

By: Representatives Lamar, Miles, Anthony

To: Ways and Means

HOUSE BILL NO. 1136
(As Passed the House)

1 AN ACT TO CREATE THE MISSISSIPPI EDUCATIONAL TALENT
2 RECRUITMENT ACT; TO ESTABLISH A PROGRAM TO PROVIDE FUNDS TO ASSIST
3 MISSISSIPPI BUSINESSES IN PAYING COSTS ASSOCIATED WITH USING
4 EMPLOYMENT RECRUITING SERVICES FOR THE PURPOSE OF RECRUITING AND
5 EMPLOYING COLLEGE OR UNIVERSITY GRADUATES LIVING AND EMPLOYED
6 OUTSIDE THE STATE OF MISSISSIPPI; TO PROVIDE THAT THE MISSISSIPPI
7 DEVELOPMENT AUTHORITY SHALL ADMINISTER THE PROGRAM; TO AUTHORIZE
8 THE ISSUANCE OF STATE GENERAL OBLIGATIONS BONDS TO PROVIDE FUNDS
9 FOR THE PROGRAM; TO AUTHORIZE AN INCOME TAX CREDIT FOR TAXPAYERS
10 WHO ARE RESIDENTS OF MISSISSIPPI AND TELEWORKER EMPLOYEES OF
11 EMPLOYERS LOCATED OUTSIDE MISSISSIPPI, FOR COSTS INCURRED FOR
12 BROADBAND OR OTHER COMMUNICATIONS SERVICES NECESSARY TO TELEWORK
13 AS AN EMPLOYEE OF THE EMPLOYER; TO PROVIDE FOR THE AMOUNT OF THE
14 TAX CREDIT; TO AMEND SECTION 27-7-18, MISSISSIPPI CODE OF 1972, TO
15 PROVIDE A DEDUCTION FROM GROSS INCOME FOR TAXPAYERS WHO ARE
16 RESIDENTS OF MISSISSIPPI AND TELEWORKER EMPLOYEES OF EMPLOYERS
17 LOCATED OUTSIDE MISSISSIPPI, FOR COSTS INCURRED FOR BROADBAND OR
18 OTHER COMMUNICATIONS SERVICES NECESSARY TO TELEWORK AS AN EMPLOYEE
19 OF THE EMPLOYER; TO ESTABLISH A HOME GRANT PROGRAM FOR COLLEGE OR
20 UNIVERSITY GRADUATES WHO PURCHASE A HOUSE AND RESIDE IN
21 MISSISSIPPI; TO PROVIDE THAT THE MISSISSIPPI DEVELOPMENT AUTHORITY
22 SHALL ADMINISTER THE GRANT PROGRAM; TO AUTHORIZE THE ISSUANCE OF
23 STATE GENERAL OBLIGATIONS BONDS TO PROVIDE FUNDS FOR THE GRANT
24 PROGRAM; TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972, TO
25 AUTHORIZE MEMBERS OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM TO
26 RECEIVE NOT MORE THAN FIVE YEARS OF CREDITABLE SERVICE FOR SERVICE
27 RENDERED AS AN EMPLOYEE OF ANY PUBLIC OR PRIVATE EMPLOYER IN THIS
28 STATE THAT DOES NOT PARTICIPATE IN THE RETIREMENT SYSTEM; TO
29 PROVIDE THAT IN ORDER TO BE ABLE TO RECEIVE THAT SERVICE, THE
30 MEMBER CANNOT BE RECEIVING A RETIREMENT ALLOWANCE THAT INCLUDES
31 THAT SERVICE FROM ANY PUBLIC OR PRIVATE RETIREMENT SYSTEM OR PLAN
32 SPONSORED BY THE EMPLOYER, AND THE MEMBER MUST PAY TO THE
33 RETIREMENT SYSTEM BEFORE THE DATE OF RETIREMENT THE ACTUARIAL COST



34 AS DETERMINED BY THE ACTUARY FOR EACH YEAR, OR PORTION THEREOF, OF
35 CREDITABLE SERVICE; AND FOR RELATED PURPOSES.

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

37 **SECTION 1.** This act shall be known and may be cited as the
38 Mississippi Educational Talent Recruitment Act.

