary for the proper and efficient administration thereof;

144 (iv) It provides that the political subdivision or
145 instrumentality will make such reports, in such form and
146 containing such information, as the board of trustees may from
147 time to time require;

148 (v) It authorizes the board of trustees to
149 terminate the plan in its entirety in the discretion of the board
150 if it finds that there has been a failure to comply substantially
151 with any provision contained in the plan, the termination to take
152 effect at the expiration of such notice and on such conditions as



153 may be provided by regulations of the board and as may be
154 consistent with applicable federal law.

155 1. The board of trustees shall not finally
156 refuse to approve a plan submitted under paragraph (f), and shall
157 not terminate an approved plan without reasonable notice and
158 opportunity for hearing to each political subdivision or
159 instrumentality affected by the board's decision. The board's
160 decision in any such case shall be final, conclusive and binding
161 unless an appeal is taken by the political subdivision or
162 instrumentality aggrieved by the decision to the Circuit Court of
163 the First Judicial District of Hinds County, Mississippi, in
164 accordance with the provisions of law with respect to civil causes
165 by certiorari.

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

173 3. Every political subdivision or
174 instrumentality required to make payments under paragraph (f)(v)2
175 of this section is authorized, in consideration of the employees'
176 retention in or entry upon employment after enactment of Articles
177 1 and 3, to impose upon its employees, as to services that are



178 covered by an approved plan, a contribution with respect to wages
179 (as defined in Section 25-11-5) not exceeding the amount provided
180 in Section 25-11-123(d) if those services constituted employment
181 within the meaning of Articles 1 and 3, and to deduct the amount
182 of the contribution from the wages as and when paid.
183 Contributions so collected shall be paid into the contribution
184 fund as partial discharge of the liability of the political
185 subdivisions or instrumentalities under paragraph (f)(v)2 of this
186 section. Failure to deduct the contribution shall not relieve the
187 employee or employer of liability for the contribution.

188 4. Any state agency, school, political
189 subdivision, instrumentality or any employer that is required to
190 submit contribution payments or wage reports under any section of
191 this chapter shall be assessed interest on delinquent payments or
192 wage reports as determined by the board of trustees in accordance
193 with rules and regulations adopted by the board and delinquent
194 payments, assessed interest and any other amount certified by the
195 board as owed by an employer, may be recovered by action in a
196 court of competent jurisdiction against the reporting agency
197 liable therefor or may, upon due certification of delinquency and
198 at the request of the board of trustees, be deducted from any
199 other monies payable to the reporting agency by any department or
200 agency of the state.

201 5. Each political subdivision of the state
202 and each instrumentality of the state or a political subdivision



203 or subdivisions that submit a plan for approval of the board, as
204 provided in this section, shall reimburse the board for coverage
205 into the expense account, its pro rata share of the total expense
206 of administering Articles 1 and 3 as provided by regulations of
207 the board.

208 (g) The board may, in its discretion, deny the right of
209 membership in this system to any class of employees whose
210 compensation is only partly paid by the state or who are occupying
211 positions on a part-time or intermittent basis. The board may, in
212 its discretion, make optional with employees in any such classes
213 their individual entrance into this system.

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

220 (i) If any member of this system changes his employment
221 to any agency of the state having an actuarially funded retirement
222 system, the board of trustees may authorize the transfer of the
223 member's creditable service and of the present value of the
224 member's employer's accumulation account and of the present value
225 of the member's accumulated membership contributions to that other
226 system, provided that the employee agrees to the transfer of his



227 accumulated membership contributions and provided that the other
228 system is authorized to receive and agrees to make the transfer.

229 If any member of any other actuarially funded system
230 maintained by an agency of the state changes his employment to an
231 agency covered by this system, the board of trustees may authorize
232 the receipt of the transfer of the member's creditable service and
233 of the present value of the member's employer's accumulation
234 account and of the present value of the member's accumulated
235 membership contributions from the other system, provided that the
236 employee agrees to the transfer of his accumulated membership
237 contributions to this system and provided that the other system is
238 authorized and agrees to make the transfer.

