

By: Representative McMillan

To: State Affairs;
Appropriations A

HOUSE BILL NO. 783

1 AN ACT TO AMEND SECTION 25-11-127, MISSISSIPPI CODE OF 1972,
2 TO AUTHORIZE RETIRED MEMBERS OF THE PUBLIC EMPLOYEES' RETIREMENT
3 SYSTEM TO BE EMPLOYED IN A POSITION FOR WHICH THE EMPLOYER HAS A
4 CRITICAL NEED FOR OR SHORTAGE OF EMPLOYEES AND DRAW THE FULL
5 AMOUNT OF THE RETIREE'S RETIREMENT ALLOWANCE, DURING WHICH TIME
6 THE RETIREE MAY WORK THE FULL NUMBER OF NORMAL WORKING DAYS FOR
7 THE POSITION AND RECEIVE THE FULL AMOUNT OF THE SALARY IN EFFECT
8 FOR THE POSITION AT THE TIME OF EMPLOYMENT; TO PROVIDE THAT BEFORE
9 A RETIREE MAY BE EMPLOYED IN SUCH A POSITION, THE EMPLOYER MUST
10 PROVIDE SATISFACTORY EVIDENCE WITH QUANTIFIABLE NUMBERS TO THE
11 RETIREMENT SYSTEM OF THE EXISTENCE OF A CRITICAL NEED FOR OR
12 SHORTAGE OF EMPLOYEES IN THE EMPLOYER'S AGENCY, DEPARTMENT,
13 INSTITUTION OR POLITICAL SUBDIVISION, AND SATISFACTORY EVIDENCE
14 THAT THE EMPLOYEE HAS THE EDUCATION AND EXPERIENCE NECESSARY FOR
15 THE POSITION FOR WHICH THERE IS A CRITICAL NEED OR SHORTAGE AND IN
16 WHICH HE OR SHE WILL BE EMPLOYED; AND FOR RELATED PURPOSES.

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

18 **SECTION 1.** Section 25-11-127, Mississippi Code of 1972, is
19 amended as follows:

20 25-11-127. (1) (a) No person who is being paid a
21 retirement allowance or a pension after retirement under this
22 article shall be employed or paid for any service by the State of
23 Mississippi, including services as an employee, contract worker,
24 contractual employee or independent contractor, until the retired
25 person has been retired for not less than ninety (90) consecutive



26 days from his or her effective date of retirement. After the
27 person has been retired for not less than ninety (90) consecutive
28 days from his or her effective date of retirement or such later
29 date as established by the board, he or she may be reemployed
30 while being paid a retirement allowance under the terms and
31 conditions provided in this section or in Section 25-11-126.

32 (b) No retiree of this retirement system who is
33 reemployed or is reelected to office after retirement shall
34 continue to draw retirement benefits while so reemployed, except
35 as provided in this section or in Section 25-11-126.

36 (c) No person employed or elected under the exceptions
37 provided for in this section shall become a member under Article 3
38 of the retirement system.

39 (2) Except as otherwise provided in Section 25-11-126, any
40 person who has been retired under the provisions of Article 3 and
41 who is later reemployed in service covered by this article shall
42 cease to receive benefits under this article and shall again
43 become a contributing member of the retirement system. When the
44 person retires again, if the reemployment exceeds six (6) months,
45 the person shall have his or her benefit recomputed, including
46 service after again becoming a member, provided that the total
47 retirement allowance paid to the retired member in his or her
48 previous retirement shall be deducted from the member's retirement
49 reserve and taken into consideration in recalculating the
50 retirement allowance under a new option selected.



51 (3) The board shall have the right to prescribe rules and
52 regulations for carrying out the provisions of this section.

