

By: Senator(s) Norwood

To: Finance

SENATE BILL NO. 2479

1 AN ACT TO AMEND SECTIONS 25-11-103, 25-11-105, 25-11-109,
2 25-11-111, 25-11-113, 25-11-114, 25-11-117, 25-11-311 AND
3 25-11-315, MISSISSIPPI CODE OF 1972, TO REDUCE THE VESTING PERIOD
4 FOR RETIREMENT BENEFITS IN THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM
5 FROM EIGHT YEARS TO FOUR YEARS; AND FOR RELATED PURPOSES.

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

7 **SECTION 1.** Section 25-11-103, Mississippi Code of 1972, is
8 amended as follows:

9 25-11-103. (1) The following words and phrases as used in
10 Articles 1 and 3, unless a different meaning is plainly required
11 by the context, have the following meanings:

12 (a) "Accumulated contributions" means the sum of all
13 the amounts deducted from the compensation of a member and
14 credited to his or her individual account in the annuity savings
15 account, together with regular interest as provided in Section
16 25-11-123.

17 (b) "Actuarial cost" means the amount of funds
18 presently required to provide future benefits as determined by the



board based on applicable tables and formulas provided by the
actuary.

(c) "Actuarial equivalent" means a benefit of equal
value to the accumulated contributions, annuity or benefit, as the
case may be, when computed upon the basis of such mortality tables
as adopted by the board of trustees, and regular interest.

(d) "Actuarial tables" mean such tables of mortality
and rates of interest as adopted by the board in accordance with
the recommendation of the actuary.

(e) "Agency" means any governmental body employing
persons in the state service.

(f) "Average compensation" means the average of the
four (4) highest years of earned compensation reported for an
employee in a fiscal or calendar year period, or combination
thereof that do not overlap, or the last forty-eight (48)
consecutive months of earned compensation reported for an
employee. The four (4) years need not be successive or joined
years of service. In computing the average compensation for
retirement, disability or survivor benefits, any amount lawfully
paid in a lump sum for personal leave or major medical leave shall
be included in the calculation to the extent that the amount does
not exceed an amount that is equal to thirty (30) days of earned
compensation and to the extent that it does not cause the
employee's earned compensation to exceed the maximum reportable
amount specified in paragraph (k) of this subsection; however,



44 this thirty-day limitation shall not prevent the inclusion in the
45 calculation of leave earned under federal regulations before July
46 1, 1976, and frozen as of that date as referred to in Section
47 25-3-99. In computing the average compensation, no amounts shall
48 be used that are in excess of the amount on which contributions
49 were required and paid, and no nontaxable amounts paid by the
50 employer for health or life insurance premiums for the employee
51 shall be used. If any member who is or has been granted any
52 increase in annual salary or compensation of more than eight
53 percent (8%) retires within twenty-four (24) months from the date
54 that the increase becomes effective, then the board shall exclude
55 that part of the increase in salary or compensation that exceeds
56 eight percent (8%) in calculating that member's average
57 compensation for retirement purposes. The board may enforce this
58 provision by rule or regulation. However, increases in
59 compensation in excess of eight percent (8%) per year granted
60 within twenty-four (24) months of the date of retirement may be
61 included in the calculation of average compensation if
62 satisfactory proof is presented to the board showing that the
63 increase in compensation was the result of an actual change in the
64 position held or services rendered, or that the compensation
65 increase was authorized by the State Personnel Board or was
66 increased as a result of statutory enactment, and the employer
67 furnishes an affidavit stating that the increase granted within
68 the last twenty-four (24) months was not contingent on a promise



69 or agreement of the employee to retire. Nothing in Section
70 25-3-31 shall affect the calculation of the average compensation
71 of any member for the purposes of this article. The average
72 compensation of any member who retires before July 1, 1992, shall
73 not exceed the annual salary of the Governor.

74 (g) "Beneficiary" means any person entitled to receive
75 a retirement allowance, an annuity or other benefit as provided by
76 Articles 1 and 3. The term "beneficiary" may also include an
77 organization, estate, trust or entity; however, a beneficiary
78 designated or entitled to receive monthly payments under an
79 optional settlement based on life contingency or under a statutory
80 monthly benefit may only be a natural person. In the event of the
81 death before retirement of any member * * * whose spouse and/or
82 children are not entitled to a retirement allowance on the basis
83 that the member has less than four (4) years of membership service
84 credit, * * * and/or has not been married for a minimum of one (1)
85 year or the spouse has waived his or her entitlement to a
86 retirement allowance under Section 25-11-114, the lawful spouse of
87 a member at the time of the death of the member shall be the
88 beneficiary of the member unless the member has designated another
89 beneficiary after the date of marriage in writing, and filed that
90 writing in the office of the executive director of the board of
91 trustees. No designation or change of beneficiary shall be made
92 in any other manner.



93 (h) "Board" means the board of trustees provided in
94 Section 25-11-15 to administer the retirement system created under
95 this article.

96 (i) "Creditable service" means "prior service,"
97 "retroactive service" and all lawfully credited unused leave not
98 exceeding the accrual rates and limitations provided in Section
99 25-3-91 et seq., as of the date of withdrawal from service plus
100 "membership service" and other service for which credit is
101 allowable as provided in Section 25-11-109. Except to limit
102 creditable service reported to the system for the purpose of
103 computing an employee's retirement allowance or annuity or
104 benefits provided in this article, nothing in this paragraph shall
105 limit or otherwise restrict the power of the governing authority
106 of a municipality or other political subdivision of the state to
107 adopt such vacation and sick leave policies as it deems necessary.

108 (j) "Child" means either a natural child of the member,
109 a child that has been made a child of the member by applicable
110 court action before the death of the member, or a child under the
111 permanent care of the member at the time of the latter's death,
112 which permanent care status shall be determined by evidence
113 satisfactory to the board. For purposes of this paragraph, a
114 natural child of the member is a child of the member that is
115 conceived before the death of the member.

116 (k) "Earned compensation" means the full amount earned
117 during a fiscal year by an employee not to exceed the employee



118 compensation limit set pursuant to Section 401(a)(17) of the
119 Internal Revenue Code for the calendar year in which the fiscal
120 year begins and proportionately for less than one (1) year of
121 service. Except as otherwise provided in this paragraph, the
122 value of maintenance furnished to an employee shall not be
123 included in earned compensation. Earned compensation shall not
124 include any amounts paid by the employer for health or life
125 insurance premiums for an employee. Earned compensation shall be
126 limited to the regular periodic compensation paid, exclusive of
127 litigation fees, bond fees, performance-based incentive payments,
128 and other similar extraordinary nonrecurring payments. In
129 addition, any member in a covered position, as defined by Public
130 Employees' Retirement System laws and regulations, who is also
131 employed by another covered agency or political subdivision shall
132 have the earnings of that additional employment reported to the
133 Public Employees' Retirement System regardless of whether the
134 additional employment is sufficient in itself to be a covered
135 position. In addition, computation of earned compensation shall
136 be governed by the following:

137 (i) In the case of constables, the net earnings
138 from their office after deduction of expenses shall apply, except
139 that in no case shall earned compensation be less than the total
140 direct payments made by the state or governmental subdivisions to
141 the official.



(ii) In the case of chancery or circuit clerks, the net earnings from their office after deduction of expenses shall apply as expressed in Section 25-11-123(f)(4).

(iii) In the case of members of the State Legislature, all remuneration or amounts paid, except mileage allowance, shall apply.

(iv) The amount by which an eligible employee's salary is reduced under a salary reduction agreement authorized under Section 25-17-5 shall be included as earned compensation under this paragraph, provided this inclusion does not conflict with federal law, including federal regulations and federal administrative interpretations under the federal law, pertaining to the Federal Insurance Contributions Act or to Internal Revenue Code Section 125 cafeteria plans.

(v) Compensation in addition to an employee's base salary that is paid to the employee under the vacation and sick leave policies of a municipality or other political subdivision of the state that employs him or her that exceeds the maximums authorized by Section 25-3-91 et seq. shall be excluded from the calculation of earned compensation under this article.

(vi) The maximum salary applicable for retirement purposes before July 1, 1992, shall be the salary of the Governor.

(vii) Nothing in Section 25-3-31 shall affect the determination of the earned compensation of any member for the purposes of this article.



(viii) The value of maintenance furnished to an employee before July 1, 2013, for which the proper amount of employer and employee contributions have been paid, shall be included in earned compensation. From and after July 1, 2013, the value of maintenance furnished to an employee shall be reported as earned compensation only if the proper amount of employer and employee contributions have been paid on the maintenance and the employee was receiving maintenance and having maintenance reported to the system as of June 30, 2013. The value of maintenance when not paid in money shall be fixed by the employing state agency, and, in case of doubt, by the board of trustees as defined in Section 25-11-15.