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

242 (k) Employees of a political subdivision or
243 instrumentality who were employed by the political subdivision or
244 instrumentality before an agreement between the entity and the
245 Public Employees' Retirement System to extend the benefits of this
246 article to its employees, and which agreement provides for the
247 establishment of retroactive service credit, and who became
248 members of the retirement system before July 1, 2007, and have
249 remained contributors to the retirement system for four (4) years,
250 or who became members of the retirement system on or after July 1,
251 2007, and have remained contributors to the retirement system for



252 eight (8) years, may receive credit for that retroactive service
253 with the political subdivision or instrumentality, provided that
254 the employee and/or employer, as provided under the terms of the
255 modification of the joinder agreement in allowing that coverage,
256 pay into the retirement system the employer's and employee's
257 contributions on wages paid the member during the previous
258 employment, together with interest or actuarial cost as determined
259 by the board covering the period from the date the service was
260 rendered until the payment for the credit for the service was
261 made. Those wages shall be verified by the Social Security
262 Administration or employer payroll records. Effective July 1,
263 1998, upon eligibility as noted above, a member may receive credit
264 for that retroactive service with the political subdivision or
265 instrumentality provided:

266 (i) The member shall furnish proof satisfactory to
267 the board of trustees of certification of those services from the
268 political subdivision or instrumentality where the services were
269 rendered or verification by the Social Security Administration;
270 and

271 (ii) The member shall pay to the retirement system
272 on the date he or she is eligible for that credit or at any time
273 thereafter before the date of retirement the actuarial cost for
274 each year of that creditable service. The provisions of this
275 subparagraph (ii) shall be subject to the limitations of Section



276 415 of the Internal Revenue Code and regulations promulgated under
277 Section 415.

278 Nothing contained in this paragraph (k) shall be construed to
279 limit the authority of the board to allow the correction of
280 reporting errors or omissions based on the payment of employee and
281 employer contributions plus applicable interest. Payment for that
282 time shall be made beginning with the most recent service. Upon
283 the payment of all or part of the required contributions, plus
284 interest or the actuarial cost as provided above, the member shall
285 receive credit for the period of creditable service for which full
286 payment has been made to the retirement system.

287 (l) Through June 30, 1998, any state service eligible
288 for retroactive service credit, no part of which has ever been
289 reported, and requiring the payment of employee and employer
290 contributions plus interest, or, from and after July 1, 1998, any
291 state service eligible for retroactive service credit, no part of
292 which has ever been reported to the retirement system, and
293 requiring the payment of the actuarial cost for that creditable
294 service, may, at the member's option, be purchased in quarterly
295 increments as provided above at the time that its purchase is
296 otherwise allowed.

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

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



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

304 (a) Patient or inmate help in state charitable, penal
305 or correctional institutions;

306 (b) Students of any state educational institution
307 employed by any agency of the state for temporary, part-time or
308 intermittent work;

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

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

316 **III. TERMINATION OF MEMBERSHIP**

317 Membership in this system shall cease by:

318 (a) A member withdrawing his or her accumulated
319 contributions * * *;

320 (b) A member withdrawing from active service with a
321 retirement allowance * * *;

322 (c) A member's death * * *; or

323 (d) A member's conviction of or plea of guilty or nolo
324 contendere to a felony that is related to or in connection with
325 the member's employment in the state service and that is committed



326 on or after July 1, 2018. Any member who is terminated from the
327 system because of any such conviction or plea shall have his or
328 her contributions refunded, without any interest, in accordance
329 with Section 25-11-117. A member who was convicted shall not be
330 terminated from membership under this paragraph (d) until all
331 appeals of the conviction have been finally concluded or the time
332 for an appeal from the conviction has expired. The member's
333 employer shall notify the system of the member's conviction or
334 plea, and if the member was convicted, when all appeals of the
335 conviction have been finally concluded on the time for an appeal
336 from the conviction has expired.

337 **SECTION 2.** Section 25-11-111, Mississippi Code of 1972, is
338 amended as follows:

339 25-11-111. (a) (1) Any member who became a member of the
340 system before July 1, 2007, upon withdrawal from service upon or
341 after attainment of the age of sixty (60) years who has completed
342 at least four (4) years of membership service, or any member who
343 became a member of the system before July 1, 2011, upon withdrawal
344 from service regardless of age who has completed at least
345 twenty-five (25) years of creditable service, shall be entitled to
346 receive a retirement allowance, which shall begin on the first of
347 the month following the date the member's application for the
348 allowance is received by the board, but in no event before
349 withdrawal from service.



