

By: Representative Montgomery (15th)

To: Appropriations

HOUSE BILL NO. 497

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,  
 2 TO ALLOW ANY MEMBER OF THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO  
 3 IS A TEACHER OF VOCATIONAL EDUCATION IN A MISSISSIPPI PUBLIC  
 4 SCHOOL TO RECEIVE CREDITABLE SERVICE FOR WORK EXPERIENCE IN THE  
 5 PRIVATE SECTOR IN THE SAME FIELD OF THE MEMBER'S VOCATIONAL  
 6 EDUCATION INSTRUCTION BEFORE BECOMING A VOCATIONAL EDUCATION  
 7 TEACHER; TO PROVIDE THAT THE MEMBER WILL RECEIVE FOUR MONTHS OF  
 8 CREDITABLE SERVICE FOR EVERY TWELVE MONTHS OF WORK EXPERIENCE; TO  
 9 REQUIRE THE MEMBER TO PAY TO THE RETIREMENT SYSTEM THE ACTUARIAL  
 10 COST OF THAT CREDITABLE SERVICE; AND FOR RELATED PURPOSES.

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

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

14 25-11-109. (1) Under such rules and regulations as the  
 15 board of trustees shall adopt, each person who becomes a member of  
 16 this retirement system, as provided in Section 25-11-105, on or  
 17 prior to July 1, 1953, or who becomes a member and contributes to  
 18 the system for a minimum period of four (4) years, shall receive  
 19 credit for all state service rendered before February 1, 1953. To  
 20 receive such credit, such member shall file a detailed statement  
 21 of all services as an employee rendered by him in the state  
 22 service before February 1, 1953. For any member who joined the  
 23 system after July 1, 1953, any creditable service for which the  
 24 member is not required to make contributions shall not be credited  
 25 to the member until the member has contributed to the system for a  
 26 minimum period of at least four (4) years.

27 (2) In the computation of membership service or prior  
 28 service under the provisions of this article, the total months of  
 29 accumulative service during any fiscal year shall be calculated in  
 30 accordance with the schedule as follows: ten (10) or more months  
 31 of creditable service during any fiscal year shall constitute a



32 year of creditable service; seven (7) months to nine (9) months  
33 inclusive, three-quarters (3/4) of a year of creditable service;  
34 four (4) months to six (6) months inclusive, one-half-year of  
35 creditable service; one (1) month to three (3) months inclusive,  
36 one-quarter (1/4) of a year of creditable service. In no case  
37 shall credit be allowed for any period of absence without  
38 compensation except for disability while in receipt of a  
39 disability retirement allowance, nor shall less than fifteen (15)  
40 days of service in any month, or service less than the equivalent  
41 of one-half (1/2) of the normal working load for the position and  
42 less than one-half (1/2) of the normal compensation for the  
43 position in any month, constitute a month of creditable service,  
44 nor shall more than one (1) year of service be creditable for all  
45 services rendered in any one (1) fiscal year; provided that for a  
46 school employee, substantial completion of the legal school term  
47 when and where the service was rendered shall constitute a year of  
48 service credit for both prior service and membership service. Any  
49 state or local elected official shall be deemed a full-time  
50 employee for the purpose of creditable service for prior service  
51 or membership service. However, an appointed or elected official  
52 compensated on a per diem basis only shall not be allowed  
53 creditable service for terms of office.

54 In the computation of any retirement allowance or any annuity  
55 or benefits provided in this article, any fractional period of  
56 service of less than one (1) year shall be taken into account and  
57 a proportionate amount of such retirement allowance, annuity or  
58 benefit shall be granted for any such fractional period of  
59 service.

60 In the computation of unused leave for creditable service  
61 authorized in Section 25-11-103, the following shall govern:  
62 twenty-one (21) days of unused leave shall constitute one (1)  
63 month of creditable service and in no case shall credit be allowed  
64 for any period of unused leave of less than fifteen (15) days.



65 The number of months of unused leave shall determine the number of  
66 quarters or years of creditable service in accordance with the  
67 above schedule for membership and prior service. In order for the  
68 member to receive creditable service for the number of days of  
69 unused leave, the system must receive certification from the  
70 governing authority.