(ix) Except as otherwise provided in this paragraph, the value of any in-kind benefits provided by the employer shall not be included in earned compensation. As used in this subparagraph, "in-kind benefits" shall include, but not be limited to, group life insurance premiums, health or dental insurance premiums, nonpaid major medical and personal leave, employer contributions for social security and retirement, tuition reimbursement or educational funding, day care or transportation benefits.

(1) "Employee" means any person legally occupying a position in the state service, and shall include the employees of the retirement system created under this article.



191 (m) "Employer" means the State of Mississippi or any of
192 its departments, agencies or subdivisions from which any employee
193 receives his or her compensation.

194 (n) "Executive director" means the secretary to the
195 board of trustees, as provided in Section 25-11-15(9), and the
196 administrator of the Public Employees' Retirement System and all
197 systems under the management of the board of trustees. Wherever
198 the term "Executive Secretary of the Public Employees' Retirement
199 System" or "executive secretary" appears in this article or in any
200 other provision of law, it shall be construed to mean the
201 Executive Director of the Public Employees' Retirement System.

202 (o) "Fiscal year" means the period beginning on July 1
203 of any year and ending on June 30 of the next succeeding year.

204 (p) "Medical board" means the board of physicians or
205 any governmental or nongovernmental disability determination
206 service designated by the board of trustees that is qualified to
207 make disability determinations as provided for in Section
208 25-11-119.

209 (q) "Member" means any person included in the
210 membership of the system as provided in Section 25-11-105. For
211 purposes of * * * Section 25-11-115 * * *, if a member of the
212 system withdrew from state service and received a refund of the
213 amount of the accumulated contributions to the credit of the
214 member in the annuity savings account before July 1, 2007, and the
215 person reenters state service and becomes a member of the system



again on or after July 1, 2007, and repays all or part of the amount received as a refund and interest in order to receive creditable service for service rendered before July 1, 2007, the member shall be considered to have become a member of the system on or after July 1, 2007 * * *. For purposes of Sections 25-11-103, 25-11-111, 25-11-114 and 25-11-115, if a member of the system withdrew from state service and received a refund of the amount of the accumulated contributions to the credit of the member in the annuity savings account before July 1, 2011, and the person reenters state service and becomes a member of the system again on or after July 1, 2011, and repays all or part of the amount received as a refund and interest in order to receive creditable service for service rendered before July 1, 2011, the member shall be considered to have become a member of the system on or after July 1, 2011.

(r) "Membership service" means service as an employee in a covered position rendered while a contributing member of the retirement system.

(s) "Position" means any office or any employment in the state service, or two (2) or more of them, the duties of which call for services to be rendered by one (1) person, including positions jointly employed by federal and state agencies administering federal and state funds. The employer shall determine upon initial employment and during the course of employment of an employee who does not meet the criteria for



coverage in the Public Employees' Retirement System based on the position held, whether the employee is or becomes eligible for coverage in the Public Employees' Retirement System based upon any other employment in a covered agency or political subdivision. If or when the employee meets the eligibility criteria for coverage in the other position, then the employer must withhold contributions and report wages from the noncovered position in accordance with the provisions for reporting of earned compensation. Failure to deduct and report those contributions shall not relieve the employee or employer of liability thereof. The board shall adopt such rules and regulations as necessary to implement and enforce this provision.

(t) "Prior service" means * * * service rendered before February 1, 1953, for which credit is allowable under Sections 25-11-105 and 25-11-109, and which shall allow prior service for any person who is now or becomes a member of the Public Employees' Retirement System and who does contribute to the system for a minimum period of four (4) years.

* * *

(u) "Regular interest" means interest compounded annually at such a rate as determined by the board in accordance with Section 25-11-121.

(v) "Retirement allowance" means an annuity for life as provided in this article, payable each year in twelve (12) equal monthly installments beginning as of the date fixed by the board.



The retirement allowance shall be calculated in accordance with Section 25-11-111. However, any spouse who received a spouse retirement benefit in accordance with Section 25-11-111(d) before March 31, 1971, and those benefits were terminated because of eligibility for a social security benefit, may again receive his or her spouse retirement benefit from and after making application with the board of trustees to reinstate the spouse retirement benefit.

(w) "Retroactive service" means service rendered after February 1, 1953, for which credit is allowable under Section 25-11-105(b) and Section 25-11-105(k).

(x) "System" means the Public Employees' Retirement System of Mississippi established and described in Section 25-11-101.

(y) "State" means the State of Mississippi or any political subdivision thereof or instrumentality of the state.

(z) "State service" means all offices and positions of trust or employment in the employ of the state, or any political subdivision or instrumentality of the state, that elect to participate as provided by Section 25-11-105(f), including the position of elected or fee officials of the counties and their deputies and employees performing public services or any department, independent agency, board or commission thereof, and also includes all offices and positions of trust or employment in the employ of joint state and federal agencies administering state



and federal funds and service rendered by employees of the public schools. Effective July 1, 1973, all nonprofessional public school employees, such as bus drivers, janitors, maids, maintenance workers and cafeteria employees, shall have the option to become members in accordance with Section 25-11-105(b), and shall be eligible to receive credit for services before July 1, 1973, provided that the contributions and interest are paid by the employee in accordance with that section; in addition, the county or municipal separate school district may pay the employer contribution and pro rata share of interest of the retroactive service from available funds. "State service" shall not include the President of the Mississippi Lottery Corporation and personnel employed by the Mississippi Lottery Corporation. From and after July 1, 1998, retroactive service credit shall be purchased at the actuarial cost in accordance with Section 25-11-105(b).

(aa) "Withdrawal from service" or "termination from service" means complete severance of employment in the state service of any member by resignation, dismissal or discharge.

(bb) The masculine pronoun, wherever used, includes the feminine pronoun.

(2) For purposes of this article, the term "political subdivision" shall have the meaning ascribed to such term in Section 25-11-5 and shall also include public charter schools.

SECTION 2. Section 25-11-105, Mississippi Code of 1972, is amended as follows:



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

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

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

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

(b) All persons who become employees in the state service after January 31, 1953, except those specifically excluded or as to whom election is provided in Articles 1 and 3, unless they file with the board before the lapse of sixty (60) days of employment or sixty (60) days after the effective date of the cited articles, whichever is later, on a form prescribed by the



board, a notice of election not to be covered by the membership of the retirement system and a duly executed waiver of all present and prospective benefits that would otherwise inure to them on account of their participation in the system, shall become members of the retirement system; however, no credit for prior service will be granted to members * * * until they have contributed to Article 3 of the retirement system for a minimum period of at least four (4) years * * *. Those members shall receive credit for services performed before January 1, 1953, in employment now covered by Article 3, but no credit shall be granted for retroactive services between January 1, 1953, and the date of their entry into the retirement system, unless the employee pays into the retirement system both the employer's and the employee's contributions on wages paid him during the period from January 31, 1953, to the date of his becoming a contributing member, together with interest at the rate determined by the board of trustees. Members reentering after withdrawal from service shall qualify for prior service under the provisions of Section 25-11-117. From and after July 1, 1998, upon eligibility as noted above, the member may receive credit for such retroactive service provided:

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

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



thereafter before the date of retirement the actuarial cost for each year of that creditable service. The provisions of this subparagraph (ii) shall be subject to the limitations of Section 415 of the Internal Revenue Code and regulations promulgated under Section 415.

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

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

(d) All persons who are employees in the state service on January 31, 1953, and who are members of any nonfunded retirement system operated by the State of Mississippi, or any of its departments or agencies, shall become members of this system with prior service credit unless, before February 1, 1953, they file a written notice with the board of trustees that they do not elect to become members.

(e) All persons who are employees in the state service on January 31, 1953, and who under existing laws are members of any fund operated for the retirement of employees by the State of



Mississippi, or any of its departments or agencies, shall not be entitled to membership in this retirement system unless, before February 1, 1953, any such person indicates by a notice filed with the board, on a form prescribed by the board, his individual election and choice to participate in this system, but no such person shall receive prior service credit unless he becomes a member on or before February 1, 1953.

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

(i) It provides that all services that constitute employment as defined in Section 25-11-5 and are performed in the employ of the political subdivision or instrumentality, by any employees thereof, shall be covered by the plan, with the exception of municipal employees who are already covered by



existing retirement plans; however, those employees in this class may elect to come under the provisions of this article;

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

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

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

(v) It authorizes the board of trustees to terminate the plan in its entirety in the discretion of the board if it finds that there has been a failure to comply substantially with any provision contained in the plan, the termination to take effect at the expiration of such notice and on such conditions as may be provided by regulations of the board and as may be consistent with applicable federal law.

1. The board of trustees shall not finally refuse to approve a plan submitted under paragraph (f), and shall not terminate an approved plan without reasonable notice and



441 opportunity for hearing to each political subdivision or
442 instrumentality affected by the board's decision. The board's
443 decision in any such case shall be final, conclusive and binding
444 unless an appeal is taken by the political subdivision or
445 instrumentality aggrieved by the decision to the Circuit Court of
446 the First Judicial District of Hinds County, Mississippi, in
447 accordance with the provisions of law with respect to civil causes
448 by certiorari.