350 (2) Any member who became a member of the system on or
351 after July 1, 2007, upon withdrawal from service upon or after
352 attainment of the age of sixty (60) years who has completed at
353 least eight (8) years of membership service, or any member who
354 became a member of the system on or after July 1, 2011, upon
355 withdrawal from service regardless of age who has completed at
356 least thirty (30) years of creditable service, shall be entitled
357 to receive a retirement allowance, which shall begin on the first
358 of the month following the date the member's application for the
359 allowance is received by the board, but in no event before
360 withdrawal from service.

361 (b) (1) Any member who became a member of the system before
362 July 1, 2007, whose withdrawal from service occurs before
363 attaining the age of sixty (60) years who has completed four (4)
364 or more years of membership service and has not received a refund
365 of his accumulated contributions, shall be entitled to receive a
366 retirement allowance, beginning upon his attaining the age of
367 sixty (60) years, of the amount earned and accrued at the date of
368 withdrawal from service. The retirement allowance shall begin on
369 the first of the month following the date the member's application
370 for the allowance is received by the board, but in no event before
371 withdrawal from service.

372 (2) Any member who became a member of the system on or
373 after July 1, 2007, whose withdrawal from service occurs before
374 attaining the age of sixty (60) years who has completed eight (8)



375 or more years of membership service and has not received a refund
376 of his accumulated contributions, shall be entitled to receive a
377 retirement allowance, beginning upon his attaining the age of
378 sixty (60) years, of the amount earned and accrued at the date of
379 withdrawal from service. The retirement allowance shall begin on
380 the first of the month following the date the member's application
381 for the allowance is received by the board, but in no event before
382 withdrawal from service.

383 (c) Any member in service who has qualified for retirement
384 benefits may select any optional method of settlement of
385 retirement benefits by notifying the Executive Director of the
386 Board of Trustees of the Public Employees' Retirement System in
387 writing, on a form prescribed by the board, of the option he has
388 selected and by naming the beneficiary of the option and
389 furnishing necessary proof of age. The option, once selected, may
390 be changed at any time before actual retirement or death, but upon
391 the death or retirement of the member, the optional settlement
392 shall be placed in effect upon proper notification to the
393 executive director.

394 (d) Any member who became a member of the system before July
395 1, 2011, shall be entitled to an annual retirement allowance which
396 shall consist of:

397 (1) A member's annuity, which shall be the actuarial
398 equivalent of the accumulated contributions of the member at the



399 time of retirement computed according to the actuarial table in
400 use by the system; and

401 (2) An employer's annuity, which, together with the
402 member's annuity provided above, shall be equal to two percent
403 (2%) of the average compensation for each year of service up to
404 and including twenty-five (25) years of creditable service, and
405 two and one-half percent (2-1/2%) of the average compensation for
406 each year of service exceeding twenty-five (25) years of
407 creditable service.

408 (3) Any retired member or beneficiary thereof who was
409 eligible to receive a retirement allowance before July 1, 1991,
410 and who is still receiving a retirement allowance on July 1, 1992,
411 shall receive an increase in the annual retirement allowance of
412 the retired member equal to one-eighth of one percent (1/8 of 1%)
413 of the average compensation for each year of state service in
414 excess of twenty-five (25) years of membership service up to and
415 including thirty (30) years. The maximum increase shall be
416 five-eighths of one percent (5/8 of 1%). In no case shall a
417 member who has been retired before July 1, 1987, receive less than
418 Ten Dollars (\$10.00) per month for each year of creditable service
419 and proportionately for each quarter year thereof. Persons
420 retired on or after July 1, 1987, shall receive at least Ten
421 Dollars (\$10.00) per month for each year of service and
422 proportionately for each quarter year thereof reduced for the
423 option selected. However, such Ten Dollars (\$10.00) minimum per



424 month for each year of creditable service shall not apply to a
425 retirement allowance computed under Section 25-11-114 based on a
426 percentage of the member's average compensation.