53 (4) The provisions of this section shall not be construed to
54 prohibit any retiree, regardless of age, from being employed and
55 drawing a retirement allowance either:

56 (a) For a period of time not to exceed one-half (1/2)
57 of the normal working days for the position in any fiscal year
58 during which the retiree will receive no more than one-half (1/2)
59 of the salary in effect for the position at the time of
60 employment, or

61 (b) For a period of time in any fiscal year sufficient
62 in length to permit a retiree to earn not in excess of twenty-five
63 percent (25%) of retiree's average compensation.

64 To determine the normal working days for a position under
65 paragraph (a) of this subsection, the employer shall determine the
66 required number of working days for the position on a full-time
67 basis and the equivalent number of hours representing the
68 full-time position. The retiree then may work up to one-half
69 (1/2) of the required number of working days or up to one-half
70 (1/2) of the equivalent number of hours and receive up to one-half
71 (1/2) of the salary for the position. In the case of employment
72 with multiple employers, the limitation shall equal one-half (1/2)
73 of the number of days or hours for a single full-time position.

74 Notice shall be given in writing to the executive director,
75 setting forth the facts upon which the employment is being made,



and the notice shall be given within five (5) days from the date of employment and also from the date of termination of the employment.

(5) The provisions of this section shall not be construed to prohibit a retiree, regardless of age, from being employed in a position for which the employer has a critical need for or shortage of employees and drawing the full amount of the retiree's retirement allowance, during which time the retiree may work the full number of normal working days for the position and receive the full amount of the salary in effect for the position at the time of employment, subject to the following conditions: Before a retiree may be employed in a position under this subsection, the employer must provide (a) satisfactory evidence with quantifiable numbers to the Public Employees' Retirement System of the existence of a critical need for or shortage of employees in the employer's agency, department, institution or political subdivision, and (b) satisfactory evidence that the employee has the education and experience necessary for the position for which there is a critical need or shortage and in which he or she will be employed. A retired teacher who is eligible to return to work as a teacher in accordance with Section 25-11-126 shall not be eligible to return to work as a teacher under the provisions of this subsection (5).

(6) Except as otherwise provided in subsection (* * *7) of this section, the employer of any person who is receiving a



retirement allowance and who is employed in service covered by subsection (4) and (5) of this section as an employee or a contractual employee shall pay to the board the full amount of the employer's contribution on the amount of compensation received by the retiree for his or her employment in accordance with regulations prescribed by the board. The retiree shall not receive any additional creditable service in the retirement system as a result of the payment of the employer's contribution. This subsection does not apply to persons who are receiving a retirement allowance and who contract with an employer to provide services as a true independent contractor, as defined by the board through regulation.

(* * *7) (a) A member may retire and continue in municipal or county elective office provided that the member has reached the age and/or service requirement that will not result in a prohibited in-service distribution as defined by the Internal Revenue Service, or a retiree may be elected to a municipal or county office, provided that the person:

(i) Files annually, in writing, in the office of the employer and the office of the executive director of the system before the person takes office or as soon as possible after retirement, a waiver of all salary or compensation and elects to receive in lieu of that salary or compensation a retirement allowance as provided in this section, in which event no salary or compensation shall thereafter be due or payable for those



services; however, any such officer or employee may receive, in addition to the retirement allowance, office expense allowance, mileage or travel expense authorized by any statute of the State of Mississippi; or

(ii) Elects to receive compensation for that elective office in an amount not to exceed twenty-five percent (25%) of the retiree's average compensation. In order to receive compensation as allowed in this subparagraph, the retiree shall file annually, in writing, in the office of the employer and the office of the executive director of the system, an election to receive, in addition to a retirement allowance, compensation as allowed in this subparagraph.

(b) The municipality or county in which the retired person holds elective office shall pay to the board the amount of the employer's contributions on the full amount of the regular compensation for the elective office that the retired person holds.

(c) As used in this subsection, the term "compensation" does not include office expense allowance, mileage or travel expense authorized by a statute of the State of Mississippi.

(* * *8) Any retired teacher who returns to work in accordance with this section shall not be eligible to return to work under the provisions of Section 25-11-126.

SECTION 2. This act shall take effect and be in force from and after July 1, 2025.