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

456 3. Every political subdivision or
457 instrumentality required to make payments under paragraph (f)(v)2
458 of this section is authorized, in consideration of the employees'
459 retention in or entry upon employment after enactment of Articles
460 1 and 3, to impose upon its employees, as to services that are
461 covered by an approved plan, a contribution with respect to wages
462 (as defined in Section 25-11-5) not exceeding the amount provided
463 in Section 25-11-123(d) if those services constituted employment
464 within the meaning of Articles 1 and 3, and to deduct the amount
465 of the contribution from the wages as and when paid.



Contributions so collected shall be paid into the contribution fund as partial discharge of the liability of the political subdivisions or instrumentalities under paragraph (f)(v)2 of this section. Failure to deduct the contribution shall not relieve the employee or employer of liability for the contribution.

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

5. Each political subdivision of the state and each instrumentality of the state or a political subdivision or subdivisions that submit a plan for approval of the board, as provided in this section, shall reimburse the board for coverage into the expense account, its pro rata share of the total expense of administering Articles 1 and 3 as provided by regulations of the board.



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

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

503 (i) If any member of this system changes his employment
504 to any agency of the state having an actuarially funded retirement
505 system, the board of trustees may authorize the transfer of the
506 member's creditable service and of the present value of the
507 member's employer's accumulation account and of the present value
508 of the member's accumulated membership contributions to that other
509 system, provided that the employee agrees to the transfer of his
510 accumulated membership contributions and provided that the other
511 system is authorized to receive and agrees to make the transfer.

512 If any member of any other actuarially funded system
513 maintained by an agency of the state changes his employment to an
514 agency covered by this system, the board of trustees may authorize
515 the receipt of the transfer of the member's creditable service and



of the present value of the member's employer's accumulation account and of the present value of the member's accumulated membership contributions from the other system, provided that the employee agrees to the transfer of his accumulated membership contributions to this system and provided that the other system is authorized and agrees to make the transfer.

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

(k) Employees of a political subdivision or instrumentality who were employed by the political subdivision or instrumentality before an agreement between the entity and the Public Employees' Retirement System to extend the benefits of this article to its employees, and which agreement provides for the establishment of retroactive service credit, * * * and have remained contributors to the retirement system for four (4) years, * * * may receive credit for that retroactive service with the political subdivision or instrumentality, provided that the employee and/or employer, as provided under the terms of the modification of the joinder agreement in allowing that coverage, pay into the retirement system the employer's and employee's contributions on wages paid the member during the previous employment, together with interest or actuarial cost as determined by the board covering the period from the date the service was rendered until the payment for the credit for the service was



made. Those wages shall be verified by the Social Security Administration or employer payroll records. Effective July 1, 1998, upon eligibility as noted above, a member may receive credit for that retroactive service with the political subdivision or instrumentality provided:

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

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

Nothing contained in this paragraph (k) shall be construed to limit the authority of the board to allow the correction of reporting errors or omissions based on the payment of employee and employer contributions plus applicable interest. Payment for that time shall be made beginning with the most recent service. Upon the payment of all or part of the required contributions, plus interest or the actuarial cost as provided above, the member shall



565 receive credit for the period of creditable service for which full
566 payment has been made to the retirement system.

567 (1) Through June 30, 1998, any state service eligible
568 for retroactive service credit, no part of which has ever been
569 reported, and requiring the payment of employee and employer
570 contributions plus interest, or, from and after July 1, 1998, any
571 state service eligible for retroactive service credit, no part of
572 which has ever been reported to the retirement system, and
573 requiring the payment of the actuarial cost for that creditable
574 service, may, at the member's option, be purchased in quarterly
575 increments as provided above at the time that its purchase is
576 otherwise allowed.

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

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

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

584 (a) Patient or inmate help in state charitable, penal
585 or correctional institutions;

586 (b) Students of any state educational institution
587 employed by any agency of the state for temporary, part-time or
588 intermittent work;



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

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

596 **III. TERMINATION OF MEMBERSHIP**

597 Membership in this system shall cease by a member withdrawing
598 his accumulated contributions, or by a member withdrawing from
599 active service with a retirement allowance, or by a member's
600 death.

601 **SECTION 3.** Section 25-11-109, Mississippi Code of 1972, is
602 amended as follows:

603 25-11-109. (1) Under such rules and regulations as the
604 board of trustees shall adopt, each person who becomes a member of
605 this retirement system, as provided in Section 25-11-105, on or
606 before July 1, 1953, or who * * * has since become a member of the
607 system * * *, and contributes to the system for a minimum period
608 of four (4) years, * * * shall receive credit for all state
609 service rendered before February 1, 1953. To receive that credit,
610 the member shall file a detailed statement of all services as an
611 employee rendered by him in the state service before February 1,
612 1953. For any member who joined the system after July 1,
613 1953, * * * any creditable service for which the member is not



required to make contributions shall not be credited to the member until the member has contributed to the system for a minimum period of at least four (4) years. * * *

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

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

(b) In no case shall credit be allowed for any period of absence without compensation except for disability while in receipt of a disability retirement allowance, nor shall less than fifteen (15) days of service in any month, or service less than the equivalent of one-half (1/2) of the normal working load for the position and less than one-half (1/2) of the normal compensation for the position in any month, constitute a month of



639 creditable service, nor shall more than one (1) year of service be
640 creditable for all services rendered in any one (1) fiscal year;
641 however, for a school employee, substantial completion of the
642 legal school term when and where the service was rendered shall
643 constitute a year of service credit. Any state or local elected
644 official shall be deemed a full-time employee for the purpose of
645 creditable service. However, an appointed or elected official
646 compensated on a per diem basis only shall not be allowed
647 creditable service for terms of office.

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

654 (d) (i) In the computation of unused leave for
655 creditable service authorized in Section 25-11-103, the following
656 shall govern for members who retire before July 1, 2017:
657 twenty-one (21) days of unused leave shall constitute one (1)
658 month of creditable service and in no case shall credit be allowed
659 for any period of unused leave of less than fifteen (15) days.
660 The number of months of unused leave shall determine the number of
661 quarters or years of creditable service in accordance with the
662 above schedule for membership and prior service.



663 (ii) In the computation of unused leave for
664 creditable service authorized in Section 25-11-103, the following
665 shall govern for members who retire on or after July 1, 2017:
666 creditable service for unused leave shall be calculated in monthly
667 increments in which one (1) month of service credit shall be
668 awarded for each twenty-one (21) days of unused leave, except that
669 the first fifteen (15) to fifty-seven (57) days of leave shall
670 constitute three (3) months of service for those who became a
671 member of the system before July 1, 2017.

672 (iii) In order for the member to receive
673 creditable service for the number of days of unused leave under
674 this paragraph, the system must receive certification from the
675 governing authority.

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

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

686 (i) For service before July 1, 1984, the members
687 shall receive credit for leave (combined personal and major



688 medical) for service as an elected official before that date at
689 the rate of thirty (30) days per year.

690 (ii) For service on and after July 1, 1984, the
691 member shall receive credit for personal and major medical leave
692 beginning July 1, 1984, at the rates authorized in Sections
693 25-3-93 and 25-3-95, computed as a full-time employee.

694 (iii) If a member is employed in a covered
695 nonelected position and a covered elected position simultaneously,
696 that member may not receive service credit for accumulated unused
697 leave for both positions at retirement for the period during which
698 the member was dually employed. During the period during which
699 the member is dually employed, the member shall only receive
700 credit for leave as provided for in this paragraph for an elected
701 official.

702 (3) Subject to the above restrictions and to such other
703 rules and regulations as the board may adopt, the board shall
704 verify, as soon as practicable after the filing of such statements
705 of service, the services therein claimed.

706 (4) Upon verification of the statement of prior service, the
707 board shall issue a prior service certificate certifying to each
708 member the length of prior service for which credit shall have
709 been allowed on the basis of his statement of service. So long as
710 membership continues, a prior service certificate shall be final
711 and conclusive for retirement purposes as to such service,
712 provided that any member may within five (5) years from the date



of issuance or modification of such certificate request the board of trustees to modify or correct his prior service certificate. Any modification or correction authorized shall only apply prospectively.