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

430 (1) A member's annuity, which shall be the actuarial
431 equivalent of the accumulated contributions of the member at the
432 time of retirement computed according to the actuarial table in
433 use by the system; and

434 (2) An employer's annuity, which, together with the
435 member's annuity provided above, shall be equal to two percent
436 (2%) of the average compensation for each year of service up to
437 and including thirty (30) years of creditable service, and two and
438 one-half percent (2-1/2%) of average compensation for each year of
439 service exceeding thirty (30) years of creditable service.

440 (f) Any member who became a member of the system on or after
441 July 1, 2011, upon withdrawal from service upon or after attaining
442 the age of sixty (60) years who has completed at least eight (8)
443 years of membership service, or any such member upon withdrawal
444 from service regardless of age who has completed at least thirty
445 (30) years of creditable service, shall be entitled to receive a
446 retirement allowance computed in accordance with the formula set
447 forth in subsection (e) of this section. In the case of the
448 retirement of any member who has attained age sixty (60) but who



449 has not completed at least thirty (30) years of creditable
450 service, the retirement allowance shall be computed in accordance
451 with the formula set forth in subsection (e) of this section
452 except that the total annual retirement allowance shall be reduced
453 by an actuarial equivalent factor for each year of creditable
454 service below thirty (30) years or the number of years in age that
455 the member is below age sixty-five (65), whichever is less.

456 (g) Any person who is charged with a felony that is related
457 to or in connection with the member's employment in the state
458 service and that is committed on or after July 1, 2018, who
459 withdraws from service and receives a retirement allowance under
460 this section after being charged with the crime, shall continue to
461 receive the retirement allowance until such time as the member is
462 convicted of or pleads guilty or nolo contendere to the crime, and
463 if the member was convicted, all appeals of the conviction have
464 been finally concluded or the time for an appeal from the
465 conviction has expired, at which time the member's retirement
466 allowance shall be terminated. If a member's retirement allowance
467 is terminated under the provisions of this subsection and the
468 total amount that the member received from the retirement
469 allowance is less than the amount of the member's accumulated
470 contributions, the member shall be refunded the difference between
471 the amount received from the retirement allowance and the amount
472 of his or her contributions in accordance with Section 25-11-117.
473 The member's employer shall notify the system of the member's



474 conviction or plea, and if the member was convicted, when all
475 appeals of the conviction have been finally concluded or the time
476 for an appeal from the conviction has expired.

477 (* * *h) No member, except members excluded by the Age
478 Discrimination in Employment Act Amendments of 1986 (Public Law
479 99-592), under either Article 1 or Article 3 in state service
480 shall be required to retire because of age.

481 (* * *i) No payment on account of any benefit granted under
482 the provisions of this section shall become effective or begin to
483 accrue until January 1, 1953.

484 (* * *j) (1) A retiree or beneficiary may, on a form
485 prescribed by and filed with the retirement system, irrevocably
486 waive all or a portion of any benefits from the retirement system
487 to which the retiree or beneficiary is entitled. The waiver shall
488 be binding on the heirs and assigns of any retiree or beneficiary
489 and the same must agree to forever hold harmless the Public
490 Employees' Retirement System of Mississippi from any claim to the
491 waived retirement benefits.

492 (2) Any waiver under this subsection shall apply only
493 to the person executing the waiver. A beneficiary shall be
494 entitled to benefits according to the option selected by the
495 member at the time of retirement. However, a beneficiary may, at
496 the option of the beneficiary, execute a waiver of benefits under
497 this subsection.



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

501 (4) The board of trustees may provide rules and
502 regulations for the administration of waivers under this
503 subsection.

504 **SECTION 3.** Section 25-11-117, Mississippi Code of 1972, is
505 amended as follows:

506 25-11-117. (1) A member may be paid a refund of the amount
507 of accumulated contributions to the credit of the member in the
508 annuity savings account, provided that the member has withdrawn
509 from state service and has not returned to state service on the
510 date the refund of the accumulated contributions would be paid.
511 That refund of the contributions to the credit of the member in
512 the annuity savings account shall be paid within ninety (90) days
513 from receipt in the office of the retirement system of the
514 properly completed form requesting the payment. The accumulated
515 contributions of any member who is terminated from membership in
516 the system because of the member's conviction of or plea of guilty
517 or nolo contendere to a crime, as provided for under Section
518 25-11-105 III(d), or the amount of the member's accumulated
519 contributions that the member has not received from a retirement
520 allowance, as provided under Section 25-11-111(g), shall be
521 refunded, without any interest, to the member within ninety (90)
522 days from the date that the retirement system receives notice from