39 **SECTION 2.** (1) There is hereby created in the State
40 Treasury a special fund to be designated as the "Mississippi
41 Business Employment Recruiting Services Fund," which shall consist
42 of funds made available by the Legislature in any manner and funds
43 from any other source designated for deposit into such fund.
44 Unexpended amounts remaining in the fund at the end of a fiscal
45 year shall not lapse into the State General Fund, and any
46 investment earnings or interest earned on amounts in the fund
47 shall be deposited to the credit of the fund. Monies in the fund
48 shall be used for the purposes provided in this section.

49 (2) The Mississippi Development Authority shall establish a
50 program to provide funds to assist Mississippi businesses in
51 paying costs associated with using employment recruiting services
52 for the purpose of recruiting and employing college or university
53 graduates living and employed outside the State of Mississippi.
54 Subject to the provisions of this subsection, the maximum
55 aggregate amount of assistance that may be provided to a business
56 during a calendar year cannot exceed the lesser of such costs
57 incurred by the business during the calendar year or Twenty-five
58 Thousand Dollars (\$25,000.00), and not more than Five Thousand
59 Dollars (\$5,000.00) of such costs incurred for any one (1) college



60 or university graduate may be eligible for assistance. In order
61 to be eligible for assistance, the business must have incurred the
62 employment recruiting services costs to recruit a college or
63 university graduate who: (a) was living outside and employed
64 outside the State of Mississippi at the time the business incurred
65 the costs, (b) was employed by the business after the business
66 incurred the costs and (c) relocated to Mississippi after being
67 employed by the business. A business desiring assistance under
68 this section must submit an application to the Mississippi
69 Development Authority. The application must include a detailed
70 accounting of and the amount of the costs for which the assistance
71 is requested and any other information required by the Mississippi
72 Development Authority. For the purposes of this section, a
73 college or university graduate is a person who has been awarded a
74 baccalaureate degree and/or post-graduate degree from (a) any of
75 the state institutions of higher learning listed in Section
76 37-101-1, (b) any regionally accredited, nonprofit four-year
77 college or university located in the State of Mississippi or (c)
78 any such institution of higher learning or regionally accredited
79 four-year college or university located outside the State of
80 Mississippi.

81 (3) The Mississippi Development Authority shall have all
82 powers necessary to implement and administer the provisions of
83 this section, and the Mississippi Development Authority shall
84 promulgate rules and regulations, in accordance with the



Mississippi Administrative Procedures Law, necessary for the implementation of this section.

SECTION 3. (1) As used in this section, the following words shall have the meanings ascribed herein unless the context clearly requires otherwise:

(a) "Accreted value" of any bonds means, as of any date of computation, an amount equal to the sum of (i) the stated initial value of such bond, plus (ii) the interest accrued thereon from the issue date to the date of computation at the rate, compounded semiannually, that is necessary to produce the approximate yield to maturity shown for bonds of the same maturity.

(b) "State" means the State of Mississippi.

(c) "Commission" means the State Bond Commission.

(2) (a) The Mississippi Development Authority, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for the program authorized in Section 2 of this act. Upon the adoption of a resolution by the Mississippi Development Authority, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this subsection, the Mississippi Development Authority shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of



the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, issue and sell the bonds so authorized to be sold, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under this section shall not exceed One Million Dollars (\$1,000,000.00). No bonds authorized under this section shall be issued after July 1, 2025.

(b) The proceeds of bonds issued pursuant to this section shall be deposited into the Mississippi Business Employment Recruiting Services Fund created pursuant to Section 5 of this act. Any investment earnings on bonds issued pursuant to this section shall be used to pay debt service on bonds issued under this section, in accordance with the proceedings authorizing issuance of such bonds.

(3) The principal of and interest on the bonds authorized under this section shall be payable in the manner provided in this subsection. Such bonds shall bear such date or dates, be in such denomination or denominations, bear interest at such rate or rates (not to exceed the limits set forth in Section 75-17-101, Mississippi Code of 1972), be payable at such place or places within or without the State of Mississippi, shall mature absolutely at such time or times not to exceed twenty-five (25) years from date of issue, be redeemable before maturity at such time or times and upon such terms, with or without premium, shall



bear such registration privileges, and shall be substantially in such form, all as shall be determined by resolution of the commission.

(4) The bonds authorized by this section shall be signed by the chairman of the commission, or by his facsimile signature, and the official seal of the commission shall be affixed thereto, attested by the secretary of the commission. The interest coupons, if any, to be attached to such bonds may be executed by the facsimile signatures of such officers. Whenever any such bonds shall have been signed by the officials designated to sign the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

(5) All bonds and interest coupons issued under the provisions of this section have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by this



section, the commission shall not be required to and need not
comply with the provisions of the Uniform Commercial Code.