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

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

(6) Any member who served on active duty in the Armed Forces of the United States, who served in the Commissioned Corps of the United States Public Health Service before 1972 or who served in maritime service during periods of hostility in World War II, shall be entitled to creditable service at no cost for his service on active duty in the Armed Forces, in the Commissioned Corps of the United States Public Health Service before 1972 or in such maritime service, provided he entered state service after his discharge from the Armed Forces or entered state service after he completed such maritime service. The maximum period for such



738 creditable service for all military service as defined in this
739 subsection (6) shall not exceed four (4) years unless positive
740 proof can be furnished by such person that he was retained in the
741 Armed Forces during World War II or in maritime service during
742 World War II by causes beyond his control and without opportunity
743 of discharge. The member shall furnish proof satisfactory to the
744 board of trustees of certification of military service or maritime
745 service records showing dates of entrance into active duty service
746 and the date of discharge. From and after July 1, 1993, no
747 creditable service shall be granted for any military service or
748 maritime service to a member who qualifies for a retirement
749 allowance in another public retirement system administered by the
750 Board of Trustees of the Public Employees' Retirement System
751 based, in whole or in part, on such military or maritime service.
752 In no case shall the member receive creditable service if the
753 member received a dishonorable discharge from the Armed Forces of
754 the United States.

755 (7) (a) Any member of the Public Employees' Retirement
756 System whose membership service is interrupted as a result of
757 qualified military service within the meaning of Section 414(u)(5)
758 of the Internal Revenue Code, and who has received the maximum
759 service credit available under subsection (6) of this section,
760 shall receive creditable service for the period of qualified
761 military service that does not qualify as creditable service under



762 subsection (6) of this section upon reentering membership service
763 in an amount not to exceed five (5) years if:

764 (i) The member pays the contributions he would
765 have made to the retirement system if he had remained in
766 membership service for the period of qualified military service
767 based upon his salary at the time his membership service was
768 interrupted;

769 (ii) The member returns to membership service
770 within ninety (90) days of the end of his qualified military
771 service; and

772 (iii) The employer at the time the member's
773 service was interrupted and to which employment the member returns
774 pays the contributions it would have made into the retirement
775 system for such period based on the member's salary at the time
776 the service was interrupted.

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

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



(8) Any member of the Public Employees' Retirement System * * * who has at least four (4) years of membership service credit * * * shall be entitled to receive a maximum of five (5) years' creditable service for service rendered in another state as a public employee of such other state, or a political subdivision, public education system or other governmental instrumentality thereof, or service rendered as a teacher in American overseas dependent schools conducted by the Armed Forces of the United States for children of citizens of the United States residing in areas outside the continental United States, provided that:

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

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

(c) The member shall pay to the retirement system on the date he or she is eligible for credit for such out-of-state service or at any time thereafter before the date of retirement the actuarial cost as determined by the actuary for each year of



812 out-of-state creditable service. The provisions of this
813 subsection are subject to the limitations of Section 415 of the
814 Internal Revenue Code and regulations promulgated under that
815 section.

816 (9) Any member of the Public Employees' Retirement System
817 who * * * has at least four (4) years of membership service
818 credit, * * * and who receives, or has received, professional
819 leave without compensation for professional purposes directly
820 related to the employment in state service shall receive
821 creditable service for the period of professional leave without
822 compensation provided:

823 (a) The professional leave is performed with a public
824 institution or public agency of this state, or another state or
825 federal agency;

826 (b) The employer approves the professional leave
827 showing the reason for granting the leave and makes a
828 determination that the professional leave will benefit the
829 employee and employer;

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

832 (d) The employee shall serve the employer on a
833 full-time basis for a period of time equivalent to the
834 professional leave period granted immediately following the
835 termination of the leave period;



836 (e) The contributing member shall pay to the retirement
837 system the actuarial cost as determined by the actuary for each
838 year of professional leave. The provisions of this subsection are
839 subject to the regulations of the Internal Revenue Code
840 limitations;

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

844 Any actively contributing member participating in the School
845 Administrator Sabbatical Program established in Section 37-9-77
846 shall qualify for continued participation under this subsection
847 (9).

848 (10) Any member of the Public Employees' Retirement System
849 who * * * has at least four (4) years of credited membership
850 service * * * shall be entitled to receive a maximum of ten (10)
851 years creditable service for:

852 (a) Any service rendered as an employee of any
853 political subdivision of this state, or any instrumentality
854 thereof, that does not participate in the Public Employees'
855 Retirement System; or

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



860 (c) Any service rendered as an employee of any
861 political subdivision of this state, or any instrumentality
862 thereof, for which coverage of the employee's position was or is
863 excluded; provided that the member pays into the retirement system
864 the actuarial cost as determined by the actuary for each year, or
865 portion thereof, of such service. After a member has made full
866 payment to the retirement system for all or any part of such
867 service, the member shall receive creditable service for the
868 period of such service for which full payment has been made to the
869 retirement system.

870 **SECTION 4.** Section 25-11-111, Mississippi Code of 1972, is
871 amended as follows:

872 25-11-111. (a) (1) Any member * * *, upon withdrawal from
873 service upon or after attainment of the age of sixty (60) years
874 who has completed at least four (4) years of membership service,
875 or any member who became a member of the system before July 1,
876 2011, upon withdrawal from service regardless of age who has
877 completed at least twenty-five (25) years of creditable service,
878 shall be entitled to receive a retirement allowance, which shall
879 begin on the first of the month following the date the member's
880 application for the allowance is received by the board, but in no
881 event before withdrawal from service.

882 (2) Any * * * member who became a member of the system
883 on or after July 1, 2011, upon withdrawal from service regardless
884 of age who has completed at least thirty (30) years of creditable



885 service, shall be entitled to receive a retirement allowance,
886 which shall begin on the first of the month following the date the
887 member's application for the allowance is received by the board,
888 but in no event before withdrawal from service.

889 (b) * * * Any member * * * whose withdrawal from service
890 occurs before attaining the age of sixty (60) years who has
891 completed four (4) or more years of membership service and has not
892 received a refund of his accumulated contributions, shall be
893 entitled to receive a retirement allowance, beginning upon his
894 attaining the age of sixty (60) years, of the amount earned and
895 accrued at the date of withdrawal from service. The retirement
896 allowance shall begin on the first of the month following the date
897 the member's application for the allowance is received by the
898 board, but in no event before withdrawal from service.

899 * * *

900 (c) Any member in service who has qualified for retirement
901 benefits may select any optional method of settlement of
902 retirement benefits by notifying the Executive Director of the
903 Board of Trustees of the Public Employees' Retirement System in
904 writing, on a form prescribed by the board, of the option he has
905 selected and by naming the beneficiary of the option and
906 furnishing necessary proof of age. The option, once selected, may
907 be changed at any time before actual retirement or death, but upon
908 the death or retirement of the member, the optional settlement



shall be placed in effect upon proper notification to the executive director.

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

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

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

(3) Any retired member or beneficiary thereof who was eligible to receive a retirement allowance before July 1, 1991, and who is still receiving a retirement allowance on July 1, 1992, shall receive an increase in the annual retirement allowance of the retired member equal to one-eighth of one percent (1/8 of 1%) of the average compensation for each year of state service in excess of twenty-five (25) years of membership service up to and including thirty (30) years. The maximum increase shall be five-eighths of one percent (5/8 of 1%). In no case shall a



934 member who has been retired before July 1, 1987, receive less than
935 Ten Dollars (\$10.00) per month for each year of creditable service
936 and proportionately for each quarter year thereof. Persons
937 retired on or after July 1, 1987, shall receive at least Ten
938 Dollars (\$10.00) per month for each year of service and
939 proportionately for each quarter year thereof reduced for the
940 option selected. However, such Ten Dollars (\$10.00) minimum per
941 month for each year of creditable service shall not apply to a
942 retirement allowance computed under Section 25-11-114 based on a
943 percentage of the member's average compensation.

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

947 (1) A member's annuity, which shall be the actuarial
948 equivalent of the accumulated contributions of the member at the
949 time of retirement computed according to the actuarial table in
950 use by the system; and

951 (2) An employer's annuity, which, together with the
952 member's annuity provided above, shall be equal to two percent
953 (2%) of the average compensation for each year of service up to
954 and including thirty (30) years of creditable service, and two and
955 one-half percent (2-1/2%) of average compensation for each year of
956 service exceeding thirty (30) years of creditable service.

957 (f) Any member who became a member of the system on or after
958 July 1, 2011, upon withdrawal from service upon or after attaining



959 the age of sixty (60) years who has completed at least * * * four
960 (4) years of membership service, or any such member upon
961 withdrawal from service regardless of age who has completed at
962 least thirty (30) years of creditable service, shall be entitled
963 to receive a retirement allowance computed in accordance with the
964 formula set forth in subsection (e) of this section. In the case
965 of the retirement of any member who has attained age sixty (60)
966 but who has not completed at least thirty (30) years of creditable
967 service, the retirement allowance shall be computed in accordance
968 with the formula set forth in subsection (e) of this section
969 except that the total annual retirement allowance shall be reduced
970 by an actuarial equivalent factor for each year of creditable
971 service below thirty (30) years or the number of years in age that
972 the member is below age sixty-five (65), whichever is less.

973 (g) No member, except members excluded by the Age
974 Discrimination in Employment Act Amendments of 1986 (Public Law
975 99-592), under either Article 1 or Article 3 in state service
976 shall be required to retire because of age.