523 the member's employer of the member's conviction or plea, and if
524 the member was convicted, that all appeals of the conviction have
525 been finally concluded or the time for an appeal from the
526 conviction has expired. In the event of death before retirement
527 of any member whose spouse and/or children are not entitled to a
528 retirement allowance, the accumulated contributions to the credit
529 of the deceased member in the annuity savings account shall be
530 paid to the designated beneficiary on file in writing in the
531 office of the executive director of the board of trustees within
532 ninety (90) days from receipt of a properly completed form
533 requesting the payment. If there is no such designated
534 beneficiary on file for the deceased member in the office of the
535 system, upon the filing of a proper request with the board, the
536 contributions to the credit of the deceased member in the annuity
537 savings account shall be refunded under Section 25-11-117.1(1).
538 The payment of the refund shall discharge all obligations of the
539 retirement system to the member on account of any creditable
540 service rendered by the member before the receipt of the refund.
541 By the acceptance of the refund, the member shall waive and
542 relinquish all accrued rights in the system.

543 (2) Under the Unemployment Compensation Amendments of 1992
544 (Public Law 102-318 (UCA)), a member or the spouse of a member who
545 is an eligible beneficiary entitled to a refund under this section
546 may elect, on a form prescribed by the board under rules and
547 regulations established by the board, to have an eligible rollover



548 distribution of accumulated contributions payable under this
549 section paid directly to an eligible retirement plan, as defined
550 under applicable federal law, or an individual retirement account.
551 If the member or the spouse of a member who is an eligible
552 beneficiary makes that election and specifies the eligible
553 retirement plan or individual retirement account to which the
554 distribution is to be paid, the distribution will be made in the
555 form of a direct trustee-to-trustee transfer to the specified
556 eligible retirement plan. A nonspouse beneficiary may elect to
557 have an eligible rollover distribution paid in the form of a
558 direct trustee-to-trustee transfer to an individual retirement
559 account established to receive the distribution on behalf of the
560 nonspouse beneficiary. Flexible rollovers under this subsection
561 shall not be considered assignments under Section 25-11-129.

562 (3) (a) If any person who has received a refund, reenters
563 the state service and again becomes a member of the system before
564 July 1, 2007, the member may repay all or part of the amounts
565 previously received as a refund, together with regular interest
566 covering the period from the date of refund to the date of
567 repayment; however, the amounts that are repaid by the member and
568 the creditable service related thereto shall not be used in any
569 benefit calculation or determination until the member has remained
570 a contributor to the system for a period of at least four (4)
571 years after the member's reentry into state service. Repayment
572 for that time shall be made beginning with the most recent service



573 for which refund has been made. Upon the repayment of all or part
574 of that refund and interest, the member shall again receive credit
575 for the period of creditable service for which full repayment has
576 been made to the system.

577 (b) If any person who has received a refund, reenters
578 the state service and again becomes a member of the system on or
579 after July 1, 2007, the member may repay all or part of the
580 amounts previously received as a refund, together with regular
581 interest covering the period from the date of refund to the date
582 of repayment; however, the amounts that are repaid by the member
583 and the creditable service related thereto shall not be used in
584 any benefit calculation or determination until the member has
585 remained a contributor to the system for a period of at least
586 eight (8) years after the member's reentry into state service.
587 Repayment for that time shall be made beginning with the most
588 recent service for which refund has been made. Upon the repayment
589 of all or part of that refund and interest, the member shall again
590 receive credit for the period of creditable service for which full
591 repayment has been made to the system.

592 (4) (a) In order to provide a source of income to members
593 who have applied for disability benefits under Section 25-11-113
594 or 25-11-114, the board may provide, at the employee's election, a
595 temporary benefit to be paid from the member's accumulated
596 contributions, if any, without forfeiting the right to pursue
597 disability benefits, provided that the member has exhausted all



598 personal and medical leave and has terminated his or her
599 employment. The board may prescribe rules and regulations for
600 carrying out the provisions of this subsection (4).

