

By: Representative Moak

To: Appropriations

HOUSE BILL NO. 550

1 AN ACT TO AMEND SECTION 25-11-109, MISSISSIPPI CODE OF 1972,  
 2 TO AUTHORIZE ELECTED OFFICIALS WHOSE SALARY IS PAID BY THE STATE  
 3 OF MISSISSIPPI AND WHO ARE MEMBERS OF THE PUBLIC EMPLOYEES'  
 4 RETIREMENT SYSTEM TO RECEIVE ONE-HALF YEAR OF ADDITIONAL  
 5 CREDITABLE SERVICE FOR EACH YEAR OF SERVICE AS SUCH AN ELECTED  
 6 OFFICIAL AFTER JANUARY 1, 2003, UP TO A MAXIMUM OF EIGHT YEARS OF  
 7 ADDITIONAL CREDITABLE SERVICE; TO REQUIRE THOSE MEMBERS TO MAKE AN  
 8 ANNUAL ELECTION TO PURCHASE ADDITIONAL CREDITABLE SERVICE FOR THE  
 9 UPCOMING YEAR; TO REQUIRE THOSE MEMBERS TO PAY ADDITIONAL EMPLOYEE  
 10 CONTRIBUTIONS DURING ANY YEAR FOR WHICH HE OR SHE HAS ELECTED TO  
 11 PURCHASE ADDITIONAL CREDITABLE SERVICE, IN AN AMOUNT EQUAL TO 50%  
 12 OF THE COMBINED TOTAL OF THE EMPLOYEE AND EMPLOYER CONTRIBUTIONS  
 13 THAT ARE PAID ON THE MEMBER'S EARNED COMPENSATION; TO AUTHORIZE  
 14 ELECTED OFFICIALS HOLDING OFFICE ON JULY 1, 2002, WHOSE SALARY IS  
 15 PAID BY THE STATE OF MISSISSIPPI AND WHO ARE MEMBERS OF THE PUBLIC  
 16 EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE ONE-HALF YEAR OF  
 17 CREDITABLE SERVICE FOR EACH YEAR SERVED AS SUCH AN ELECTED  
 18 OFFICIAL BEFORE JANUARY 1, 2003, UP TO A MAXIMUM OF EIGHT YEARS OF  
 19 ADDITIONAL CREDITABLE SERVICE; TO REQUIRE THOSE MEMBERS TO PAY AN  
 20 AMOUNT EQUAL TO 50% OF THE COMBINED TOTAL OF THE EMPLOYEE AND  
 21 EMPLOYER CONTRIBUTIONS THAT WOULD HAVE BEEN PAID ON HIS OR HER  
 22 EARNED COMPENSATION FOR EACH YEAR OF ADDITIONAL CREDITABLE SERVICE  
 23 THAT THE MEMBER PURCHASES; TO REQUIRE THOSE MEMBERS TO PURCHASE  
 24 ALL ADDITIONAL CREDITABLE SERVICE UNDER THIS PROVISION BEFORE  
 25 JANUARY 1, 2004; AND FOR RELATED PURPOSES.

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

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

29 25-11-109. (1) Under such rules and regulations as the  
 30 board of trustees shall adopt, each person who becomes a member of  
 31 this retirement system, as provided in Section 25-11-105, on or  
 32 prior to July 1, 1953, or who becomes a member and contributes to  
 33 the system for a minimum period of four (4) years, shall receive  
 34 credit for all state service rendered before February 1, 1953. To  
 35 receive such credit, such member shall file a detailed statement  
 36 of all services as an employee rendered by him in the state  
 37 service before February 1, 1953. For any member who joined the  
 38 system after July 1, 1953, any creditable service for which the



39 member is not required to make contributions shall not be credited  
40 to the member until the member has contributed to the system for a  
41 minimum period of at least four (4) years.

42 (2) In the computation of membership service or prior  
43 service under the provisions of this article, the total months of  
44 accumulative service during any fiscal year shall be calculated in  
45 accordance with the schedule as follows: ten (10) or more months  
46 of creditable service during any fiscal year shall constitute a  
47 year of creditable service; seven (7) months to nine (9) months  
48 inclusive, three-quarters (3/4) of a year of creditable service;  
49 four (4) months to six (6) months inclusive, one-half-year of  
50 creditable service; one (1) month to three (3) months inclusive,  
51 one-quarter (1/4) of a year of creditable service. In no case  
52 shall credit be allowed for any period of absence without  
53 compensation except for disability while in receipt of a  
54 disability retirement allowance, nor shall less than fifteen (15)  
55 days of service in any month, or service less than the equivalent  
56 of one-half (1/2) of the normal working load for the position and  
57 less than one-half (1/2) of the normal compensation for the  
58 position in any month, constitute a month of creditable service,  
59 nor shall more than one (1) year of service be creditable for all  
60 services rendered in any one (1) fiscal year; provided that for a  
61 school employee, substantial completion of the legal school term  
62 when and where the service was rendered shall constitute a year of  
63 service credit for both prior service and membership service. Any  
64 state or local elected official shall be deemed a full-time  
65 employee for the purpose of creditable service for prior service  
66 or membership service. However, an appointed or elected official  
67 compensated on a per diem basis only shall not be allowed  
68 creditable service for terms of office.