(6) The commission shall act as issuing agent for the bonds
authorized under this section, prescribe the form of the bonds,
determine the appropriate method for sale of the bonds, advertise
for and accept bids or negotiate the sale of the bonds, issue and
sell the bonds so authorized to be sold, pay all fees and costs
incurred in such issuance and sale, and do any and all other
things necessary and advisable in connection with the issuance and
sale of such bonds. The commission is authorized and empowered to
pay the costs that are incident to the sale, issuance and delivery
of the bonds authorized under this section from the proceeds
derived from the sale of such bonds. The commission may sell such
bonds on sealed bids at public sale or may negotiate the sale of
the bonds for such price as it may determine to be for the best
interest of the State of Mississippi. All interest accruing on
such bonds so issued shall be payable semiannually or annually.

If such bonds are sold by sealed bids at public sale, notice
of the sale shall be published at least one time, not less than
ten (10) days before the date of sale, and shall be so published
in one or more newspapers published or having a general
circulation in the City of Jackson, Mississippi, selected by the
commission.

The commission, when issuing any bonds under the authority of
this section, may provide that bonds, at the option of the State



of Mississippi, may be called in for payment and redemption at the call price named therein and accrued interest on such date or dates named therein.

(7) The bonds issued under the provisions of this section are general obligations of the State of Mississippi, and for the payment thereof the full faith and credit of the State of Mississippi is irrevocably pledged. If the funds appropriated by the Legislature are insufficient to pay the principal of and the interest on such bonds as they become due, then the deficiency shall be paid by the State Treasurer from any funds in the State Treasury not otherwise appropriated. All such bonds shall contain recitals on their faces substantially covering the provisions of this subsection.

(8) Upon the issuance and sale of bonds under the provisions of this section, the commission shall transfer the proceeds of any such sale or sales to the Mississippi Business Employment Recruiting Services Fund created in Section 2 of this act. The proceeds of such bonds shall be disbursed solely upon the order of the Mississippi Development Authority under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

(9) The bonds authorized under this section may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions and things which are specified or required by this section. Any



210 resolution providing for the issuance of bonds under the
211 provisions of this section shall become effective immediately upon
212 its adoption by the commission, and any such resolution may be
213 adopted at any regular or special meeting of the commission by a
214 majority of its members.

215 (10) The bonds authorized under the authority of this
216 section may be validated in the Chancery Court of the First
217 Judicial District of Hinds County, Mississippi, in the manner and
218 with the force and effect provided by Chapter 13, Title 31,
219 Mississippi Code of 1972, for the validation of county, municipal,
220 school district and other bonds. The notice to taxpayers required
221 by such statutes shall be published in a newspaper published or
222 having a general circulation in the City of Jackson, Mississippi.

223 (11) Any holder of bonds issued under the provisions of this
224 section or of any of the interest coupons pertaining thereto may,
225 either at law or in equity, by suit, action, mandamus or other
226 proceeding, protect and enforce any and all rights granted under
227 this section, or under such resolution, and may enforce and compel
228 performance of all duties required by this section to be
229 performed, in order to provide for the payment of bonds and
230 interest thereon.

231 (12) All bonds issued under the provisions of this section
232 shall be legal investments for trustees and other fiduciaries, and
233 for savings banks, trust companies and insurance companies
234 organized under the laws of the State of Mississippi, and such



bonds shall be legal securities which may be deposited with and shall be received by all public officers and bodies of this state and all municipalities and political subdivisions for the purpose of securing the deposit of public funds.

(13) Bonds issued under the provisions of this section and income therefrom shall be exempt from all taxation in the State of Mississippi.

(14) The proceeds of the bonds issued under this section shall be used solely for the purposes therein provided, including the costs incident to the issuance and sale of such bonds.

(15) The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this section; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

(16) This section shall be deemed to be full and complete authority for the exercise of the powers therein granted, but this section shall not be deemed to repeal or to be in derogation of any existing law of this state.



SECTION 4.

Subject to the provisions of this section, a taxpayer who is a resident of Mississippi and a teleworker employee of an employer located outside the State of Mississippi, shall be allowed a credit against the taxes imposed by this chapter as provided in this section. The credit authorized in this section shall be in an amount equal to the lesser of the costs incurred by the taxpayer during a taxable year for broadband or other communications services necessary for the taxpayer to be a teleworker employee of the employer or Five Hundred Dollars (\$500.00). However, the tax credit shall not exceed the amount of tax imposed upon the taxpayer for the taxable year reduced by the sum of all other credits allowable to the taxpayer under this chapter, except credit for tax payments made by or on behalf of the taxpayer.

