Adopted AMENDMENT NO 1 PROPOSED TO

Cmte Sub for House Bill No. 1091

BY: Representative Lamar

1 **AMEND** by inserting the following after line 1298 and 2 renumbering the succeeding sections accordingly:

3 "SECTION 13. The director or head of any state agency may employ a total of not more than five (5) employees for which the 4 agency shall be exempt from the provisions of Section 25-9-127(1)5 and State Personnel Board rules, regulations and procedures during 6 the period of employment, and such employees shall be classified 7 8 as nonstate service during that period. For the purposes of this section, the term "state agency" means any agency, department or 9 10 institution of the State of Mississippi.

SECTION 14. Section 25-11-109, Mississippi Code of 1972, is amended as follows:

13 25-11-109. (1) Under such rules and regulations as the14 board of trustees shall adopt, each person who becomes a member of

20/HR12/HB1091A.1J	
PAGE 1	
(BS/AM)	

15 this retirement system, as provided in Section 25-11-105, on or 16 before July 1, 1953, or who became a member of the system before 17 July 1, 2007, and contributes to the system for a minimum period of four (4) years, or who became a member of the system on or 18 19 after July 1, 2007, and contributes to the system for a minimum 20 period of eight (8) years, shall receive credit for all state service rendered before February 1, 1953. To receive that credit, 21 the member shall file a detailed statement of all services as an 22 23 employee rendered by him in the state service before February 1, 24 1953. For any member who joined the system after July 1, 1953, 25 and before July 1, 2007, any creditable service for which the 26 member is not required to make contributions shall not be credited 27 to the member until the member has contributed to the system for a 28 minimum period of at least four (4) years. For any member who 29 joined the system on or after July 1, 2007, any creditable service 30 for which the member is not required to make contributions shall 31 not be credited to the member until the member has contributed to the system for a minimum period of at least eight (8) years. 32

33 (2)(i) In the computation of creditable service for (a) 34 service rendered before July 1, 2017, under the provisions of this 35 article, the total months of accumulative service during any 36 fiscal year shall be calculated in accordance with the schedule as follows: ten (10) or more months of creditable service during any 37 38 fiscal year shall constitute a year of creditable service; seven (7) months to nine (9) months inclusive, three-quarters (3/4) of a 39

20/HR12/HB1091A.1J PAGE 2 (BS/AM)

40 year of creditable service; four (4) months to six (6) months 41 inclusive, one-half (1/2) year of creditable service; one (1) 42 month to three (3) months inclusive, one-quarter (1/4) of a year 43 of creditable service.

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

48 In no case shall credit be allowed for any period (b) 49 of absence without compensation except for disability while in 50 receipt of a disability retirement allowance, nor shall less than 51 fifteen (15) days of service in any month, or service less than 52 the equivalent of one-half (1/2) of the normal working load for 53 the position and less than one-half (1/2) of the normal compensation for the position in any month, constitute a month of 54 55 creditable service, nor shall more than one (1) year of service be 56 creditable for all services rendered in any one (1) fiscal year; 57 however, for a school employee, substantial completion of the 58 legal school term when and where the service was rendered shall 59 constitute a year of service credit. Any state or local elected 60 official shall be deemed a full-time employee for the purpose of 61 creditable service. However, an appointed or elected official compensated on a per diem basis only shall not be allowed 62 63 creditable service for terms of office.

20/HR12/HB1091A.1J PAGE 3 (BS/AM)

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

70 In the computation of unused leave for (d) (i) creditable service authorized in Section 25-11-103, the following 71 72 shall govern for members who retire before July 1, 2017: 73 twenty-one (21) days of unused leave shall constitute one (1) 74 month of creditable service and in no case shall credit be allowed 75 for any period of unused leave of less than fifteen (15) days. 76 The number of months of unused leave shall determine the number of 77 quarters or years of creditable service in accordance with the above schedule for membership and prior service. 78

79 (ii) In the computation of unused leave for 80 creditable service authorized in Section 25-11-103, the following shall govern for members who retire on or after July 1, 2017: 81 82 creditable service for unused leave shall be calculated in monthly increments in which one (1) month of service credit shall be 83 84 awarded for each twenty-one (21) days of unused leave, except that 85 the first fifteen (15) to fifty-seven (57) days of leave shall constitute three (3) months of service for those who became a 86 87 member of the system before July 1, 2017.

20/HR12/HB1091A.1J PAGE 4 (BS/AM)

(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.