977 (h) No payment on account of any benefit granted under the
978 provisions of this section shall become effective or begin to
979 accrue until January 1, 1953.

980 (i) (1) A retiree or beneficiary may, on a form prescribed
981 by and filed with the retirement system, irrevocably waive all or
982 a portion of any benefits from the retirement system to which the
983 retiree or beneficiary is entitled. The waiver shall be binding



on the heirs and assigns of any retiree or beneficiary and the same must agree to forever hold harmless the Public Employees' Retirement System of Mississippi from any claim to the waived retirement benefits.

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

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

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

SECTION 5. Section 25-11-113, Mississippi Code of 1972, is amended as follows:

25-11-113. (1) (a) Upon the application of a member or his employer, any active member in state service * * * who has at least four (4) years of membership service credit * * * may be retired by the board of trustees on the first of the month following the date of filing the application on a disability retirement allowance, but in no event shall the disability retirement allowance begin before termination of state service,



1009 provided that the medical board, after an evaluation of medical
1010 evidence that may or may not include an actual physical
1011 examination by the medical board, certifies that the member is
1012 mentally or physically incapacitated for the further performance
1013 of duty, that the incapacity is likely to be permanent, and that
1014 the member should be retired; however, the board of trustees may
1015 accept a disability medical determination from the Social Security
1016 Administration in lieu of a certification from the medical board.
1017 If a member who has been approved for a disability retirement
1018 allowance does not terminate state service within ninety (90) days
1019 after approval, the disability retirement and the application for
1020 disability retirement shall be void. For the purposes of
1021 disability determination, the medical board shall apply the
1022 following definition of disability: the inability to perform the
1023 usual duties of employment or the incapacity to perform such
1024 lesser duties, if any, as the employer, in its discretion, may
1025 assign without material reduction in compensation, or the
1026 incapacity to perform the duties of any employment covered by the
1027 Public Employees' Retirement System (Section 25-11-101 et seq.)
1028 that is actually offered and is within the same general
1029 territorial work area, without material reduction in compensation.
1030 The employer shall be required to furnish the job description and
1031 duties of the member. The employer shall further certify whether
1032 the employer has offered the member other duties and has complied
1033 with the applicable provisions of the Americans With Disabilities



Act in affording reasonable accommodations that would allow the employee to continue employment.

(b) Any member applying for a disability retirement allowance must provide sufficient objective medical evidence in support of his or her claim. All disability determinations, whether the initial examination or reexamination, shall be based on objective medical evidence. "Objective medical evidence" means reports of examinations or treatments; medical signs that are anatomical, physiological, or psychological abnormalities that are observed and documented by medical professionals; psychiatric signs that are medically demonstrable phenomena indicating specific abnormalities of behavior, affect, thought, memory, orientation, or contact with reality; or laboratory findings that are anatomical, physiological, or psychological phenomena that are shown by medically acceptable laboratory diagnostic techniques, including, but not limited to, chemical tests, electrocardiograms, electroencephalograms, X-rays, and psychological tests. Nonmedical information shall not be considered objective medical evidence.

(c) Any inactive member * * * with four (4) or more years of membership service credit * * * who has withdrawn from active state service, is not eligible for a disability retirement allowance unless the disability occurs within six (6) months of the termination of active service and unless satisfactory proof is presented to the board of trustees that the disability was the



1059 direct cause of withdrawal from state service. Application for a
1060 disability retirement allowance must be filed within one (1) year
1061 of termination from active service. This period may be extended
1062 by an additional year if it can be factually demonstrated to the
1063 satisfaction of the board of trustees that throughout the initial
1064 one-year period the member was incapable of applying for benefits
1065 by reason of mental or physical impairment as certified by a
1066 medical doctor.

1067 (d) Any member who is or becomes eligible for service
1068 retirement benefits under Section 25-11-111 while pursuing a
1069 disability retirement allowance under this section or Section
1070 25-11-114 may elect to receive a service retirement allowance
1071 pending a final determination on eligibility for a disability
1072 retirement allowance or withdrawal of the application for the
1073 disability retirement allowance. In such a case, an application
1074 for a disability retirement allowance must be on file with the
1075 system before the beginning of a service retirement allowance. If
1076 the application is approved, the option selected and beneficiary
1077 designated on the retirement application shall be used to
1078 determine the disability retirement allowance. If the application
1079 is not approved or if the application is withdrawn, the service
1080 retirement allowance shall continue to be paid in accordance with
1081 the option selected. No person may apply for a disability
1082 retirement allowance after the person begins to receive a service
1083 retirement allowance.



1084 (e) If the medical board certifies that the member is
1085 not mentally or physically incapacitated for the future
1086 performance of duty, the member may request, within sixty (60)
1087 days, a hearing before the hearing officer as provided in Section
1088 25-11-120. All hearings shall be held in accordance with rules
1089 and regulations adopted by the board to govern those hearings.
1090 The hearing may be closed upon the request of the member.

1091 (f) The medical board may request additional medical
1092 evidence and/or other physicians to conduct an evaluation of the
1093 member's condition. If the medical board requests additional
1094 medical evidence and the member refuses the request, the
1095 application shall be considered void.

1096 (2) Allowance on disability retirement.

1097 (a) Upon retirement for disability, an eligible member
1098 shall receive a retirement allowance if he has attained the age of
1099 sixty (60) years.

1100 (b) Except as provided in paragraph (c) of this
1101 subsection (2), an eligible member who is retired for disability
1102 and who has not attained sixty (60) years of age shall receive a
1103 disability benefit as computed in Section 25-11-111(d), which
1104 shall consist of:

1105 (i) A member's annuity, which shall be the
1106 actuarial equivalent of his accumulated contributions at the time
1107 of retirement; and



1108 (ii) An employer's annuity equal to the amount
1109 that would have been payable as a retirement allowance for
1110 eligible creditable service if the member had continued in service
1111 to the age of sixty (60) years, which shall apply to the allowance
1112 for disability retirement paid to retirees receiving such
1113 allowance upon and after April 12, 1977. This employer's annuity
1114 shall be computed on the basis of the average "earned
1115 compensation" as defined in Section 25-11-103.

1116 (c) For persons who become members after June 30, 1992,
1117 and for active members on June 30, 1992, who elect benefits under
1118 this paragraph (c) instead of those provided under paragraph (b)
1119 of this subsection (2), the disability allowance shall consist of
1120 two (2) parts: a temporary allowance and a deferred allowance.

1121 The temporary allowance shall equal the greater of (i) forty
1122 percent (40%) of average compensation at the time of disability,
1123 plus ten percent (10%) of average compensation for each of the
1124 first two (2) dependent children, as defined in Sections 25-11-103
1125 and 25-11-114, or (ii) the accrued benefit based on actual
1126 service. It shall be payable for a period of time based on the
1127 member's age at disability, as follows:

1128	Age at Disability	Duration
1129	60 and earlier	to age 65
1130	61	to age 66
1131	62	to age 66
1132	63	to age 67



1133	64	to age 67
1134	65	to age 68
1135	66	to age 68
1136	67	to age 69
1137	68	to age 70
1138	69 and over	one year

1139 The deferred allowance shall begin when the temporary
1140 allowance ends and shall be payable for life. The deferred
1141 allowance shall equal the greater of (i) the allowance that would
1142 have been payable had the member continued in service to the
1143 termination age of the temporary allowance, but no more than forty
1144 percent (40%) of average compensation, or (ii) the accrued benefit
1145 based on actual service at the time of disability. The deferred
1146 allowance as determined at the time of disability shall be
1147 adjusted in accordance with Section 25-11-112 for the period
1148 during which the temporary annuity is payable. In no case shall a
1149 member receive less than Ten Dollars (\$10.00) per month for each
1150 year of service and proportionately for each quarter year thereof
1151 reduced for the option selected.

1152 (d) The member may elect to receive the actuarial
1153 equivalent of the disability retirement allowance in a reduced
1154 allowance payable throughout life under any of the provisions of
1155 the options provided under Section 25-11-115.

1156 (e) If a disability retiree who has not selected an
1157 option under Section 25-11-115 dies before being repaid in



1158 disability benefits the sum of his total contributions, then his
1159 named beneficiary shall receive the difference in cash, which
1160 shall apply to all deceased disability retirees from and after
1161 January 1, 1953.

1162 (3) Reexamination of retirees retired on account of
1163 disability. Except as otherwise provided in this section, once
1164 each year during the first five (5) years following retirement of
1165 a member on a disability retirement allowance, and once in every
1166 period of three (3) years thereafter, the board of trustees may,
1167 and upon his application shall, require any disability retiree who
1168 has not yet attained the age of sixty (60) years or the
1169 termination age of the temporary allowance under subsection (2)(c)
1170 of this section to undergo a medical examination, the examination
1171 to be made at the place of residence of the retiree or other place
1172 mutually agreed upon by a physician or physicians designated by
1173 the board. The board, however, in its discretion, may authorize
1174 the medical board to establish reexamination schedules appropriate
1175 to the medical condition of individual disability retirees. If
1176 any disability retiree who has not yet attained the age of sixty
1177 (60) years or the termination age of the temporary allowance under
1178 subsection (2)(c) of this section refuses to submit to any medical
1179 examination provided in this section, his allowance may be
1180 discontinued until his withdrawal of that refusal; and if his
1181 refusal continues for one (1) year, all his rights to a disability
1182 benefit shall be revoked by the board of trustees.