SECTION 5. Section 27-7-18, Mississippi Code of 1972, is amended as follows:

27-7-18. (1) Alimony payments. In the case of a person described in Section 27-7-15(2)(e), there shall be allowed as a deduction from gross income amounts paid as periodic payments to the extent of such amounts as are includible in the gross income of the spouse as provided in Section 27-7-15(2)(e), payment of which is made within the person's taxable year.

(2) Unreimbursed moving expenses incurred after December 31, 1994, are deductible as an adjustment to gross income in accordance with provisions of the United States Internal Revenue



Code, and rules, regulations and revenue procedures thereunder relating to moving expenses, not in direct conflict with the provisions of the Mississippi Income Tax Law.

(3) Amounts paid after December 31, 1998, by a self-employed individual for insurance which constitute medical care for the taxpayer, his spouse and dependents, are deductible as an adjustment to gross income in accordance with provisions of the United States Internal Revenue Code, and rules, regulations and revenue procedures thereunder relating to such payments, not in direct conflict with the provisions of the Mississippi Income Tax Law.

(4) Contributions or payments to a Mississippi Affordable College Savings (MACS) Program account are deductible from gross income as provided in Section 37-155-113. Payments made under a prepaid tuition contract entered into under the Mississippi Prepaid Affordable College Tuition Program are deductible as provided in Section 37-155-17.

(5) (a) Unreimbursed travel expenses, lodging expenses and lost wages an individual incurred as a result of, and related to, the donation, while living, of one or more of his or her organs for human organ transplantation, are deductible from gross income. The deduction from gross income authorized by this subsection may be claimed for only once and may not exceed Ten Thousand Dollars (\$10,000.00).



(b) As used in this subsection, "organ" means all or part of a liver, pancreas, kidney, intestine, lung or bone marrow.

(6) In the case of a self-employed individual, there shall be allowed as a deduction from gross income an amount equal to:

(a) Seventeen percent (17%) of the federal self-employment taxes imposed on such individual for taxable years ending in calendar year 2017;

(b) Thirty-four percent (34%) of the federal self-employment taxes imposed on such individual for taxable years ending in calendar year 2018; and

(c) Fifty percent (50%) of the federal self-employment taxes imposed on such individual for taxable years ending in calendar year 2019 and thereafter.

(7) Contributions or payments to a Mississippi Achieving a Better Life Experience (ABLE) Program account are deductible from gross income as provided in Section 43-28-13.

(8) Amounts paid by a taxpayer which may be claimed as an income tax credit under Section 4 of this act are deductible from gross income in an amount equal to the lesser of such amounts paid by the taxpayer during a taxable year or One Thousand Two Hundred Dollars (\$1,200.00).

SECTION 6. (1) As used in this section, the following words and phrases have the meanings ascribed in this section unless the context clearly indicates otherwise:



(a) "College or university graduate" means a person who has been awarded a baccalaureate degree and/or post-graduate degree from (i) any of the state institutions of higher learning listed in Section 37-101-1, (ii) any regionally accredited, nonprofit four-year college or university located in the State of Mississippi or (iii) any such institution of higher learning or regionally accredited four-year college or university located outside the State of Mississippi.

(b) "MDA" means the Mississippi Development Authority.

(c) "Qualifying job" means employment in the State of Mississippi.

(2) There is hereby created in the State Treasury a special fund to be designated as the "College or University Graduate Home Grant Fund," which shall consist of funds made available by the Legislature in any manner and funds from any other source designated for deposit into such fund. Unexpended amounts remaining in the fund at the end of a fiscal year shall not lapse into the State General Fund, and any investment earnings or interest earned on amounts in the fund shall be deposited to the credit of the fund. Monies in the fund shall be used for the purposes provided in this section.

(3) (a) The MDA shall establish a home grant program for eligible college or university graduates. The home grant program shall be administered by the MDA. The MDA may contract with one



or more public or private entities to provide assistance in implementing and administering the program.

(b) Participation in the grant program shall be available to any person who is a college or university graduate and resides in Mississippi and is employed in a qualifying job. Any person who receives a grant under the program shall be required to purchase a house and reside in Mississippi. The maximum amount of a grant that may be made under the program to any person shall be Five Thousand Dollars (\$5,000.00), and the proceeds of a grant shall be used for making a down payment on a home loan and/or paying other housing related costs.

