

By: Representative Rushing

To: Judiciary B;
Appropriations A

HOUSE BILL NO. 730

1 AN ACT TO AMEND SECTION 25-11-105, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT A MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT
3 SYSTEM SHALL BE TERMINATED FROM MEMBERSHIP IN THE SYSTEM IF THE
4 MEMBER IS CONVICTED OF OR PLEADS GUILTY OR NOLO CONTENDERE TO A
5 FELONY THAT IS RELATED TO OR IN CONNECTION WITH THE MEMBER'S
6 EMPLOYMENT IN THE STATE SERVICE AND WHICH IS COMMITTED ON OR AFTER
7 JULY 1, 2025; TO AMEND SECTION 25-11-111, MISSISSIPPI CODE OF
8 1972, TO PROVIDE THAT A MEMBER WHO IS CHARGED WITH SUCH CRIME WHO
9 RETIRES AND RECEIVES A RETIREMENT ALLOWANCE AFTER BEING CHARGED
10 WITH THE CRIME SHALL CONTINUE TO RECEIVE THE RETIREMENT ALLOWANCE
11 UNTIL SUCH TIME AS THE MEMBER IS CONVICTED OF OR PLEADS GUILTY OR
12 NOLO CONTENDERE TO THE CRIME, AT WHICH TIME THE MEMBER'S
13 RETIREMENT ALLOWANCE SHALL BE TERMINATED; TO AMEND SECTION
14 25-11-117, MISSISSIPPI CODE OF 1972, TO PROVIDE FOR THE REFUND
15 WITHOUT INTEREST OF THE ACCUMULATED CONTRIBUTIONS OF A MEMBER WHO
16 IS CONVICTED OF SUCH CRIME; TO AMEND SECTIONS 25-15-3 AND
17 25-15-13, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT AN ACTIVE
18 MEMBER OF THE SYSTEM WHO IS PARTICIPATING IN THE STATE AND SCHOOL
19 EMPLOYEES LIFE AND HEALTH INSURANCE PLAN, AND WHO OTHERWISE WOULD
20 BE ELIGIBLE TO RECEIVE A RETIREMENT ALLOWANCE BUT IS TERMINATED
21 FROM MEMBERSHIP IN THE SYSTEM BECAUSE OF THE MEMBER'S CONVICTION
22 OF OR PLEA OF GUILTY OR NOLO CONTENDERE TO SUCH CRIME, IS ELIGIBLE
23 TO CONTINUE TO PARTICIPATE IN THE PLAN UNDER THE SAME CONDITIONS
24 AND COVERAGES FOR RETIRED EMPLOYEES; AND FOR RELATED PURPOSES.

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

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

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



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

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

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

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



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



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

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

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

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

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



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:



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

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

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

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

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



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

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

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



covered by an approved plan, a contribution with respect to wages (as defined in Section 25-11-5) not exceeding the amount provided in Section 25-11-123(d) if those services constituted employment within the meaning of Articles 1 and 3, and to deduct the amount 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.

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

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

(i) If any member of this system changes his employment to any agency of the state having an actuarially funded retirement system, the board of trustees may authorize 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 to that other system, provided that the employee agrees to the transfer of his



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

If any member of any other actuarially funded system maintained by an agency of the state changes his employment to an agency covered by this system, the board of trustees may authorize 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 who became members of the retirement system before July 1, 2007, and have remained contributors to the retirement system for four (4) years, or who became members of the retirement system on or after July 1, 2007, and have remained contributors to the retirement system for



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

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

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



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

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

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

II. THOSE WHO ARE NOT ELIGIBLE FOR MEMBERSHIP



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

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

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

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

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

III. TERMINATION OF MEMBERSHIP

Membership in this system shall cease by:

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

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

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

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



committed on or after July 1, 2025. A member who is terminated
from the system because of such a conviction or plea shall have
his or her contributions refunded, without interest, in accordance
with Section 25-11-117. A member who was convicted is not
terminated from membership under this paragraph (d) until all
appeals of the conviction have been concluded finally or the time
for an appeal from the conviction has expired. The member's
employer shall notify the system of the member's conviction or
plea, and if the member was convicted, when all appeals of the
conviction have been concluded finally or the time for an appeal
from the conviction has expired.