92 (e) For the purposes of this subsection, members of the 93 system who retire on or after July 1, 2010, shall receive credit 94 for one-half (1/2) day of leave for each full year of membership 95 service accrued after June 30, 2010. The amount of leave received 96 by a member under this paragraph shall be added to the lawfully 97 credited unused leave for which creditable service is provided 98 under Section 25-11-103(i).

99 (f) For the purpose of this subsection, for members of 100 the system who are elected officers and who retire on or after 101 July 1, 1987, the following shall govern:

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

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

(iii) If a member is employed in a covered nonelected position and a covered elected position simultaneously, that member may not receive service credit for accumulated unused

20/HR12/HB1091A.1J PAGE 5 (BS/AM)

113 leave for both positions at retirement for the period during which 114 the member was dually employed. During the period during which 115 the member is dually employed, the member shall only receive 116 credit for leave as provided for in this paragraph for an elected 117 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.

122 (4) Upon verification of the statement of prior service, the 123 board shall issue a prior service certificate certifying to each 124 member the length of prior service for which credit shall have 125 been allowed on the basis of his statement of service. So long as 126 membership continues, a prior service certificate shall be final 127 and conclusive for retirement purposes as to such service, 128 provided that any member may within five (5) years from the date 129 of issuance or modification of such certificate request the board of trustees to modify or correct his prior service certificate. 130 131 Any modification or correction authorized shall only apply 132 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.

20/HR12/HB1091A.1J PAGE 6 (BS/AM)

(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.

144 Any member who served on active duty in the Armed Forces (6) 145 of the United States, who served in the Commissioned Corps of the 146 United States Public Health Service before 1972 or who served in 147 maritime service during periods of hostility in World War II, shall be entitled to creditable service at no cost for his service 148 149 on active duty in the Armed Forces, in the Commissioned Corps of the United States Public Health Service before 1972 or in such 150 151 maritime service, provided he entered state service after his 152 discharge from the Armed Forces or entered state service after he 153 completed such maritime service. The maximum period for such 154 creditable service for all military service as defined in this 155 subsection (6) shall not exceed four (4) years unless positive 156 proof can be furnished by such person that he was retained in the 157 Armed Forces during World War II or in maritime service during 158 World War II by causes beyond his control and without opportunity 159 of discharge. The member shall furnish proof satisfactory to the 160 board of trustees of certification of military service or maritime 161 service records showing dates of entrance into active duty service and the date of discharge. From and after July 1, 1993, no 162

20/HR12/HB1091A.1J PAGE 7 (BS/AM)

163 creditable service shall be granted for any military service or 164 maritime service to a member who qualifies for a retirement 165 allowance in another public retirement system administered by the 166 Board of Trustees of the Public Employees' Retirement System 167 based, in whole or in part, on such military or maritime service. 168 In no case shall the member receive creditable service if the 169 member received a dishonorable discharge from the Armed Forces of 170 the United States.

171 Any member of the Public Employees' Retirement (7)(a) 172 System whose membership service is interrupted as a result of 173 qualified military service within the meaning of Section 414(u)(5) 174 of the Internal Revenue Code, and who has received the maximum 175 service credit available under subsection (6) of this section, 176 shall receive creditable service for the period of qualified military service that does not qualify as creditable service under 177 178 subsection (6) of this section upon reentering membership service 179 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

20/HR12/HB1091A.1J PAGE 8 (BS/AM) (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 system for such period based on the member's salary at the time the service was interrupted.

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

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

203 (8) Any member of the Public Employees' Retirement System 204 who became a member of the system before July 1, 2007, and who has 205 at least four (4) years of membership service credit, or who 206 became a member of the system on or after July 1, 2007, and who 207 has at least eight (8) years of membership service credit, shall 208 be entitled to receive a maximum of five (5) years' creditable 209 service for service rendered in another state as a public employee 210 of such other state, or a political subdivision, public education 211 system or other governmental instrumentality thereof, or service 212 rendered as a teacher in American overseas dependent schools

20/HR12/HB1091A.1J PAGE 9 (BS/AM)

213 conducted by the Armed Forces of the United States for children of 214 citizens of the United States residing in areas outside the 215 continental United States, provided that:

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

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

227 (C)The member shall pay to the retirement system on 228 the date he or she is eligible for credit for such out-of-state 229 service or at any time thereafter before the date of retirement 230 the actuarial cost as determined by the actuary for each year of 231 out-of-state creditable service. The provisions of this 232 subsection are subject to the limitations of Section 415 of the 233 Internal Revenue Code and regulations promulgated under that 234 section.