1183 (4) If the medical board reports and certifies to the board
1184 of trustees, after a comparable job analysis or other similar
1185 study, that the disability retiree is engaged in, or is able to
1186 engage in, a gainful occupation paying more than the difference
1187 between his disability allowance, exclusive of cost-of-living
1188 adjustments, and the average compensation, and if the board of
1189 trustees concurs in the report, the disability benefit shall be
1190 reduced to an amount that, together with the amount earnable by
1191 him, equals the amount of his average compensation. If his
1192 earning capacity is later changed, the amount of the benefit may
1193 be further modified, provided that the revised benefit shall not
1194 exceed the amount originally granted. A retiree receiving a
1195 disability benefit who is restored to active service at a salary
1196 less than the average compensation shall not become a member of
1197 the retirement system.

1198 (5) If a disability retiree under the age of sixty (60)
1199 years or the termination age of the temporary allowance under
1200 subsection (2)(c) of this section is restored to active service at
1201 a compensation not less than his average compensation, his
1202 disability benefit shall end, he shall again become a member of
1203 the retirement system, and contributions shall be withheld and
1204 reported. Any such prior service certificate, on the basis of
1205 which his service was computed at the time of retirement, shall be
1206 restored to full force and effect. In addition, upon his later
1207 retirement he shall be credited with all creditable service as a



1208 member, but the total retirement allowance paid to the retired
1209 member in his previous retirement shall be deducted from his
1210 retirement reserve and taken into consideration in recalculating
1211 the retirement allowance under a new option selected.

1212 (6) If following reexamination in accordance with the
1213 provisions contained in this section, the medical board determines
1214 that a retiree retired on account of disability is physically and
1215 mentally able to return to the employment from which he is
1216 retired, the board of trustees, upon certification of those
1217 findings from the medical board, shall, after a reasonable period
1218 of time, terminate the disability allowance, whether or not the
1219 retiree is reemployed or seeks that reemployment. In addition, if
1220 the board of trustees determines that the retiree is no longer
1221 sustaining a loss of income as established by documented evidence
1222 of the retiree's earned income, the eligibility for a disability
1223 allowance shall terminate and the allowance terminated within a
1224 reasonable period of time. If the retirement allowance is
1225 terminated under the provisions of this section, the retiree may
1226 later qualify for a retirement allowance under Section 25-11-111
1227 based on actual years of service credit plus credit for the period
1228 during which a disability allowance was paid.

1229 (7) Any current member as of June 30, 1992, who retires on a
1230 disability retirement allowance after June 30, 1992, and who has
1231 not elected to receive benefits under subsection (2)(c) of this
1232 section, shall relinquish all rights under the Age Discrimination



1233 in Employment Act of 1967, as amended, with regard to the benefits
1234 payable under this section.

1235 **SECTION 6.** Section 25-11-114, Mississippi Code of 1972, is
1236 amended as follows:

1237 25-11-114. (1) The applicable benefits provided in
1238 subsections (2) and (3) of this section shall be paid to eligible
1239 beneficiaries of any member who * * * has completed four (4) or
1240 more years of membership service * * * and who dies before
1241 retirement and who has not filed a Pre-Retirement Optional
1242 Retirement Form as provided in Section 25-11-111.

1243 (2) (a) The surviving spouse of a member who dies before
1244 retirement shall receive a monthly benefit computed in accordance
1245 with paragraph (d) of this subsection (2) as if the member had
1246 nominated his spouse as beneficiary if:

1247 (i) The member completed the requisite minimum
1248 number of years of membership service to qualify for a retirement
1249 allowance at age sixty (60);

1250 (ii) The spouse has been married to the member for
1251 not less than one (1) year preceding the death of the member;

1252 (iii) The member has not exercised any other
1253 option.

1254 (b) If, at the time of the member's death, there are no
1255 dependent children, and the surviving spouse, who otherwise would
1256 receive the annuity under this subsection (2), has filed with the
1257 system a signed written waiver of his or her rights to the annuity



1258 and that waiver was in effect at the time of the member's death, a
1259 lump-sum distribution of the deceased member's accumulated
1260 contributions shall be refunded in accordance with Section
1261 25-11-117.

1262 (c) The spouse annuity shall begin on the first day of
1263 the month following the date of the member's death, but in case of
1264 late filing, retroactive payments will be made for a period of not
1265 more than one (1) year.

1266 (d) The spouse of a member who is eligible to receive a
1267 monthly benefit under paragraph (a) of this subsection (2) shall
1268 receive a benefit for life equal to the higher of the following:

1269 (i) The greater of twenty percent (20%) of the
1270 deceased member's average compensation as defined in Section
1271 25-11-103 at the time of death or Fifty Dollars (\$50.00) monthly;
1272 or

1273 (ii) Benefits calculated under Option 2 of Section
1274 25-11-115. The method of calculating the retirement benefits
1275 shall be on the same basis as provided in Section 25-11-111(d) or
1276 (e), as applicable. However, if the member dies before being
1277 qualified for a full, unreduced retirement allowance, then the
1278 benefits shall be reduced by an actuarially determined percentage
1279 or factor based on the lesser of either the number of years of
1280 service credit or the number of years in age required to qualify
1281 for a full, unreduced retirement allowance in Section 25-11-111(d)
1282 or (e), as applicable.



1283 (e) The surviving spouse of a deceased member who
1284 previously received spouse retirement benefits under paragraph
1285 (d)(i) of this subsection from and after July 1, 1992, and whose
1286 benefits were terminated before July 1, 2004, because of
1287 remarriage, may again receive the retirement benefits authorized
1288 under paragraph (d)(i) of this subsection by making application
1289 with the board to reinstate those benefits. Any reinstatement of
1290 the benefits shall be prospective only and shall begin after the
1291 first of the month following the date of the application for
1292 reinstatement, but no earlier than July 1, 2004. From and after
1293 July 1, 2010, any spouse who chose Option 2 from and after July 1,
1294 1992, but before July 1, 2004, where the benefit, although payable
1295 for life, was less than the benefit available under the
1296 calculation in paragraph (d)(i) of this subsection shall have his
1297 or her benefit increased to the amount which provides the greater
1298 benefit.

1299 (3) (a) Subject to the maximum limitation provided in this
1300 paragraph, the member's dependent children each shall receive an
1301 annuity of the greater of ten percent (10%) of the member's
1302 average compensation as defined in Section 25-11-103 at the time
1303 of the death of the member or Fifty Dollars (\$50.00) monthly;
1304 however, if there are more than three (3) dependent children, each
1305 dependent child shall receive an equal share of a total annuity
1306 equal to thirty percent (30%) of the member's average
1307 compensation, provided that the total annuity shall not be less



1308 than One Hundred Fifty Dollars (\$150.00) per month for all
1309 children.

1310 (b) A child shall be considered to be a dependent child
1311 until marriage, or the attainment of age nineteen (19), whichever
1312 comes first; however, this age limitation shall be extended beyond
1313 age nineteen (19), but in no event beyond the attainment of age
1314 twenty-three (23), as long as the child is a student regularly
1315 pursuing a full-time course of resident study or training in an
1316 accredited high school, trade school, technical or vocational
1317 institute, junior or community college, college, university or
1318 comparable recognized educational institution duly licensed by a
1319 state. A student child who is receiving a retirement allowance as
1320 of June 30, 2016, whose birthday falls during the school year
1321 (September 1 through June 30) is considered not to reach age
1322 twenty-three (23) until the July 1 following the actual
1323 twenty-third birthday. A full-time course of resident study or
1324 training means a day or evening noncorrespondence course that
1325 includes school attendance at the rate of at least thirty-six (36)
1326 weeks per academic year or other applicable period with a subject
1327 load sufficient, if successfully completed, to attain the
1328 educational or training objective within the period generally
1329 accepted as minimum for completion, by a full-time day student, of
1330 the academic or training program concerned. Any child who is
1331 physically or mentally incompetent, as adjudged by either a



1332 Mississippi court of competent jurisdiction or by the board, shall
1333 receive benefits for as long as the incompetency exists.

1334 (c) If there are more than three (3) dependent
1335 children, upon a child's ceasing to be a dependent child, his
1336 annuity shall terminate and there shall be a redetermination of
1337 the amounts payable to any remaining dependent children.