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

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



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

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

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



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

(c) Any member in service who has qualified for retirement benefits may select any optional method of settlement of retirement benefits by notifying the Executive Director of the Board of Trustees of the Public Employees' Retirement System in writing, on a form prescribed by the board, of the option he has selected and by naming the beneficiary of the option and furnishing necessary proof of age. The option, once selected, may be changed at any time before actual retirement or death, but upon 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 member who has been retired before July 1, 1987, receive less than Ten Dollars (\$10.00) per month for each year of creditable service and proportionately for each quarter year thereof. Persons retired on or after July 1, 1987, shall receive at least Ten Dollars (\$10.00) per month for each year of service and proportionately for each quarter year thereof reduced for the option selected. However, such Ten Dollars (\$10.00) minimum per



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

(e) Any member who became a member of the system on or after 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 thirty (30) years of creditable service, and two and one-half percent (2-1/2%) of average compensation for each year of service exceeding thirty (30) years of creditable service.

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



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

(g) A person who is charged with a felony that is related to or in connection with the member's employment in the state service and which is committed on or after July 1, 2025, who withdraws from service and receives a retirement allowance under this section after being charged with the crime, shall continue to receive the retirement allowance until such time as the member is convicted of or pleads guilty or nolo contendere to the crime, and if the member was convicted, until such time as all appeals of the conviction have been concluded finally or the time for an appeal from the conviction has expired, at which time the member's retirement allowance shall be terminated. If a member's retirement allowance is terminated under this subsection and the total amount that the member received from the retirement allowance is less than the amount of the member's accumulated contributions, the member shall be refunded the difference between the amount received from the retirement allowance and the amount of his or her contributions in accordance with Section 25-11-117. The member's employer shall notify the system of the member's



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

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

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

(* * *j) (1) A retiree or beneficiary may, on a form
prescribed by and filed with the retirement system, irrevocably
waive all or a portion of any benefits from the retirement system
to which the 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.



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

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

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

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



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

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



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

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



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

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

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



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

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

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

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

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



621 (a) "Employee" means a person who works full time for
622 the State of Mississippi and receives his compensation in a direct
623 payment from a department, agency or institution of the state
624 government and any person who works full time for any school
625 district, community/junior college, public library or
626 university-based program authorized under Section 37-23-31 for
627 deaf, aphasic and emotionally disturbed children or any regular
628 nonstudent bus driver. This * * * term include legislators,
629 employees of the legislative branch and the judicial branch of the
630 state and "employees" shall include full-time salaried judges and
631 full-time district attorneys and their staff and full-time
632 compulsory school attendance officers. For the purposes of this
633 article, any "employee" making contributions to the * * * Public
634 Employees' Retirement System or the Highway Safety Patrol
635 Retirement System shall be considered a full-time employee. For
636 purposes of this article, "employee" shall not mean contract
637 personnel.

638 (b) "Department" means the Department of Finance and
639 Administration.

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

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

644 (e) "Retiree" "or retired employee" means any employee
645 retired under * * * Public Employees' Retirement System or the



Highway Safety Patrol Retirement System, and any person who is
participating in the plan under the authority of Section
25-15-13(2).

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

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

25-15-13. (1) Each eligible employee may participate in the
plan by signing up for the plan at the time of employment. Each
eligible employee who declines coverage under the plan must sign a
waiver of coverage. After acceptance in the plan, the employee
may cease his or her participation by filing a specific disclaimer
with the board. Forms for this purpose shall be prescribed and
issued by the board. All eligible employees will be eligible to
participate in the plan on the effective date of the plan or on
the date on which they are employed by the state, whichever is
later, provided they make the necessary contributions as provided
in this article. Spouses of employees, unmarried dependent
children from birth to age nineteen (19) years, unmarried
dependent children who are full-time students up to age
twenty-five (25) years, and children with physical or mental
disabilities, regardless of age, are eligible under the plan as of
the date the employee becomes eligible. If both spouses are
eligible employees who participate in the plan, the benefits shall
apply individually to each spouse by virtue of his or her



671 participation in the plan. If those spouses also have one or more
672 eligible dependents participating in the plan, the cost of their
673 dependents shall be calculated at a special family plan rate. The
674 cost for participation by the dependents shall be paid by the
675 spouse who elects to carry such dependents under his or her
676 coverage.

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

685 **SECTION 6.** This act shall take effect and be in force from
686 and after July 1, 2025.