(4) The MDA shall have all powers necessary to implement and administer the provisions of this section, and the MDA shall promulgate rules and regulations, in accordance with the Mississippi Administrative Procedures Law, necessary for the implementation of this section.

SECTION 7. (1) As used in this section, the following words shall have the meanings ascribed herein unless the context clearly requires otherwise:

(a) "Accreted value" of any bonds means, as of any date of computation, an amount equal to the sum of (i) the stated initial value of such bond, plus (ii) the interest accrued thereon from the issue date to the date of computation at the rate, compounded semiannually, that is necessary to produce the



approximate yield to maturity shown for bonds of the same maturity.

(b) "State" means the State of Mississippi.

(c) "Commission" means the State Bond Commission.

(2) (a) The Mississippi Development Authority, at one time, or from time to time, may declare by resolution the necessity for issuance of general obligation bonds of the State of Mississippi to provide funds for the grant program authorized in Section 6 of this act. Upon the adoption of a resolution by the Mississippi Development Authority, declaring the necessity for the issuance of any part or all of the general obligation bonds authorized by this subsection, the Mississippi Development Authority shall deliver a certified copy of its resolution or resolutions to the commission. Upon receipt of such resolution, the commission, in its discretion, may act as the issuing agent, prescribe the form of the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, issue and sell the bonds so authorized to be sold, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The total amount of bonds issued under this section shall not exceed One Million Dollars (\$1,000,000.00). No bonds authorized under this section shall be issued after July 1, 2025.

(b) The proceeds of bonds issued pursuant to this section shall be deposited into the College or University Graduate



406 Home Grant Fund created pursuant to Section 9 of this act. Any
407 investment earnings on bonds issued pursuant to this section shall
408 be used to pay debt service on bonds issued under this section, in
409 accordance with the proceedings authorizing issuance of such
410 bonds.

411 (3) The principal of and interest on the bonds authorized
412 under this section shall be payable in the manner provided in this
413 subsection. Such bonds shall bear such date or dates, be in such
414 denomination or denominations, bear interest at such rate or rates
415 (not to exceed the limits set forth in Section 75-17-101,
416 Mississippi Code of 1972), be payable at such place or places
417 within or without the State of Mississippi, shall mature
418 absolutely at such time or times not to exceed twenty-five (25)
419 years from date of issue, be redeemable before maturity at such
420 time or times and upon such terms, with or without premium, shall
421 bear such registration privileges, and shall be substantially in
422 such form, all as shall be determined by resolution of the
423 commission.

424 (4) The bonds authorized by this section shall be signed by
425 the chairman of the commission, or by his facsimile signature, and
426 the official seal of the commission shall be affixed thereto,
427 attested by the secretary of the commission. The interest
428 coupons, if any, to be attached to such bonds may be executed by
429 the facsimile signatures of such officers. Whenever any such
430 bonds shall have been signed by the officials designated to sign



the bonds who were in office at the time of such signing but who may have ceased to be such officers before the sale and delivery of such bonds, or who may not have been in office on the date such bonds may bear, the signatures of such officers upon such bonds and coupons shall nevertheless be valid and sufficient for all purposes and have the same effect as if the person so officially signing such bonds had remained in office until their delivery to the purchaser, or had been in office on the date such bonds may bear. However, notwithstanding anything herein to the contrary, such bonds may be issued as provided in the Registered Bond Act of the State of Mississippi.

(5) All bonds and interest coupons issued under the provisions of this section have all the qualities and incidents of negotiable instruments under the provisions of the Uniform Commercial Code, and in exercising the powers granted by this section, the commission shall not be required to and need not comply with the provisions of the Uniform Commercial Code.

(6) The commission shall act as issuing agent for the bonds authorized under this section, prescribe the form of the bonds, determine the appropriate method for sale of the bonds, advertise for and accept bids or negotiate the sale of the bonds, issue and sell the bonds so authorized to be sold, pay all fees and costs incurred in such issuance and sale, and do any and all other things necessary and advisable in connection with the issuance and sale of such bonds. The commission is authorized and empowered to



456 pay the costs that are incident to the sale, issuance and delivery
457 of the bonds authorized under this section from the proceeds
458 derived from the sale of such bonds. The commission may sell such
459 bonds on sealed bids at public sale or may negotiate the sale of
460 the bonds for such price as it may determine to be for the best
461 interest of the State of Mississippi. All interest accruing on
462 such bonds so issued shall be payable semiannually or annually.

