

By: Senator(s) Tollison (By Request)

To: Finance

SENATE BILL NO. 2347

1 AN ACT TO AMEND SECTION 25-11-111, MISSISSIPPI CODE OF 1972,
2 TO PROVIDE THAT ANY MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT
3 SYSTEM REGARDLESS OF AGE, WHO WAS EMPLOYED AS A LAW ENFORCEMENT
4 OFFICER AT THE TIME OF SUCH EMPLOYEES' WITHDRAWAL FROM SERVICE,
5 MAY RETIRE IF SUCH EMPLOYEE HAS COMPLETED AT LEAST 20 YEARS OF
6 CREDITABLE SERVICE AS A LAW ENFORCEMENT OFFICER AT THE TIME OF
7 SUCH WITHDRAWAL FROM SERVICE; AND FOR RELATED PURPOSES.

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

9 SECTION 1. Section 25-11-111, Mississippi Code of 1972, is
10 amended as follows:

11 25-11-111. (a) (1) Except as otherwise provided in this
12 subsection, any member upon withdrawal from service upon or after
13 attainment of the age of sixty (60) years who shall have completed
14 at least four (4) years of creditable service, or any member upon
15 withdrawal from service regardless of age who shall have completed
16 at least twenty-five (25) years of creditable service, shall be
17 entitled to receive a retirement allowance computed in accordance
18 with the formula set forth in this section which shall begin on
19 the first of the month following the date the member's application
20 for the allowance is received by the board, but in no event before
21 withdrawal from service.

22 (2) Any member upon withdrawal from service, regardless
23 of age, who was employed as a law enforcement officer and
24 certified as a law enforcement officer under Chapter 6, Title 45,
25 Mississippi Code of 1972, at the time of such withdrawal from
26 service and who has completed at least twenty (20) years of
27 creditable service as a law enforcement officer, shall be entitled
28 to receive a retirement allowance computed in accordance with the
29 formula set forth in this section which shall begin on the first



30 of the month following the date the member's application for the
31 said allowance is received by the board, but in no event before
32 withdrawal from service.

33 (b) Any member whose withdrawal from service occurs prior to
34 attaining the age of sixty (60) years who shall have completed
35 four (4) or more years of creditable service and shall not have
36 received a refund of his accumulated contributions shall be
37 entitled to receive a retirement allowance, beginning upon his
38 attaining the age of sixty (60) years, of the amount earned and
39 accrued at the date of withdrawal from service.

40 (c) Any member in service who has qualified for retirement
41 benefits may select any optional method of settlement of
42 retirement benefits by notifying the Executive Director of the
43 Board of Trustees of the Public Employees' Retirement System in
44 writing, on a form prescribed by the board, of the option he has
45 selected and by naming the beneficiary of such option and
46 furnishing necessary proof of age. Such option, once selected,
47 may be changed at any time prior to actual retirement or death,
48 but upon the death or retirement of the member, the optional
49 settlement shall be placed in effect upon proper notification to
50 the executive director.

51 (d) The annual amount of the retirement allowance shall
52 consist of:

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

57 (2) An employer's annuity which, together with the
58 member's annuity provided above, shall be equal to one and
59 seven-eighths percent (1-7/8%) of the average compensation for
60 each year of state service up to and including twenty-five (25)
61 years of membership service, and two and one-fourth percent
62 (2-1/4%) of the average compensation for each year of state



63 service exceeding twenty-five (25) years of membership service.
64 However, after the board of trustees has begun implementing the
65 changes in the computation of the retirement allowance as provided
66 in subsection (e), the employer's annuity shall be equal to:

67 (i) One and seven-eighths percent (1-7/8%) of the
68 average compensation for each year of membership service up to and
69 including the number of years specified in Column A of the table
70 in subsection (e) for the latest phase that has been implemented,
71 and

72 (ii) Two percent (2%) of the average compensation
73 for each year of membership service exceeding the number of years
74 specified in Column A of the table in subsection (e) for the
75 latest phase that has been implemented up to and including
76 twenty-five (25) years, and

77 (iii) The percentage of the average compensation
78 specified in Column B of the table in subsection (e) for the
79 latest phase that has been implemented for each year of membership
80 service exceeding twenty-five (25) years.

81 (3) A prior service annuity equal to one and
82 seven-eighths percent (1-7/8%) of the average compensation for
83 each year of state service up to and including twenty-five (25)
84 years of prior service, and two and one-fourth percent (2-1/4%) of
85 the average compensation for each year of state service exceeding
86 twenty-five (25) years of prior service for which the member is
87 allowed credit. However, after the board of trustees has begun
88 implementing the changes in the computation of the retirement
89 allowance as provided in subsection (e), the prior service annuity
90 shall be equal to:

91 (i) One and seven-eighths percent (1-7/8%) of the
92 average compensation for each year of prior service up to and
93 including the number of years specified in Column A of the table
94 in subsection (e) for the latest phase that has been implemented,
95 and



96 (ii) Two percent (2%) of the average compensation
97 for each year of prior service exceeding the number of years
98 specified in Column A of the table in subsection (e) for the
99 latest phase that has been implemented up to and including
100 twenty-five (25) years, and

101 (iii) The percentage of the average compensation
102 specified in Column B of the table in subsection (e) for the
103 latest phase that has been implemented for each year of prior
104 service exceeding twenty-five (25) years.