1338 (d) Annuities payable under this subsection (3) shall
1339 begin the first day of the month following the date of the
1340 member's death or in case of late filing, retroactive payments
1341 will be made for a period of not more than one (1) year. Those
1342 benefits may be paid to a surviving parent or the lawful custodian
1343 of a dependent child for the use and benefit of the child without
1344 the necessity of appointment as guardian.

1345 (4) (a) Death benefits in the line of duty. Regardless of
1346 the number of years of the member's creditable service, the spouse
1347 and/or the dependent children of an active member who is killed or
1348 dies as a direct result of a physical injury sustained from an
1349 accident or a traumatic event caused by external violence or
1350 physical force occurring in the line of performance of duty shall
1351 qualify, on approval of the board, for a retirement allowance on
1352 the first of the month following the date of death, but in the
1353 case of late filing, retroactive payments will be made for a
1354 period of not more than one (1) year. The spouse shall receive a
1355 retirement allowance for life equal to one-half (1/2) of the
1356 average compensation as defined in Section 25-11-103. In addition



1357 to the retirement allowance for the spouse, or if there is no
1358 surviving spouse, the member's dependent child shall receive a
1359 retirement allowance in the amount of one-fourth (1/4) of the
1360 member's average compensation as defined in Section 25-11-103;
1361 however, if there are two (2) or more dependent children, each
1362 dependent child shall receive an equal share of a total annuity
1363 equal to one-half (1/2) of the member's average compensation. If
1364 there are more than two (2) dependent children, upon a child's
1365 ceasing to be a dependent child, his annuity shall terminate and
1366 there shall be a redetermination of the amounts payable to any
1367 remaining dependent children. Those benefits shall cease to be
1368 paid for the support and maintenance of each child upon the child
1369 attaining the age of nineteen (19) years; however, the spouse
1370 shall continue to be eligible for the aforesaid retirement
1371 allowance. Those benefits may be paid to a surviving parent or
1372 lawful custodian of the children for the use and benefit of the
1373 children without the necessity of appointment as guardian. Any
1374 spouse who received spouse retirement benefits under this
1375 paragraph (a) from and after April 4, 1984, and whose benefits
1376 were terminated before July 1, 2004, because of remarriage, may
1377 again receive the retirement benefits authorized under this
1378 paragraph (a) by making application with the board to reinstate
1379 those benefits. Any reinstatement of the benefits shall be
1380 prospective only and shall begin after the first of the month



1381 following the date of the application for reinstatement, but not
1382 earlier than July 1, 2004.

1383 (b) A child shall be considered to be a dependent child
1384 until marriage, or the attainment of age nineteen (19), whichever
1385 comes first; however, this age limitation shall be extended beyond
1386 age nineteen (19), but in no event beyond the attainment of age
1387 twenty-three (23), as long as the child is a student regularly
1388 pursuing a full-time course of resident study or training in an
1389 accredited high school, trade school, technical or vocational
1390 institute, junior or community college, college, university or
1391 comparable recognized educational institution duly licensed by a
1392 state. A student child who is receiving a retirement allowance as
1393 of June 30, 2016, whose birthday falls during the school year
1394 (September 1 through June 30) is considered not to reach age
1395 twenty-three (23) until the July 1 following the actual
1396 twenty-third birthday. A full-time course of resident study or
1397 training means a day or evening noncorrespondence course that
1398 includes school attendance at the rate of at least thirty-six (36)
1399 weeks per academic year or other applicable period with a subject
1400 load sufficient, if successfully completed, to attain the
1401 educational or training objective within the period generally
1402 accepted as minimum for completion, by a full-time day student, of
1403 the academic or training program concerned. Any child who is
1404 physically or mentally incompetent, as adjudged by either a



1405 Mississippi court of competent jurisdiction or by the board, shall
1406 receive benefits for as long as the incompetency exists.

1407 (5) If all the annuities provided for in this section
1408 payable on account of the death of a member terminate before there
1409 has been paid an aggregate amount equal to the member's
1410 accumulated contributions standing to the member's credit in the
1411 annuity savings account at the time of the member's death, the
1412 difference between the accumulated contributions and the aggregate
1413 amount of annuity payments shall be paid to the person that the
1414 member has nominated by written designation duly executed and
1415 filed with the board. If there is no designated beneficiary
1416 surviving at termination of benefits, the difference shall be
1417 payable under Section 25-11-117.1(1).

1418 (6) Regardless of the number of years of creditable service,
1419 upon the application of a member or employer, any active member
1420 who becomes disabled as a direct result of a physical injury
1421 sustained from an accident or traumatic event caused by external
1422 violence or physical force occurring in the line of performance of
1423 duty, provided that the medical board or other designated
1424 governmental agency after a medical examination certifies that the
1425 member is mentally or physically incapacitated for the further
1426 performance of duty and the incapacity is likely to be permanent,
1427 may be retired by the board of trustees on the first of the month
1428 following the date of filing the application but in no event shall
1429 the retirement allowance begin before the termination of state



1430 service. If a member who has been approved for a retirement
1431 allowance under this subsection does not terminate state service
1432 within ninety (90) days after the approval, the retirement
1433 allowance and the application for the allowance shall be void.
1434 The retirement allowance shall equal the allowance on disability
1435 retirement as provided in Section 25-11-113 but shall not be less
1436 than fifty percent (50%) of average compensation. Line of duty
1437 disability benefits under this section shall be administered in
1438 accordance with the provisions of Section 25-11-113(1)(b), (c),
1439 (d), (e) and (f), (3), (4), (5) and (6).

1440 (7) For purposes of determining death or disability benefits
1441 under this section, the following shall apply:

1442 (a) Death or permanent and total disability resulting
1443 from a cardiovascular, pulmonary or musculoskeletal condition that
1444 was not a direct result of a physical injury sustained from an
1445 accident or a traumatic event caused by external violence or
1446 physical force occurring in the performance of duty shall be
1447 deemed a natural death or an ordinary disability.

1448 (b) A mental disability based exclusively on employment
1449 duties occurring on an ongoing basis shall be deemed an ordinary
1450 disability.

1451 (8) If the deceased or disabled member has less than four
1452 (4) years of membership service, the average compensation as
1453 defined in Section 25-11-103 shall be the average of all annual



1454 earned compensation in state service for the purposes of benefits
1455 provided in this section.

1456 (9) In case of death or total and permanent disability under
1457 subsection (4) or subsection (6) of this section and before the
1458 board shall consider any application for a retirement allowance,
1459 the employer must certify to the board that the member's death or
1460 disability was a direct result of an accident or a traumatic event
1461 occurring during and as a result of the performance of the regular
1462 and assigned duties of the employee and that the death or
1463 disability was not the result of the willful negligence of the
1464 employee.

1465 (10) The application for the retirement allowance must be
1466 filed within one (1) year after death of an active member who is
1467 killed in the line of performance of duty or dies as a direct
1468 result of an accident occurring in the line of performance of duty
1469 or traumatic event; but the board of trustees may consider an
1470 application for disability filed after the one-year period if it
1471 can be factually demonstrated to the satisfaction of the board of
1472 trustees that the disability is due to the accident and that the
1473 filing was not accomplished within the one-year period due to a
1474 delayed manifestation of the disability or to circumstances beyond
1475 the control of the member. However, in case of late filing,
1476 retroactive payments will be made for a period of not more than
1477 one (1) year only.



1478 (11) (a) Notwithstanding any other section of this article
1479 and in lieu of any payments to a designated beneficiary for a
1480 refund of contributions under Section 25-11-117, the spouse and/or
1481 children shall be eligible for the benefits payable under this
1482 section, and the spouse may elect, for both the spouse and/or
1483 children, to receive benefits in accordance with either
1484 subsections (2) and (3) or subsection (4) of this section;
1485 otherwise, the contributions to the credit of the deceased member
1486 shall be refunded in accordance with Section 25-11-117.

1487 (b) Notwithstanding any other section of this article,
1488 a spouse who is entitled to receive a monthly benefit under either
1489 subsection (2) or (4) of this section and who is also the named
1490 beneficiary for a refund of accumulated contributions in the
1491 member's annuity savings account, may, after the death of the
1492 member, elect to receive a refund of accumulated contributions in
1493 lieu of a monthly allowance, provided that there are no dependent
1494 children entitled to benefits under subsection (3) of this
1495 section.

1496 (12) If the member has previously received benefits from the
1497 system to which he was not entitled and has not repaid in full all
1498 amounts payable by him to the system, the annuity amounts
1499 otherwise provided by this section shall be withheld and used to
1500 effect repayment until the total of the withholdings repays in
1501 full all amounts payable by him to the system.