463 If such bonds are sold by sealed bids at public sale, notice
464 of the sale shall be published at least one time, not less than
465 ten (10) days before the date of sale, and shall be so published
466 in one or more newspapers published or having a general
467 circulation in the City of Jackson, Mississippi, selected by the
468 commission.

469 The commission, when issuing any bonds under the authority of
470 this section, may provide that bonds, at the option of the State
471 of Mississippi, may be called in for payment and redemption at the
472 call price named therein and accrued interest on such date or
473 dates named therein.

474 (7) The bonds issued under the provisions of this section
475 are general obligations of the State of Mississippi, and for the
476 payment thereof the full faith and credit of the State of
477 Mississippi is irrevocably pledged. If the funds appropriated by
478 the Legislature are insufficient to pay the principal of and the
479 interest on such bonds as they become due, then the deficiency
480 shall be paid by the State Treasurer from any funds in the State



Treasury not otherwise appropriated. All such bonds shall contain recitals on their faces substantially covering the provisions of this subsection.

(8) Upon the issuance and sale of bonds under the provisions of this section, the commission shall transfer the proceeds of any such sale or sales to the College or University Graduate Home Grant Fund created in Section 6 of this act. The proceeds of such bonds shall be disbursed solely upon the order of the Mississippi Development Authority under such restrictions, if any, as may be contained in the resolution providing for the issuance of the bonds.

(9) The bonds authorized under this section may be issued without any other proceedings or the happening of any other conditions or things other than those proceedings, conditions and things which are specified or required by this section. Any resolution providing for the issuance of bonds under the provisions of this section shall become effective immediately upon its adoption by the commission, and any such resolution may be adopted at any regular or special meeting of the commission by a majority of its members.

(10) The bonds authorized under the authority of this section may be validated in the Chancery Court of the First Judicial District of Hinds County, Mississippi, in the manner and with the force and effect provided by Chapter 13, Title 31, Mississippi Code of 1972, for the validation of county, municipal,



506 school district and other bonds. The notice to taxpayers required
507 by such statutes shall be published in a newspaper published or
508 having a general circulation in the City of Jackson, Mississippi.

509 (11) Any holder of bonds issued under the provisions of this
510 section or of any of the interest coupons pertaining thereto may,
511 either at law or in equity, by suit, action, mandamus or other
512 proceeding, protect and enforce any and all rights granted under
513 this section, or under such resolution, and may enforce and compel
514 performance of all duties required by this section to be
515 performed, in order to provide for the payment of bonds and
516 interest thereon.

517 (12) All bonds issued under the provisions of this section
518 shall be legal investments for trustees and other fiduciaries, and
519 for savings banks, trust companies and insurance companies
520 organized under the laws of the State of Mississippi, and such
521 bonds shall be legal securities which may be deposited with and
522 shall be received by all public officers and bodies of this state
523 and all municipalities and political subdivisions for the purpose
524 of securing the deposit of public funds.

525 (13) Bonds issued under the provisions of this section and
526 income therefrom shall be exempt from all taxation in the State of
527 Mississippi.

528 (14) The proceeds of the bonds issued under this section
529 shall be used solely for the purposes therein provided, including
530 the costs incident to the issuance and sale of such bonds.



(15) The State Treasurer is authorized, without further process of law, to certify to the Department of Finance and Administration the necessity for warrants, and the Department of Finance and Administration is authorized and directed to issue such warrants, in such amounts as may be necessary to pay when due the principal of, premium, if any, and interest on, or the accreted value of, all bonds issued under this section; and the State Treasurer shall forward the necessary amount to the designated place or places of payment of such bonds in ample time to discharge such bonds, or the interest thereon, on the due dates thereof.

(16) This section shall be deemed to be full and complete authority for the exercise of the powers therein granted, but this section shall not be deemed to repeal or to be in derogation of any existing law of this state.

SECTION 8. Section 25-11-109, Mississippi Code of 1972, is amended as follows:

25-11-109. (1) Under such rules and regulations as the board of trustees shall adopt, each person who becomes a member of this retirement system, as provided in Section 25-11-105, on or before July 1, 1953, or who became a member of the system before 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 after July 1, 2007, and contributes to the system for a minimum period of eight (8) years, shall receive credit for all state



556 service rendered before February 1, 1953. To receive that credit,
557 the member shall file a detailed statement of all services as an
558 employee rendered by him in the state service before February 1,
559 1953. For any member who joined the system after July 1, 1953,
560 and before July 1, 2007, any creditable service for which the
561 member is not required to make contributions shall not be credited
562 to the member until the member has contributed to the system for a
563 minimum period of at least four (4) years. For any member who
564 joined the system on or after July 1, 2007, any creditable service
565 for which the member is not required to make contributions shall
566 not be credited to the member until the member has contributed to
567 the system for a minimum period of at least eight (8) years.

