

By: Representative Lamar

To: State Affairs

HOUSE BILL NO. 431

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,  
 2 TO AUTHORIZE CERTAIN MEMBERS OF THE PUBLIC EMPLOYEES' RETIREMENT  
 3 SYSTEM TO RECEIVE A MAXIMUM OF THREE YEARS CREDITABLE SERVICE; TO  
 4 PROVIDE THAT THE MEMBER SHALL PAY TO THE RETIREMENT SYSTEM BEFORE  
 5 THE DATE OF RETIREMENT THE ACTUARIAL COST AS DETERMINED BY THE  
 6 ACTUARY FOR EACH INCREMENT OF SERVICE PURCHASED; TO PROVIDE THAT A  
 7 MEMBER MAY RECEIVE NO MORE YEARS OF CREDITABLE SERVICE UNDER THIS  
 8 ACT THAN AN AMOUNT THAT, WHEN COMBINED WITH ALL OTHER CREDITABLE  
 9 SERVICE, EXCLUDING UNUSED LEAVE, WOULD CAUSE THE MEMBER TO HAVE  
 10 THE SPECIFIED NUMBER OF YEARS OF CREDITABLE SERVICE TO RETIRE  
 11 REGARDLESS OF AGE; AND FOR RELATED PURPOSES.

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

13 **SECTION 1.** Section 25-11-109, Mississippi Code of 1972, is  
 14 amended as follows:

15 25-11-109. (1) Under such rules and regulations as the  
 16 board of trustees shall adopt, each person who becomes a member of  
 17 this retirement system, as provided in Section 25-11-105, on or  
 18 before July 1, 1953, or who became a member of the system before  
 19 July 1, 2007, and contributes to the system for a minimum period  
 20 of four (4) years, or who became a member of the system on or  
 21 after July 1, 2007, and contributes to the system for a minimum  
 22 period of eight (8) years, shall receive credit for all state



23 service rendered before February 1, 1953. To receive that credit,  
24 the member shall file a detailed statement of all services as an  
25 employee rendered by him in the state service before February 1,  
26 1953. For any member who joined the system after July 1, 1953,  
27 and before July 1, 2007, any creditable service for which the  
28 member is not required to make contributions shall not be credited  
29 to the member until the member has contributed to the system for a  
30 minimum period of at least four (4) years. For any member who  
31 joined the system on or after July 1, 2007, any creditable service  
32 for which the member is not required to make contributions shall  
33 not be credited to the member until the member has contributed to  
34 the system for a minimum period of at least eight (8) years.

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

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



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

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

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



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

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

90 (iii) In order for the member to receive  
91 creditable service for the number of days of unused leave under  
92 this paragraph, the system must receive certification from the  
93 governing authority.

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



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

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

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

108 (ii) For service on and after July 1, 1984, the  
109 member shall receive credit for personal and major medical leave  
110 beginning July 1, 1984, at the rates authorized in Sections  
111 25-3-93 and 25-3-95, computed as a full-time employee.

112 (iii) If a member is employed in a covered  
113 nonelected position and a covered elected position simultaneously,  
114 that member may not receive service credit for accumulated unused  
115 leave for both positions at retirement for the period during which  
116 the member was dually employed. During the period during which  
117 the member is dually employed, the member shall only receive  
118 credit for leave as provided for in this paragraph for an elected  
119 official.

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



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

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

135 When membership ceases, such prior service certificates shall  
136 become void. Should the employee again become a member, he shall  
137 enter the system as an employee not entitled to prior service  
138 credit except as provided in Sections 25-11-105(I), 25-11-113 and  
139 25-11-117.

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



146           (6) Any member who served on active duty in the Armed Forces  
147 of the United States, who served in the Commissioned Corps of the  
148 United States Public Health Service before 1972 or who served in  
149 maritime service during periods of hostility in World War II,  
150 shall be entitled to creditable service at no cost for his service  
151 on active duty in the Armed Forces, in the Commissioned Corps of  
152 the United States Public Health Service before 1972 or in such  
153 maritime service, provided he entered state service after his  
154 discharge from the Armed Forces or entered state service after he  
155 completed such maritime service. The maximum period for such  
156 creditable service for all military service as defined in this  
157 subsection (6) shall not exceed four (4) years unless positive  
158 proof can be furnished by such person that he was retained in the  
159 Armed Forces during World War II or in maritime service during  
160 World War II by causes beyond his control and without opportunity  
161 of discharge. The member shall furnish proof satisfactory to the  
162 board of trustees of certification of military service or maritime  
163 service records showing dates of entrance into active duty service  
164 and the date of discharge. From and after July 1, 1993, no  
165 creditable service shall be granted for any military service or  
166 maritime service to a member who qualifies for a retirement  
167 allowance in another public retirement system administered by the  
168 Board of Trustees of the Public Employees' Retirement System  
169 based, in whole or in part, on such military or maritime service.  
170 In no case shall the member receive creditable service if the



171 member received a dishonorable discharge from the Armed Forces of  
172 the United States.