1502 **SECTION 7.** Section 25-11-117, Mississippi Code of 1972, is
1503 amended as follows:

1504 25-11-117. (1) A member may be paid a refund of the amount
1505 of accumulated contributions to the credit of the member in the
1506 annuity savings account, provided that the member has withdrawn
1507 from state service and has not returned to state service on the
1508 date the refund of the accumulated contributions would be paid.
1509 That refund of the contributions to the credit of the member in
1510 the annuity savings account shall be paid within ninety (90) days
1511 from receipt in the office of the retirement system of the
1512 properly completed form requesting the payment. In the event of
1513 death before retirement of any member whose spouse and/or children
1514 are not entitled to a retirement allowance, the accumulated
1515 contributions to the credit of the deceased member in the annuity
1516 savings account shall be paid to the designated beneficiary on
1517 file in writing in the office of the executive director of the
1518 board of trustees within ninety (90) days from receipt of a
1519 properly completed form requesting the payment. If there is no
1520 such designated beneficiary on file for the deceased member in the
1521 office of the system, upon the filing of a proper request with the
1522 board, the contributions to the credit of the deceased member in
1523 the annuity savings account shall be refunded under Section
1524 25-11-117.1(1). The payment of the refund shall discharge all
1525 obligations of the retirement system to the member on account of
1526 any creditable service rendered by the member before the receipt



1527 of the refund. By the acceptance of the refund, the member shall
1528 waive and relinquish all accrued rights in the system.

1529 (2) Under the Unemployment Compensation Amendments of 1992
1530 (Public Law 102-318 (UCA)), a member or the spouse of a member who
1531 is an eligible beneficiary entitled to a refund under this section
1532 may elect, on a form prescribed by the board under rules and
1533 regulations established by the board, to have an eligible rollover
1534 distribution of accumulated contributions payable under this
1535 section paid directly to an eligible retirement plan, as defined
1536 under applicable federal law, or an individual retirement account.
1537 If the member or the spouse of a member who is an eligible
1538 beneficiary makes that election and specifies the eligible
1539 retirement plan or individual retirement account to which the
1540 distribution is to be paid, the distribution will be made in the
1541 form of a direct trustee-to-trustee transfer to the specified
1542 eligible retirement plan. A nonspouse beneficiary may elect to
1543 have an eligible rollover distribution paid in the form of a
1544 direct trustee-to-trustee transfer to an individual retirement
1545 account established to receive the distribution on behalf of the
1546 nonspouse beneficiary. Flexible rollovers under this subsection
1547 shall not be considered assignments under Section 25-11-129.

1548 (3) * * * If any person who has received a refund, reenters
1549 the state service and again becomes a member of the system * * *,
1550 the member may repay all or part of the amounts previously
1551 received as a refund, together with regular interest covering the



1552 period from the date of refund to the date of repayment; however,
1553 the amounts that are repaid by the member and the creditable
1554 service related thereto shall not be used in any benefit
1555 calculation or determination until the member has remained a
1556 contributor to the system for a period of at least four (4) years
1557 after the member's reentry into state service. Repayment for that
1558 time shall be made beginning with the most recent service for
1559 which refund has been made. Upon the repayment of all or part of
1560 that refund and interest, the member shall again receive credit
1561 for the period of creditable service for which full repayment has
1562 been made to the system.

1563 * * *

1564 (4) (a) In order to provide a source of income to members
1565 who have applied for disability benefits under Section 25-11-113
1566 or 25-11-114, the board may provide, at the employee's election, a
1567 temporary benefit to be paid from the member's accumulated
1568 contributions, if any, without forfeiting the right to pursue
1569 disability benefits, provided that the member has exhausted all
1570 personal and medical leave and has terminated his or her
1571 employment. The board may prescribe rules and regulations for
1572 carrying out the provisions of this subsection (4).

1573 (b) If a member who has elected to receive temporary
1574 benefits under this subsection later applies for a refund of his
1575 or her accumulated contributions, all amounts paid under this
1576 subsection shall be deducted from the accumulated contributions



1577 and the balance will be paid to the member. If a member who has
1578 elected to receive temporary benefits under this subsection is
1579 later approved for a disability retirement allowance, and a
1580 service retirement allowance or survivor benefits are paid on the
1581 account, the board shall adjust the benefits in such a manner that
1582 no more than the actuarial equivalent of the benefits to which the
1583 member or beneficiary was or is entitled shall be paid.

1584 (c) The board may study, develop and propose a
1585 disability benefit structure, including short- and long-term
1586 disability benefits, provided that it is the actuarial equivalent
1587 of the benefits currently provided in Section 25-11-113 or
1588 25-11-114.

1589 **SECTION 8.** Section 25-11-311, Mississippi Code of 1972, is
1590 amended as follows:

1591 25-11-311. (1) A member may be paid a refund of the amount
1592 of accumulated contributions to the credit of the member in the
1593 annuity savings account, provided the member has withdrawn from
1594 state service and further provided the member has not returned to
1595 state service on the date the refund of the accumulated
1596 contributions would be paid. The refund of the contributions to
1597 the credit of the member in the annuity savings account shall be
1598 paid within ninety (90) days from receipt in the office of the
1599 retirement system of the properly completed form requesting that
1600 payment. In the event of death before retirement of any member
1601 whose spouse and/or children are not entitled to a retirement



1602 allowance, the accumulated contributions to the credit of the
1603 deceased member in the annuity savings account shall be paid to
1604 the designated beneficiary on file in writing in the office of the
1605 executive director of the board of trustees within ninety (90)
1606 days from receipt of a properly completed form requesting that
1607 payment. If there is no such designated beneficiary on file for
1608 the deceased member in the office of the system, upon the filing
1609 of a proper request with the board, the contributions to the
1610 credit of the deceased member in the annuity savings account shall
1611 be refunded under Section 25-11-311.1(1). The payment of the
1612 refund shall discharge all obligations of the retirement system to
1613 the member on account of any creditable service rendered by the
1614 member before the receipt of the refund. By the acceptance of the
1615 refund, the member shall waive and relinquish all accrued rights
1616 in the plan.

1617 (2) Pursuant to the Unemployment Compensation Amendments of
1618 1992 (Public Law 102-318 (USCS)), a member or the spouse of a
1619 member who is an eligible beneficiary making application for a
1620 refund under this section may elect, on a form prescribed by the
1621 board under rules and regulations established by the board, to
1622 have an eligible rollover distribution of accumulated
1623 contributions payable under this section paid directly to an
1624 eligible retirement plan, as defined under applicable federal law,
1625 or an individual retirement account. If the member or the spouse
1626 of a member who is an eligible beneficiary makes that election and



1627 specifies the eligible retirement plan or individual retirement
1628 account to which the distribution is to be paid, the distribution
1629 will be made in the form of a direct trustee-to-trustee transfer
1630 to the specified eligible retirement plan. A nonspouse
1631 beneficiary may elect to have an eligible rollover distribution of
1632 accumulated contributions paid in the form of a direct
1633 trustee-to-trustee transfer to an individual retirement account
1634 established to receive the distribution on behalf of the nonspouse
1635 beneficiary. Flexible rollovers under this subsection shall not
1636 be considered assignments under Section 25-11-129.

1637 (3) * * * If any person who has received a refund, is
1638 reelected to the Legislature or as President of the Senate and
1639 again becomes a member of the plan * * *, or otherwise reenters
1640 the state service and again becomes a member of the system, the
1641 member may repay all or part of the amounts previously received as
1642 a refund, together with regular interest covering the period from
1643 the date of refund to the date of repayment; however, the amounts
1644 that are repaid by the member and the creditable service related
1645 thereto shall not be used in any benefit calculation or
1646 determination until the member has remained a contributor to the
1647 system for a period of at least four (4) years after the member's
1648 reentry into state service. Repayment for that time shall be made
1649 beginning with the most recent service for which refund has been
1650 made. Upon the repayment of all or part of that refund and
1651 interest, the member shall again receive credit for the period of



1652 creditable service for which full repayment has been made to the
1653 system.

1654 * * *

1655 **SECTION 9.** Section 25-11-315, Mississippi Code of 1972, is
1656 amended as follows:

1657 25-11-315. (1) Any member of the State Legislature or the
1658 President of the Senate who becomes a member of the plan on July
1659 1, 1989, shall be eligible for prior service as a member of the
1660 State Legislature or as President of the Senate. Each member
1661 shall submit to the board a verification of prior service as a
1662 member of the State Legislature or as President of the Senate.
1663 Upon receipt of that prior service statement, the board shall
1664 issue a prior service certificate certifying to each member the
1665 length of prior service for which credit has been allowed on the
1666 basis of the statement of service. Additional prior service
1667 regulations in force shall be those found in Section 25-11-101 et
1668 seq.

1669 (2) * * * Any member of the State Legislature or the
1670 President of the Senate who becomes a member of this plan after
1671 July 1, 1989, * * * shall not be allowed prior service unless the
1672 member serves as a member of the State Legislature or as President
1673 of the Senate for a minimum of four (4) years and contributes to
1674 the plan for a minimum period of four (4) years.

1675 * * *



1676 **SECTION 10.** This act shall take effect and be in force from
1677 and after July 1, 2023.

