

By: Senator(s) Doty

To: Finance

SENATE BILL NO. 2641

1 AN ACT TO AMEND SECTIONS 25-14-5, 25-14-9 AND 25-14-15,
2 MISSISSIPPI CODE OF 1972, TO CLARIFY THE INVESTMENT OPTIONS UNDER
3 THE GOVERNMENT EMPLOYEES DEFERRED COMPENSATION PLAN LAW; AND FOR
4 RELATED PURPOSES.

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

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

8 25-14-5. (1) The State of Mississippi, or any state agency,
9 county, municipality or other political subdivision may, by
10 contract, agree with any employee to defer, in whole or in part,
11 any portion of that employee's income, and a county, municipality
12 or other political subdivision, except community and junior
13 college districts, may make contributions to the plan on behalf of
14 actively participating members on a uniform basis through an
15 employer contribution agreement as provided for in the Mississippi
16 Deferred Compensation Plan and Trust Plan Document if making the
17 contribution does not conflict with any other state law. * * *

18 In the administration of this plan, the Public Employees'
19 Retirement System of Mississippi may adopt such regulations as are



20 reasonable and necessary to assure the orderly functioning of the
21 plan * * *.

22 (2) Except as otherwise provided in subsection (3) of this
23 section and notwithstanding anything in any other law to the
24 contrary * * *, the deferred portion of the employee's
25 compensation, the plan and the monies in the plan created by this
26 chapter are exempt from any state, county or municipal ad valorem
27 taxes, income taxes, premium taxes, privilege taxes, property
28 taxes, sales and use taxes and any other taxes not so named, until
29 the deferred compensation is paid to the employee or beneficiary
30 and exempt from levy, garnishment, attachment or any other process
31 whatsoever.

32 (3) The Mississippi Government Employees' Deferred
33 Compensation Plan and Trust may include Roth accounts pursuant to
34 26 USC Section 402A of the Internal Revenue Code or any other
35 post-tax vehicle contribution allowed pursuant to the Internal
36 Revenue Code if permitted under the plan document. A
37 participant's Roth or other allowable post-tax contribution into a
38 deferred compensation account shall be treated by the employer as
39 includable in the participant's income at the time the participant
40 would have received that amount in compensation if the participant
41 had not made a deferred election. A participant's Roth or other
42 allowable post-tax contribution into a deferred compensation
43 account and any associated earnings are exempt from levy,
44 garnishment, attachment or any other process whatsoever and may be



45 withdrawn tax-free if the requirements for a qualified
46 distribution under the Internal Revenue Code are met.

47 **SECTION 2.** Section 25-14-9, Mississippi Code of 1972, is
48 amended as follows:

49 25-14-9. Notwithstanding any other provision of law to the
50 contrary, the Public Employees' Retirement System of Mississippi
51 or the appropriate officer of a county, municipality, or other
52 political subdivision designated to administer a deferred
53 compensation program is hereby authorized to invest the monies
54 held pursuant to a deferred compensation program in fixed and
55 variable life insurance or annuity contracts; * * * mutual funds,
56 collective investment trusts or common group trusts that provide
57 for the pooling of assets of employee benefits trusts, separate
58 accounts or any other investment vehicles, including funds exempt
59 from registration as securities that invest in any investments
60 authorized for purchase by the Public Employees' Retirement System
61 of Mississippi under Section 25-11-121 * * *; or benefit
62 responsive contracts issued by insurance companies, banks or
63 financial institutions. While any portion of the program's assets
64 are invested in a collective investment trust or a common group
65 trust, such trust shall constitute a part of the program and the
66 instruments creating the trust shall constitute a part of the
67 program documentation.

68 **SECTION 3.** Section 25-14-15, Mississippi Code of 1972, is
69 amended as follows:



70 25-14-15. Except as otherwise provided in Section 25-14-5(3)
71 and notwithstanding any other provision of this chapter or any
72 other provision of law to the contrary, any sum deferred under the
73 deferred compensation program shall not be included for the
74 purposes of computation of any taxes withheld on behalf of any
75 employee.

76 **SECTION 4.** This act shall take effect and be in force from
77 and after July 1, 2018.