568 (2) (a) (i) In the computation of creditable service for
569 service rendered before July 1, 2017, under the provisions of this
570 article, the total months of accumulative service during any
571 fiscal year shall be calculated in accordance with the schedule as
572 follows: ten (10) or more months of creditable service during any
573 fiscal year shall constitute a year of creditable service; seven
574 (7) months to nine (9) months inclusive, three-quarters (3/4) of a
575 year of creditable service; four (4) months to six (6) months
576 inclusive, one-half (1/2) year of creditable service; one (1)
577 month to three (3) months inclusive, one-quarter (1/4) of a year
578 of creditable service.

579 (ii) In the computation of creditable service
580 rendered on or after July 1, 2017, under the provisions of this



581 article, service credit shall be awarded in monthly increments in
582 a manner prescribed by regulations of the board.

583 (b) In no case shall credit be allowed for any period
584 of absence without compensation except for disability while in
585 receipt of a disability retirement allowance, nor shall less than
586 fifteen (15) days of service in any month, or service less than
587 the equivalent of one-half (1/2) of the normal working load for
588 the position and less than one-half (1/2) of the normal
589 compensation for the position in any month, constitute a month of
590 creditable service, nor shall more than one (1) year of service be
591 creditable for all services rendered in any one (1) fiscal year;
592 however, for a school employee, substantial completion of the
593 legal school term when and where the service was rendered shall
594 constitute a year of service credit. Any state or local elected
595 official shall be deemed a full-time employee for the purpose of
596 creditable service. However, an appointed or elected official
597 compensated on a per diem basis only shall not be allowed
598 creditable service for terms of office.

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



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

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

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

627 (e) For the purposes of this subsection, members of the
628 system who retire on or after July 1, 2010, shall receive credit
629 for one-half (1/2) day of leave for each full year of membership



630 service accrued after June 30, 2010. The amount of leave received
631 by a member under this paragraph shall be added to the lawfully
632 credited unused leave for which creditable service is provided
633 under Section 25-11-103(i).

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

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

641 (ii) For service on and after July 1, 1984, the
642 member shall receive credit for personal and major medical leave
643 beginning July 1, 1984, at the rates authorized in Sections
644 25-3-93 and 25-3-95, computed as a full-time employee.

645 (iii) If a member is employed in a covered
646 nonelected position and a covered elected position simultaneously,
647 that member may not receive service credit for accumulated unused
648 leave for both positions at retirement for the period during which
649 the member was dually employed. During the period during which
650 the member is dually employed, the member shall only receive
651 credit for leave as provided for in this paragraph for an elected
652 official.

653 (3) Subject to the above restrictions and to such other
654 rules and regulations as the board may adopt, the board shall



655 verify, as soon as practicable after the filing of such statements
656 of service, the services therein claimed.

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

668 When membership ceases, such prior service certificates shall
669 become void. Should the employee again become a member, he shall
670 enter the system as an employee not entitled to prior service
671 credit except as provided in Sections 25-11-105(I), 25-11-113 and
672 25-11-117.

673 (5) Creditable service at retirement, on which the
674 retirement allowance of a member shall be based, shall consist of
675 the membership service rendered by him since he last became a
676 member, and also, if he has a prior service certificate that is in
677 full force and effect, the amount of the service certified on his
678 prior service certificate.



679 (6) Any member who served on active duty in the Armed Forces
680 of the United States, who served in the Commissioned Corps of the
681 United States Public Health Service before 1972 or who served in
682 maritime service during periods of hostility in World War II,
683 shall be entitled to creditable service at no cost for his service
684 on active duty in the Armed Forces, in the Commissioned Corps of
685 the United States Public Health Service before 1972 or in such
686 maritime service, provided he entered state service after his
687 discharge from the Armed Forces or entered state service after he
688 completed such maritime service. The maximum period for such
689 creditable service for all military service as defined in this
690 subsection (6) shall not exceed four (4) years unless positive
691 proof can be furnished by such person that he was retained in the
692 Armed Forces during World War II or in maritime service during
693 World War II by causes beyond his control and without opportunity
694 of discharge. The member shall furnish proof satisfactory to the
695 board of trustees of certification of military service or maritime
696 service records showing dates of entrance into active duty service
697 and the date of discharge. From and after July 1, 1993, no
698 creditable service shall be granted for any military service or
699 maritime service to a member who qualifies for a retirement
700 allowance in another public retirement system administered by the
701 Board of Trustees of the Public Employees' Retirement System
702 based, in whole or in part, on such military or maritime service.
703 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 system for such period based on the member's salary at the time the service was interrupted.