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

182 (i) The member pays the contributions he would  
183 have made to the retirement system if he had remained in  
184 membership service for the period of qualified military service  
185 based upon his salary at the time his membership service was  
186 interrupted;

187 (ii) The member returns to membership service  
188 within ninety (90) days of the end of his qualified military  
189 service; and

190 (iii) The employer at the time the member's  
191 service was interrupted and to which employment the member returns  
192 pays the contributions it would have made into the retirement  
193 system for such period based on the member's salary at the time  
194 the service was interrupted.





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

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

205           (8) Any member of the Public Employees' Retirement System  
206 who became a member of the system before July 1, 2007, and who has  
207 at least four (4) years of membership service credit, or who  
208 became a member of the system on or after July 1, 2007, and who  
209 has at least eight (8) years of membership service credit, shall  
210 be entitled to receive a maximum of five (5) years' creditable  
211 service for service rendered in another state as a public employee  
212 of such other state, or a political subdivision, public education  
213 system or other governmental instrumentality thereof, or service  
214 rendered as a teacher in American overseas dependent schools  
215 conducted by the Armed Forces of the United States for children of  
216 citizens of the United States residing in areas outside the  
217 continental United States, provided that:

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



220 state, public education system, political subdivision or  
221 retirement system of the state where the services were performed  
222 or the governing entity of the American overseas dependent school  
223 where the services were performed; and

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

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

237 (9) Any member of the Public Employees' Retirement System  
238 who became a member of the system before July 1, 2007, and has at  
239 least four (4) years of membership service credit, or who became a  
240 member of the system on or after July 1, 2007, and has at least  
241 eight (8) years of membership service credit, and who receives, or  
242 has received, professional leave without compensation for  
243 professional purposes directly related to the employment in state



244 service shall receive creditable service for the period of  
245 professional leave without compensation provided:

246 (a) The professional leave is performed with a public  
247 institution or public agency of this state, or another state or  
248 federal agency;

249 (b) The employer approves the professional leave  
250 showing the reason for granting the leave and makes a  
251 determination that the professional leave will benefit the  
252 employee and employer;

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

255 (d) The employee shall serve the employer on a  
256 full-time basis for a period of time equivalent to the  
257 professional leave period granted immediately following the  
258 termination of the leave period;

259 (e) The contributing member shall pay to the retirement  
260 system the actuarial cost as determined by the actuary for each  
261 year of professional leave. The provisions of this subsection are  
262 subject to the regulations of the Internal Revenue Code  
263 limitations;

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

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



269 shall qualify for continued participation under this subsection  
270 (9).

271 (10) Any member of the Public Employees' Retirement System  
272 who became a member of the system before July 1, 2007, and has at  
273 least four (4) years of credited membership service, or who became  
274 a member of the system on or after July 1, 2007, and has at least  
275 eight (8) years of credited membership service, shall be entitled  
276 to receive a maximum of ten (10) years creditable service for:

277 (a) Any service rendered as an employee of any  
278 political subdivision of this state, or any instrumentality  
279 thereof, that does not participate in the Public Employees'  
280 Retirement System; or

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

285 (c) Any service rendered as an employee of any  
286 political subdivision of this state, or any instrumentality  
287 thereof, for which coverage of the employee's position was or is  
288 excluded; provided that the member pays into the retirement system  
289 the actuarial cost as determined by the actuary for each year, or  
290 portion thereof, of such service. After a member has made full  
291 payment to the retirement system for all or any part of such  
292 service, the member shall receive creditable service for the



293 period of such service for which full payment has been made to the  
294 retirement system.

295 (11) Any member of the Public Employees' Retirement System  
296 who became a member of the system before July 1, 2007, and has at  
297 least five (5) years of credited membership service, or who  
298 became a member of the system on or after July 1, 2007, and has at  
299 least eight (8) years of credited membership service, shall be  
300 entitled to receive a maximum of three (3) years creditable  
301 service, provided that:

302 (a) The member shall make application to the board of  
303 trustees in such manner as deemed appropriate by the board of  
304 trustees;

305 (b) The member shall pay to the retirement system at  
306 any time before the date of retirement the actuarial cost as  
307 determined by the actuary for each increment of service purchased  
308 up to the maximum of three (3) years. The member may make such  
309 payment in lump sum payments or periodically in monthly, quarterly  
310 or annual payments, as elected by the member. The provisions of  
311 this paragraph (b) shall be subject to the limitations of Section  
312 415 of the Internal Revenue Code and regulations promulgated by  
313 the board of trustees; and

314 (c) Any member who became a member of the system before  
315 July 1, 2011, may receive no more years of creditable service  
316 under this subsection (11) than an amount that, when combined with  
317 all other creditable service, excluding unused leave, would cause



318 the member to have twenty-five (25) years of creditable service.  
319 Any member who became a member of the system on or after July 1,  
320 2011, may receive no more years of creditable service under this  
321 subsection (11) than an amount that, when combined with all other  
322 creditable service, excluding unused leave, would cause the member  
323 to have thirty (30) years of creditable service.

324         **SECTION 2.** This act shall take effect and be in force from  
325 and after July 1, 2024.