69 In the computation of any retirement allowance or any annuity  
70 or benefits provided in this article, any fractional period of  
71 service of less than one (1) year shall be taken into account and



72 a proportionate amount of such retirement allowance, annuity or  
73 benefit shall be granted for any such fractional period of  
74 service.

75 In the computation of unused leave for creditable service  
76 authorized in Section 25-11-103, the following shall govern:  
77 twenty-one (21) days of unused leave shall constitute one (1)  
78 month of creditable service and in no case shall credit be allowed  
79 for any period of unused leave of less than fifteen (15) days.  
80 The number of months of unused leave shall determine the number of  
81 quarters or years of creditable service in accordance with the  
82 above schedule for membership and prior service. In order for the  
83 member to receive creditable service for the number of days of  
84 unused leave, the system must receive certification from the  
85 governing authority.

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

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

93 (b) For service on and after July 1, 1984, the member  
94 shall receive credit for personal and major medical leave  
95 beginning July 1, 1984, at the rates authorized in Sections  
96 25-3-93 and 25-3-95, computed as a full-time employee.

97 (3) Subject to the above restrictions and to such other  
98 rules and regulations as the board may adopt, the board shall  
99 verify, as soon as practicable after the filing of such statements  
100 of service, the services therein claimed.

101 (4) Upon verification of the statement of prior service, the  
102 board shall issue a prior service certificate certifying to each  
103 member the length of prior service for which credit shall have  
104 been allowed on the basis of his statement of service. So long as



105 membership continues, a prior service certificate shall be final  
106 and conclusive for retirement purposes as to such service,  
107 provided that any member may within five (5) years from the date  
108 of issuance or modification of such certificate request the board  
109 of trustees to modify or correct his prior service certificate.  
110 Any modification or correction authorized shall only apply  
111 prospectively.

112         When membership ceases, such prior service certificates shall  
113 become void. Should the employee again become a member, he shall  
114 enter the system as an employee not entitled to prior service  
115 credit except as provided in Sections 25-11-105(I), 25-11-113 and  
116 25-11-117.

117         (5) Creditable service at retirement, on which the  
118 retirement allowance of a member shall be based, shall consist of  
119 the membership service rendered by him since he last became a  
120 member, and also, if he has a prior service certificate which is  
121 in full force and effect, the amount of the service certified on  
122 his prior service certificate.

123         (6) Anything in this article to the contrary  
124 notwithstanding, any member who served on active duty in the Armed  
125 Forces of the United States, or who served in maritime service  
126 during periods of hostility in World War II, shall be entitled to  
127 creditable service at no cost for his service on active duty in  
128 the Armed Forces or in such maritime service, provided he entered  
129 state service after his discharge from the Armed Forces or entered  
130 state service after he completed such maritime service. The  
131 maximum period for such creditable service for all military  
132 service as defined in this subsection (6) shall not exceed four  
133 (4) years unless positive proof can be furnished by such person  
134 that he was retained in the Armed Forces during World War II or in  
135 maritime service during World War II by causes beyond his control  
136 and without opportunity of discharge. The member shall furnish  
137 proof satisfactory to the board of trustees of certification of



138 military service or maritime service records showing dates of  
139 entrance into active duty service and the date of discharge. From  
140 and after July 1, 1993, no creditable service shall be granted for  
141 any military service or maritime service to a member who qualifies  
142 for a retirement allowance in another public retirement system  
143 administered by the Board of Trustees of the Public Employees'  
144 Retirement System based in whole or in part on such military or  
145 maritime service. In no case shall the member receive creditable  
146 service if the member received a dishonorable discharge from the  
147 Armed Forces of the United States.

148       (7) (a) Any member of the Public Employees' Retirement  
149 System whose membership service is interrupted as a result of  
150 qualified military service within the meaning of Section 414(u)(5)  
151 of the Internal Revenue Code, and who has received the maximum  
152 service credit available under subsection (6) of this section,  
153 shall receive creditable service for the period of qualified  
154 military service that does not qualify as creditable service under  
155 subsection (6) of this section upon reentering membership service  
156 in an amount not to exceed five (5) years if:

157               (i) The member pays the contributions he would  
158 have made to the retirement system if he had remained in  
159 membership service for the period of qualified military service  
160 based upon his salary at the time his membership service was  
161 interrupted;

162               (ii) The member returns to membership service  
163 within ninety (90) days of the end of his qualified military  
164 service; and

165               (iii) The employer at the time the member's  
166 service was interrupted and to which employment the member returns  
167 pays the contributions it would have made into the retirement  
168 system for such period based on the member's salary at the time  
169 the service was interrupted.



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

176           (c) The member shall furnish proof satisfactory to the  
177 board of trustees of certification of military service showing  
178 dates of entrance into qualified service and the date of discharge  
179 as well as proof that the member has returned to active employment  
180 within the time specified.