71 For the purpose of this subsection, for members of the system  
72 who are elected officers and who retire on or after July 1, 1987,  
73 the following shall govern:

74 (a) For service prior to July 1, 1984, the members  
75 shall receive credit for leave (combined personal and major  
76 medical) for service as an elected official prior to that date at  
77 the rate of thirty (30) days per year.

78 (b) For service on and after July 1, 1984, the member  
79 shall receive credit for personal and major medical leave  
80 beginning July 1, 1984, at the rates authorized in Sections  
81 25-3-93 and 25-3-95, computed as a full-time employee.

82 (3) Subject to the above restrictions and to such other  
83 rules and regulations as the board may adopt, the board shall  
84 verify, as soon as practicable after the filing of such statements  
85 of service, the services therein claimed.

86 (4) Upon verification of the statement of prior service, the  
87 board shall issue a prior service certificate certifying to each  
88 member the length of prior service for which credit shall have  
89 been allowed on the basis of his statement of service. So long as  
90 membership continues, a prior service certificate shall be final  
91 and conclusive for retirement purposes as to such service,  
92 provided that any member may within five (5) years from the date  
93 of issuance or modification of such certificate request the board  
94 of trustees to modify or correct his prior service certificate.  
95 Any modification or correction authorized shall only apply  
96 prospectively.



97           When membership ceases, such prior service certificates shall  
98 become void. Should the employee again become a member, he shall  
99 enter the system as an employee not entitled to prior service  
100 credit except as provided in Sections 25-11-105(I), 25-11-113 and  
101 25-11-117.

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

108           (6) Anything in this article to the contrary  
109 notwithstanding, any member who served on active duty in the Armed  
110 Forces of the United States, or who served in maritime service  
111 during periods of hostility in World War II, shall be entitled to  
112 creditable service at no cost for his service on active duty in  
113 the Armed Forces or in such maritime service, provided he entered  
114 state service after his discharge from the Armed Forces or entered  
115 state service after he completed such maritime service. The  
116 maximum period for such creditable service for all military  
117 service as defined in this subsection (6) shall not exceed four  
118 (4) years unless positive proof can be furnished by such person  
119 that he was retained in the Armed Forces during World War II or in  
120 maritime service during World War II by causes beyond his control  
121 and without opportunity of discharge. The member shall furnish  
122 proof satisfactory to the board of trustees of certification of  
123 military service or maritime service records showing dates of  
124 entrance into active duty service and the date of discharge. From  
125 and after July 1, 1993, no creditable service shall be granted for  
126 any military service or maritime service to a member who qualifies  
127 for a retirement allowance in another public retirement system  
128 administered by the Board of Trustees of the Public Employees'  
129 Retirement System based in whole or in part on such military or



130 maritime service. In no case shall the member receive creditable  
131 service if the member received a dishonorable discharge from the  
132 Armed Forces of the United States.

133 (7) (a) Any member of the Public Employees' Retirement  
134 System whose membership service is interrupted as a result of  
135 qualified military service within the meaning of Section 414(u)(5)  
136 of the Internal Revenue Code, and who has received the maximum  
137 service credit available under subsection (6) of this section,  
138 shall receive creditable service for the period of qualified  
139 military service that does not qualify as creditable service under  
140 subsection (6) of this section upon reentering membership service  
141 in an amount not to exceed five (5) years if:

142 (i) The member pays the contributions he would  
143 have made to the retirement system if he had remained in  
144 membership service for the period of qualified military service  
145 based upon his salary at the time his membership service was  
146 interrupted;

147 (ii) The member returns to membership service  
148 within ninety (90) days of the end of his qualified military  
149 service; and

150 (iii) The employer at the time the member's  
151 service was interrupted and to which employment the member returns  
152 pays the contributions it would have made into the retirement  
153 system for such period based on the member's salary at the time  
154 the service was interrupted.

155 (b) The payments required to be made in paragraph  
156 (a)(i) of this subsection may be made over a period beginning with  
157 the date of return to membership service and not exceeding three  
158 (3) times the member's qualified military service; provided,  
159 however, that in no event shall such period exceed fifteen (15)  
160 years.

161 (c) The member shall furnish proof satisfactory to the  
162 board of trustees of certification of military service showing



163 dates of entrance into qualified service and the date of discharge  
164 as well as proof that the member has returned to active employment  
165 within the time specified.