105 (4) Any retired member or beneficiary thereof who was
106 eligible to receive a retirement allowance before July 1, 1991,
107 and who is still receiving a retirement allowance on July 1, 1992,
108 shall receive an increase in the annual retirement allowance of
109 the retired member equal to one-eighth of one percent (1/8 of 1%)
110 of the average compensation for each year of state service in
111 excess of twenty-five (25) years of membership service up to and
112 including thirty (30) years. The maximum increase shall be
113 five-eighths of one percent (5/8 of 1%). In no case shall a
114 member who has been retired prior to July 1, 1987, receive less
115 than Ten Dollars (\$10.00) per month for each year of creditable
116 service and proportionately for each quarter year thereof.
117 Persons retired on or after July 1, 1987, shall receive at least
118 Ten Dollars (\$10.00) per month for each year of service and
119 proportionately for each quarter year thereof reduced for the
120 option selected. However, such Ten Dollars (\$10.00) minimum per
121 month for each year of creditable service shall not apply to a
122 retirement allowance computed under Section 25-11-114 based on a
123 percentage of the member's average compensation.

124 (5) The board shall recalculate the retirement
125 allowance of any member or the beneficiary of such a member, if
126 the member or beneficiary is eligible to receive a retirement
127 allowance before July 1, 1999, by using the criteria in paragraphs
128 (2) and (3) of this subsection (d) that provides for two and



129 one-fourth percent (2-1/4%) of the average compensation for each
130 year of service exceeding twenty-five (25) years.

131 (6) * * * The retirement allowance otherwise payable
132 may be converted into a retirement allowance of equivalent
133 actuarial value in such an amount that, with the member's benefit
134 under Title II of the federal Social Security Act, the member will
135 receive, so far as possible, approximately the same amount
136 annually before and after the earliest age at which the member
137 becomes eligible to receive a social security benefit.

138 (e) Beginning on July 1, 2000, the board of trustees shall
139 implement changes in the computation of the amount of the annual
140 retirement allowance, which changes shall be implemented in phases
141 as set forth in the table in this subsection. The board of
142 trustees shall implement the phases systematically upon July 1
143 after the board's actuary certifies that implementation of a phase
144 will not cause the unfunded accrued actuarial liability
145 amortization period for the retirement system to exceed twenty-two
146 (22) years. The board of trustees shall have the exclusive
147 authority to set the assumptions that are used in the actuarial
148 evaluation in accordance with Section 25-11-119(9). The board of
149 trustees shall recalculate the retirement allowance of any retired
150 member or beneficiary of such a member as each phase is
151 implemented.

152 RETIREMENT ALLOWANCE COMPUTATION

153 IMPLEMENTATION TABLE

154	(A)	(B)
155 PHASE	2% FOR YEARS	PERCENTAGE
156	ABOVE THIS	FOR YEARS
157	NUMBER AND	ABOVE 25
158	≤25 YEARS	YEARS
159	<hr/>	
160	Phase 1	20 years 2.250%
161	Phase 2	15 years 2.250%



162	Phase 3	10 years	2.250%
163	Phase 4	5 years	2.250%
164	Phase 5	0 years	2.250%
165	Phase 6	0 years	2.375%
166	Phase 7	0 years	2.500%

167 Column A shows the years to which two percent (2%) is
168 applicable in computing the retirement allowance, which are all
169 the years of service exceeding the number specified in Column A
170 for the phase that has been implemented up to and including
171 twenty-five (25) years.

172 Column B shows the percentage that is applicable to the
173 number of years of service exceeding twenty-five (25) years in
174 computing the retirement allowance.

175 (f) No member, except members excluded by the Age
176 Discrimination in Employment Act Amendments of 1986 (Public Law
177 99-592), under either Article 1 or Article 3 in state service
178 shall be required to retire because of age.

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

182 (h) (1) A retiree or beneficiary may, on a form prescribed
183 by and filed with the retirement system, irrevocably waive all or
184 a portion of any benefits from the retirement system to which the
185 retiree or beneficiary is entitled. Such waiver shall be binding
186 on the heirs and assigns of any retiree or beneficiary and the
187 same must agree to forever hold harmless the Public Employees'
188 Retirement System of Mississippi from any claim to such waived
189 retirement benefits.

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



194 the option of the beneficiary, execute a waiver of benefits
195 pursuant to this subsection.

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

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

202 SECTION 2. This act shall take effect and be in force from
203 and after July 1, 2001.