181           (8) Any member of the Public Employees' Retirement System  
182 who has at least four (4) years of membership service credit shall  
183 be entitled to receive a maximum of five (5) years creditable  
184 service for service rendered in another state as a public employee  
185 of such other state, or a political subdivision, public education  
186 system or other governmental instrumentality thereof, or service  
187 rendered as a teacher in American overseas dependent schools  
188 conducted by the Armed Forces of the United States for children of  
189 citizens of the United States residing in areas outside the  
190 continental United States, provided that:

191           (a) The member shall furnish proof satisfactory to the  
192 board of trustees of certification of such services from the  
193 state, public education system, political subdivision or  
194 retirement system of the state where the services were performed  
195 or the governing entity of the American overseas dependent school  
196 where the services were performed; and

197           (b) The member is not receiving or will not be entitled  
198 to receive from the public retirement system of the other state or  
199 from any other retirement plan, including optional retirement  
200 plans, sponsored by the employer, a retirement allowance including  
201 such services; and



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

209           (9) Any member of the Public Employees' Retirement System  
210 who has at least four (4) years of membership service credit and  
211 who receives, or has received, professional leave without  
212 compensation for professional purposes directly related to the  
213 employment in state service shall receive creditable service for  
214 the period of professional leave without compensation provided:

215           (a) The professional leave is performed with a public  
216 institution or public agency of this state, or another state or  
217 federal agency;

218           (b) The employer approves the professional leave  
219 showing the reason for granting the leave and makes a  
220 determination that the professional leave will benefit the  
221 employee and employer;

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

224           (d) The employee shall serve the employer on a  
225 full-time basis for a period of time equivalent to the  
226 professional leave period granted immediately following the  
227 termination of the leave period;

228           (e) The contributing member shall pay to the retirement  
229 system the actuarial cost as determined by the actuary for each  
230 year of professional leave. The provisions of this subsection are  
231 subject to the regulations of the Internal Revenue Code  
232 limitations;



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

236           Any actively contributing member participating in the School  
237 Administrator Sabbatical Program established in Section 37-9-77  
238 shall qualify for continued participation under this subsection  
239 (9).

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

244           (a) Any service rendered as an employee of any  
245 political subdivision of this state, or any instrumentality  
246 thereof, which does not participate in the Public Employees'  
247 Retirement System; or

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

252           (c) Any service rendered as an employee of any  
253 political subdivision of this state, or any instrumentality  
254 thereof, for which coverage of the employee's position was or is  
255 excluded; provided that the member pays into the retirement system  
256 the actuarial cost as determined by the actuary for each year, or  
257 portion thereof, of such service. Payment for such service may be  
258 made in increments of one-quarter-year of creditable service.  
259 After a member has made full payment to the retirement system for  
260 all or any part of such service, the member shall receive  
261 creditable service for the period of such service for which full  
262 payment has been made to the retirement system.

263           (11) Any member of the Public Employees' Retirement System  
264 who is an elected official whose salary is paid by the State of  
265 Mississippi shall be entitled to receive additional creditable





266 service for each year served as such an elected official after  
267 January 1, 2003, as follows:

268 (a) The member may purchase one-half (1/2) year of  
269 creditable service for each year of service as such an elected  
270 official, up to a maximum of eight (8) years of additional  
271 creditable service;

272 (b) The member must make an election to purchase  
273 additional creditable service for the upcoming year by January 1  
274 of the year in which he or she takes office or by January 1 of  
275 each succeeding year during the member's term of office. If the  
276 member does not elect to purchase additional creditable service by  
277 January 1 of any year, the member will not receive additional  
278 creditable service for that year and he or she will not be allowed  
279 to retroactively purchase additional creditable service for that  
280 year; and

281 (c) The member must pay additional employee  
282 contributions during any year for which he or she has elected to  
283 purchase additional creditable service, in an amount equal to  
284 fifty percent (50%) of the combined total of the employee and  
285 employer contributions that are paid on the member's earned  
286 compensation. The additional employee contributions shall be  
287 deducted from the salary of the member in the same manner as  
288 regular employee contributions are deducted under Section  
289 25-11-123.

290 (12) Any member of the Public Employees' Retirement System  
291 who is an elected official holding office on July 1, 2002, whose  
292 salary is paid by the State of Mississippi shall be entitled to  
293 receive additional creditable service for each year served as such  
294 an elected official before January 1, 2003, as follows:

295 (a) The member must furnish proof satisfactory to the  
296 board of trustees of certification of that service as such an  
297 elected official;



298           (b) The member may purchase one-half (1/2) year of  
299 creditable service for each year of service as such an elected  
300 official, up to a maximum of eight (8) years of additional  
301 creditable service;

302           (c) The member must pay an amount equal to fifty  
303 percent (50%) of the combined total of the employee and employer  
304 contributions that would have been paid on his or her earned  
305 compensation for each year of additional creditable service that  
306 the member purchases; and

307           (d) The member must make an election to purchase  
308 additional creditable service under this subsection (12) before  
309 January 1, 2003, and must purchase all additional creditable  
310 service under this subsection before January 1, 2005.

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