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

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

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

187 (c) The member shall pay to the retirement system on  
188 the date he or she is eligible for credit for such out-of-state  
189 service or at any time thereafter prior to date of retirement the  
190 actuarial cost as determined by the actuary for each year of  
191 out-of-state creditable service. The provisions of this  
192 subsection are subject to the limitations of Section 415 of the  
193 Internal Revenue Code and regulations promulgated thereunder.

194 (9) Any member of the Public Employees' Retirement System  
195 who has at least four (4) years of membership service credit and



196 who receives, or has received, professional leave without  
197 compensation for professional purposes directly related to the  
198 employment in state service shall receive creditable service for  
199 the period of professional leave without compensation provided:

200 (a) The professional leave is performed with a public  
201 institution or public agency of this state, or another state or  
202 federal agency;

203 (b) The employer approves the professional leave  
204 showing the reason for granting the leave and makes a  
205 determination that the professional leave will benefit the  
206 employee and employer;

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

209 (d) The employee shall serve the employer on a  
210 full-time basis for a period of time equivalent to the  
211 professional leave period granted immediately following the  
212 termination of the leave period;

213 (e) The contributing member shall pay to the retirement  
214 system the actuarial cost as determined by the actuary for each  
215 year of professional leave. The provisions of this subsection are  
216 subject to the regulations of the Internal Revenue Code  
217 limitations;

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

221 Any actively contributing member participating in the School  
222 Administrator Sabbatical Program established in Section 37-9-77  
223 shall qualify for continued participation under this subsection  
224 (9).

225 (10) Any member of the Public Employees' Retirement System  
226 who has at least four (4) years of credited membership service  
227 shall be entitled to receive a maximum of ten (10) years  
228 creditable service for:



229 (a) Any service rendered as an employee of any  
230 political subdivision of this state, or any instrumentality  
231 thereof, which does not participate in the Public Employees'  
232 Retirement System; or

233 (b) Any service rendered as an employee of any  
234 political subdivision of this state, or any instrumentality  
235 thereof, which participates in the Public Employees' Retirement  
236 System but did not elect retroactive coverage; or

237 (c) Any service rendered as an employee of any  
238 political subdivision of this state, or any instrumentality  
239 thereof, for which coverage of the employee's position was or is  
240 excluded; provided that the member pays into the retirement system  
241 the actuarial cost as determined by the actuary for each year, or  
242 portion thereof, of such service. Payment for such service may be  
243 made in increments of one-quarter-year of creditable service.  
244 After a member has made full payment to the retirement system for  
245 all or any part of such service, the member shall receive  
246 creditable service for the period of such service for which full  
247 payment has been made to the retirement system.

248 (11) Any member of the Public Employees' Retirement System  
249 who is a teacher of vocational education in a public school  
250 located in Mississippi and who has at least four (4) years of  
251 membership service credit shall be entitled to receive a maximum  
252 of five (5) years creditable service for work experience in the  
253 private sector in the same field of the member's vocational  
254 education instruction before becoming a vocational education  
255 teacher, provided that:

256 (a) The member will receive four (4) months of  
257 creditable service for every twelve (12) months of work  
258 experience, and a proportional amount of creditable service for  
259 work experience for periods of less than twelve (12) months; and

260 (b) The member must furnish proof satisfactory to the  
261 board of trustees verifying the member's work experience; and





262           (c) The member is not receiving or will not be entitled  
263 to receive from any other retirement system or plan, including  
264 optional retirement plans sponsored by the employer, a retirement  
265 allowance that includes the member's work experience; and

266           (d) The member shall pay to the retirement system on  
267 the date he or she is eligible for credit for the work experience  
268 or at any time thereafter before the date of retirement the  
269 actuarial cost as determined by the actuary for each year, or  
270 portion thereof, of that creditable service. Payment for that  
271 creditable service may be made in increments of one-fourth (1/4)  
272 year of creditable service. The provisions of this subsection are  
273 subject to the limitations of Section 415 of the Internal Revenue  
274 Code and regulations promulgated under that section.

275           **SECTION 2.** This act shall take effect and be in force from  
276 and after July 1, 2002.

