

By: Representatives Rushing, Hopkins,
Williamson

To: Appropriations

HOUSE BILL NO. 237

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 WHICH IS COMMITTED ON OR AFTER
7 JULY 1, 2023; TO AMEND SECTION 25-11-111, MISSISSIPPI CODE OF
8 1972, TO PROVIDE THAT A MEMBER WHO IS CHARGED WITH SUCH CRIME WHO
9 RETIRES AND RECEIVES A RETIREMENT ALLOWANCE AFTER BEING CHARGED
10 WITH THE CRIME SHALL CONTINUE TO RECEIVE THE RETIREMENT ALLOWANCE
11 UNTIL SUCH TIME AS THE MEMBER IS CONVICTED OF OR PLEADS GUILTY OR
12 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 INTEREST OF THE ACCUMULATED CONTRIBUTIONS OF A MEMBER WHO
16 IS CONVICTED OF SUCH CRIME; TO AMEND SECTIONS 25-15-3 AND
17 25-15-13, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT AN ACTIVE
18 MEMBER OF THE SYSTEM WHO IS PARTICIPATING IN THE STATE AND SCHOOL
19 EMPLOYEES LIFE AND HEALTH INSURANCE PLAN, AND WHO OTHERWISE WOULD
20 BE ELIGIBLE TO RECEIVE A RETIREMENT ALLOWANCE BUT IS TERMINATED
21 FROM MEMBERSHIP IN THE SYSTEM BECAUSE OF THE MEMBER'S CONVICTION
22 OF OR PLEA OF GUILTY OR NOLO CONTENDERE TO SUCH CRIME, IS ELIGIBLE
23 TO CONTINUE TO PARTICIPATE IN THE PLAN UNDER THE SAME CONDITIONS
24 AND COVERAGES FOR RETIRED EMPLOYEES; AND FOR RELATED PURPOSES.

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

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

28 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**



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

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

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

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



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



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

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

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

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

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



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

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

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



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

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

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

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

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



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

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

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

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



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

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

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



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

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

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

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



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

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

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

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



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

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

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



275 415 of the Internal Revenue Code and regulations promulgated under
276 Section 415.

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

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

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

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



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

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

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

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

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

315 **III. TERMINATION OF MEMBERSHIP**

316 Membership in this system shall cease by:

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

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

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

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



325 committed on or after July 1, 2023. A member who is terminated
326 from the system because of such a conviction or plea shall have
327 his or her contributions refunded, without interest, in accordance
328 with Section 25-11-117. A member who was convicted is not
329 terminated from membership under this paragraph (d) until all
330 appeals of the conviction have been concluded finally or the time
331 for an appeal from the conviction has expired. The member's
332 employer shall notify the system of the member's conviction or
333 plea, and if the member was convicted, when all appeals of the
334 conviction have been concluded finally or the time for an appeal
335 from the conviction has expired.

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

338 25-11-111. (a) (1) Any member who became a member of the
339 system before July 1, 2007, upon withdrawal from service upon or
340 after attainment of the age of sixty (60) years who has completed
341 at least four (4) years of membership service, or any member who
342 became a member of the system before July 1, 2011, upon withdrawal
343 from service regardless of age who has completed at least
344 twenty-five (25) years of creditable service, shall be entitled to
345 receive a retirement allowance, which shall begin on the first of
346 the month following the date the member's application for the
347 allowance is received by the board, but in no event before
348 withdrawal from service.



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

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

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



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

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

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

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



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

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

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



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

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

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

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

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



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

455 (g) A person who is charged with a felony that is related to
456 or in connection with the member's employment in the state service
457 and which is committed on or after July 1, 2023, who withdraws
458 from service and receives a retirement allowance under this
459 section after being charged with the crime, shall continue to
460 receive the retirement allowance until such time as the member is
461 convicted of or pleads guilty or nolo contendere to the crime, and
462 if the member was convicted, until such time as all appeals of the
463 conviction have been concluded finally or the time for an appeal
464 from the conviction has expired, at which time the member's
465 retirement allowance shall be terminated. If a member's
466 retirement allowance is terminated under this subsection and the
467 total amount that the member received from the retirement
468 allowance is less than the amount of the member's accumulated
469 contributions, the member shall be refunded the difference between
470 the amount received from the retirement allowance and the amount
471 of his or her contributions in accordance with Section 25-11-117.
472 The member's employer shall notify the system of the member's



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

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

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

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

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



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

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

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

505 25-11-117. (1) A member may be paid a refund of the amount
506 of accumulated contributions to the credit of the member in the
507 annuity savings account, provided that the member has withdrawn
508 from state service and has not returned to state service on the
509 date the refund of the accumulated contributions would be paid.
510 That refund of the contributions to the credit of the member in
511 the annuity savings account shall be paid within ninety (90) days
512 from receipt in the office of the retirement system of the
513 properly completed form requesting the payment. The accumulated
514 contributions of a member who is terminated from membership in the
515 system because of the member's conviction of or plea of guilty or
516 nolo contendere to a crime, as provided for under Section
517 25-11-105III(d), or the amount of the member's accumulated
518 contributions that the member has not received from a retirement
519 allowance, as provided under Section 25-11-111(g), shall be
520 refunded, without interest, to the member within ninety (90) days
521 from the date that the retirement system receives notice from the



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

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



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

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



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

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

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



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

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

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

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

618 25-15-3. For the purposes of this article, the words and
619 phrases used * * * in this section shall have the following
620 meanings:



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

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

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

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

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



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

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

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

651 25-15-13. (1) Each eligible employee may participate in the
652 plan by signing up for the plan at the time of employment. Each
653 eligible employee who declines coverage under the plan must sign a
654 waiver of coverage. After acceptance in the plan, the employee
655 may cease his or her participation by filing a specific disclaimer
656 with the board. Forms for this purpose shall be prescribed and
657 issued by the board. All eligible employees will be eligible to
658 participate in the plan on the effective date of the plan or on
659 the date on which they are employed by the state, whichever is
660 later, provided they make the necessary contributions as provided
661 in this article. Spouses of employees, unmarried dependent
662 children from birth to age nineteen (19) years, unmarried
663 dependent children who are full-time students up to age
664 twenty-five (25) years, and physically or mentally handicapped
665 children, regardless of age, are eligible under the plan as of the
666 date the employee becomes eligible. If both spouses are eligible
667 employees who participate in the plan, the benefits shall apply
668 individually to each spouse by virtue of his or her participation
669 in the plan. If those spouses also have one or more eligible



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

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

682 **SECTION 6.** This act shall take effect and be in force from
683 and after July 1, 2023.