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

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

738 (8) Any member of the Public Employees' Retirement System
739 who became a member of the system before July 1, 2007, and who has
740 at least four (4) years of membership service credit, or who
741 became a member of the system on or after July 1, 2007, and who
742 has at least eight (8) years of membership service credit, shall
743 be entitled to receive a maximum of five (5) years' creditable
744 service for service rendered in another state as a public employee
745 of such other state, or a political subdivision, public education
746 system or other governmental instrumentality thereof, or service
747 rendered as a teacher in American overseas dependent schools
748 conducted by the Armed Forces of the United States for children of
749 citizens of the United States residing in areas outside the
750 continental United States, provided that:

751 (a) The member shall furnish proof satisfactory to the
752 board of trustees of certification of such services from the



753 state, public education system, political subdivision or
754 retirement system of the state where the services were performed
755 or the governing entity of the American overseas dependent school
756 where the services were performed; and

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

762 (c) The member shall pay to the retirement system on
763 the date he or she is eligible for credit for such out-of-state
764 service or at any time thereafter before the date of retirement
765 the actuarial cost as determined by the actuary for each year of
766 out-of-state creditable service. The provisions of this
767 subsection are subject to the limitations of Section 415 of the
768 Internal Revenue Code and regulations promulgated under that
769 section.

770 (9) Any member of the Public Employees' Retirement System
771 who became a member of the system before July 1, 2007, and has at
772 least four (4) years of membership service credit, or who became a
773 member of the system on or after July 1, 2007, and has at least
774 eight (8) years of membership service credit, and who receives, or
775 has received, professional leave without compensation for
776 professional purposes directly related to the employment in state



777 service shall receive creditable service for the period of
778 professional leave without compensation provided:

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

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

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

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

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

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

800 Any actively contributing member participating in the School
801 Administrator Sabbatical Program established in Section 37-9-77



802 shall qualify for continued participation under this subsection
803 (9).

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

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

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

818 (c) Any service rendered as an employee of any
819 political subdivision of this state, or any instrumentality
820 thereof, for which coverage of the employee's position was or is
821 excluded; provided that the member pays into the retirement system
822 the actuarial cost as determined by the actuary for each year, or
823 portion thereof, of such service. After a member has made full
824 payment to the retirement system for all or any part of such
825 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) Any member of the Public Employees' Retirement System who became a member of the system before July 1, 2007, and who has at least five (5) years of membership service credit, or who became a member of the system on or after July 1, 2007, and who has at least eight (8) years of membership service credit, shall be entitled to receive not more than five (5) years of creditable service for service rendered as an employee of any public or private employer in this state that does not participate in the Public Employees' Retirement System, provided that:

(a) The member shall furnish proof satisfactory to the board of trustees of certification of that service from the employer for which the service was performed; and

(b) The member is not receiving or will not be entitled to receive a retirement allowance that includes that service from any public or private retirement system or plan sponsored by the employer; and

(c) The member may receive no more years of creditable service under this subsection (11) than an amount that, when combined with all other creditable service, excluding unused leave, would cause the member to become eligible to receive a retirement allowance under Section 25-11-111; and

(d) The member shall pay to the retirement system on the date he or she is eligible for credit for that service or at



any time thereafter before the date of retirement the actuarial cost as determined by the actuary for each year, or portion thereof, of creditable service.

After a member has made full payment to the retirement system for all or any part of that service, the member shall receive creditable service for the period of that service for which full payment has been made to the retirement system. Compensation earned by the member for service rendered as an employee of any public or private employer in this state that does not participate in the Public Employees' Retirement System shall not be included for the purpose of determining the member's earned compensation or average compensation.

SECTION 9. Section 4 of this act shall be codified as a new section in Chapter 7, Title 27, Mississippi Code of 1972.

SECTION 10. Sections 4 and 5 of this act shall take effect and be in force from and after January 1, 2021, and the remaining sections of this act shall take effect and be in force from and after July 1, 2021.