(9) 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 membership service credit, or who became a

20/HR12/HB1091A.1J PAGE 10 (BS/AM)

238 member of the system on or after July 1, 2007, and has at least 239 eight (8) years of membership service credit, and who receives, or 240 has received, professional leave without compensation for 241 professional purposes directly related to the employment in state 242 service shall receive creditable service for the period of 243 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

261 limitations;

20/HR12/HB1091A.1J PAGE 11 (BS/AM)

(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

20/HR12/HB1091A.1J PAGE 12 (BS/AM)

the actuarial cost as determined by the actuary for each year, or portion thereof, of such 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.

293 (11) Any member of the Public Employees' Retirement System 294 who became a member of the system before July 1, 2007, and who has 295 at least four (4) years of membership service credit, or who 296 became a member of the system on or after July 1, 2007, and who 297 has at least eight (8) years of membership service credit, shall 298 be entitled to receive creditable service for service rendered as 299 an employee of any public or private employer in this state that 300 does not participate in the Public Employees' Retirement System, 301 provided that: 302 (a) The member shall furnish proof satisfactory to the 303 board of trustees of certification of that service from the employer for which the service was performed; and 304 305 (b) The member is not receiving a retirement allowance 306 that includes that service from any public or private retirement 307 system or plan sponsored by the employer; and 308 The member may receive no more years of creditable (C) 309 service under this subsection (11) than an amount that, when 310 combined with all other creditable service, excluding unused

311 leave, would cause the member to become eligible to receive a 312 retirement allowance under Section 25-11-111; and 313 (d) The member shall pay to the retirement system on 314 the date he or she is eliqible for credit for that service or at 315 any time thereafter before the date of retirement the actuarial 316 cost as determined by the actuary for each year, or portion 317 thereof, of creditable service. 318 After a member has made full payment to the retirement system 319 for all or any part of that service, the member shall receive 320 creditable service for the period of that service for which full 321 payment has been made to the retirement system. Compensation 322 earned by the member for service rendered as an employee of any 323 public or private employer in this state that does not participate 324 in the Public Employees' Retirement System shall not be included 325 for the purpose of determining the member's earned compensation or 326 average compensation."

327 **AMEND further** on line 1301 by striking "13" and inserting in 328 lieu thereof "15".

329 AMEND further the title on line 47 by inserting the following 330 after the semicolon: 331 "TO AUTHORIZE THE DIRECTOR OR HEAD OF ANY STATE AGENCY TO EMPLOY A

TOTAL OF NOT MORE THAN FIVE EMPLOYEES FOR WHICH THE AGENCY SHALL 332 333 BE EXEMPT FROM CERTAIN PROVISIONS OF SECTION 25-9-101, MISSISSIPPI 334 CODE OF 1972, AND STATE PERSONNEL BOARD RULES, REGULATIONS AND 335 PROCEDURES DURING THE PERIOD OF EMPLOYMENT, AND TO PROVIDE THAT 336 SUCH EMPLOYEES SHALL BE CLASSIFIED AS NONSTATE SERVICE DURING THAT 337 PERIOD; TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972, TO AUTHORIZE VESTED MEMBERS OF THE PUBLIC EMPLOYEES' RETIREMENT 338 339 SYSTEM TO RECEIVE CREDITABLE SERVICE FOR SERVICE RENDERED AS AN

20/HR12/HB1091A.1J PAGE 14 (BS/AM)

340 EMPLOYEE OF ANY PUBLIC OR PRIVATE EMPLOYER IN THIS STATE THAT DOES NOT PARTICIPATE IN THE RETIREMENT SYSTEM; TO PROVIDE THAT IN ORDER 341 342 TO BE ABLE TO RECEIVE THAT SERVICE, THE MEMBER CANNOT BE RECEIVING 343 A RETIREMENT ALLOWANCE THAT INCLUDES THAT SERVICE FROM ANY PUBLIC OR PRIVATE RETIREMENT SYSTEM OR PLAN SPONSORED BY THE EMPLOYER, 344 345 AND THE MEMBER MUST PAY TO THE RETIREMENT SYSTEM BEFORE THE DATE 346 OF RETIREMENT THE ACTUARIAL COST AS DETERMINED BY THE ACTUARY FOR 347 EACH YEAR, OR PORTION THEREOF, OF CREDITABLE SERVICE;"