601 (b) If a member who has elected to receive temporary
602 benefits under this subsection later applies for a refund of his
603 or her accumulated contributions, all amounts paid under this
604 subsection shall be deducted from the accumulated contributions
605 and the balance will be paid to the member. If a member who has
606 elected to receive temporary benefits under this subsection is
607 later approved for a disability retirement allowance, and a
608 service retirement allowance or survivor benefits are paid on the
609 account, the board shall adjust the benefits in such a manner that
610 no more than the actuarial equivalent of the benefits to which the
611 member or beneficiary was or is entitled shall be paid.

612 (c) The board may study, develop and propose a
613 disability benefit structure, including short- and long-term
614 disability benefits, provided that it is the actuarial equivalent
615 of the benefits currently provided in Section 25-11-113 or
616 25-11-114.

617 **SECTION 4.** Section 25-15-3, Mississippi Code of 1972, is
618 amended as follows:

619 25-15-3. For the purposes of this article, the words and
620 phrases used * * * in this section shall have the following
621 meanings:



622 (a) "Employee" means a person who works full time for
623 the State of Mississippi and receives his compensation in a direct
624 payment from a department, agency or institution of the state
625 government and any person who works full time for any school
626 district, community/junior college, public library or
627 university-based program authorized under Section 37-23-31 for
628 deaf, aphasic and emotionally disturbed children or any regular
629 nonstudent bus driver. This * * * term includes legislators,
630 employees of the legislative branch and the judicial branch of the
631 state and "employees" shall include full-time salaried judges and
632 full-time district attorneys and their staff and full-time
633 compulsory school attendance officers. For the purposes of this
634 article, any "employee" making contributions to the * * * Public
635 Employees' Retirement System or the Highway Safety Patrol
636 Retirement System shall be considered a full-time employee.

637 (b) "Department" means the Department of Finance and
638 Administration.

639 (c) "Plan" means the State and School Employees Life
640 and Health Insurance Plan created under this article.

641 (d) "Fund" means the State and School Employees
642 Insurance Fund set up under this article.

643 (e) "Retiree" or "retired employee" means any employee
644 retired under the * * * Public Employees' Retirement System or the
645 Highway Safety Patrol Retirement System, and any person who is



646 participating in the plan under the authority of Section
647 25-15-13(2).

648 (f) "Board" means the State and School Employees Health
649 Insurance Management Board created under Section 25-15-303.

650 **SECTION 5.** Section 25-15-13, Mississippi Code of 1972, is
651 amended as follows:

652 25-15-13. (1) Each eligible employee may participate in the
653 plan by signing up for the plan at the time of employment. Each
654 eligible employee who declines coverage under the plan must sign a
655 waiver of coverage. After acceptance in the plan, the employee
656 may cease his or her participation by filing a specific disclaimer
657 with the board. Forms for this purpose shall be prescribed and
658 issued by the board. All eligible employees will be eligible to
659 participate in the plan on the effective date of the plan or on
660 the date on which they are employed by the state, whichever is
661 later, provided they make the necessary contributions as provided
662 in this article. Spouses of employees, unmarried dependent
663 children from birth to age nineteen (19) years, unmarried
664 dependent children who are full-time students up to age
665 twenty-five (25) years, and physically or mentally handicapped
666 children, regardless of age, are eligible under the plan as of the
667 date the employee becomes eligible. If both spouses are eligible
668 employees who participate in the plan, the benefits shall apply
669 individually to each spouse by virtue of his or her participation
670 in the plan. If those spouses also have one or more eligible



671 dependents participating in the plan, the cost of their dependents
672 shall be calculated at a special family plan rate. The cost for
673 participation by the dependents shall be paid by the spouse who
674 elects to carry such dependents under his or her coverage.

675 (2) Any active member of the Public Employees' Retirement
676 System who is participating in the plan, and who otherwise would
677 be eligible to receive a retirement allowance under Section
678 25-11-111 but is terminated from membership in the system because
679 of the member's conviction of or plea of guilty or nolo contendere
680 to a crime, as provided for under Section 25-11-105 III(d), shall
681 be eligible to continue to participate in the plan under the same
682 conditions and coverages for retired employees.

683 **SECTION 6.** This act shall take effect and be in force from
684 and after July 1, 2018.

