

By: Representative Shows

To: Local and Private
LegislationCOMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1656

1 AN ACT TO AUTHORIZE THE GOVERNING AUTHORITIES OF THE CITY OF
2 LAUREL, MISSISSIPPI, TO ESTABLISH THE PAYMENT OF AN ADDITIONAL
3 PAYMENT EACH YEAR TO RETIRED MEMBERS OF THE CITY OF LAUREL FIRE
4 AND POLICE DISABILITY AND RELIEF FUND WHO ARE AGE 60 OR OLDER AND
5 BENEFICIARIES THEREOF; TO PROVIDE THAT THE AMOUNT OF THE
6 ADDITIONAL PAYMENT WILL BE EQUAL TO TWO PERCENT COMPOUNDED BY THE
7 NUMBER OF FULL FISCAL YEARS THAT THE RETIRED MEMBER OR BENEFICIARY
8 HAS ACTUALLY DRAWN RETIREMENT BENEFITS, MULTIPLIED BY THE AMOUNT
9 OF THE ANNUAL RETIREMENT ALLOWANCE, NOT TO EXCEED A TOTAL OF THREE
10 YEARS; TO PROVIDE THAT PAYMENT OF THE ADDITIONAL PAYMENTS MAY NOT
11 BE ESTABLISHED UNLESS THE DISABILITY AND RELIEF FUND CURRENTLY IS
12 ACTUARIALLY SOUND AND WILL REMAIN ACTUARIALLY SOUND IF THE
13 ADDITIONAL PAYMENTS ARE MADE; AND FOR RELATED PURPOSES.

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

15 **SECTION 1.** (1) Subject to the provisions of subsection (3)
16 of this section, the governing authorities of the City of Laurel,
17 Mississippi, in their discretion, are authorized to establish the
18 payment of one (1) additional payment each year to retired members
19 of the City of Laurel Fire and Police Disability and Relief Fund
20 who are age sixty (60) or older, or beneficiaries thereof, who are
21 receiving a retirement or disability allowance under any provision
22 of Section 21-29-101 et seq., Mississippi Code of 1972, and who
23 have received monthly retirement or disability payments for at
24 least one (1) full fiscal year, from July 1 through June 30. The
25 additional payments shall be made from monies accumulated in the
26 City of Laurel Fire and Police Disability and Relief Fund. The
27 additional payment authorized under this section shall be paid in
28 one (1) payment on December 1, 2003, and on the first day of
29 December in every year thereafter, except as otherwise provided by
30 subsection (5) of this section.

31 (2) For members who are retired on July 1, 2003, and are age
32 sixty (60) or older, the amount of the additional payment will be



33 equal to two percent (2%) compounded by the number of full fiscal
34 years after June 30, 2002, that the retired member or beneficiary
35 thereof has actually drawn retirement or disability payments,
36 multiplied by the amount of the annual retirement or disability
37 allowance, not to exceed a total of three (3) years. For all
38 other retired members, the amount of the additional payment will
39 be equal to two percent (2%) compounded by the number of full
40 fiscal years after the June 30 immediately preceding the retired
41 member's sixtieth birthday that the retired member or beneficiary
42 thereof has actually drawn retirement or disability payments,
43 multiplied by the amount of the annual retirement or disability
44 allowance, not to exceed a total of three (3) years. The
45 calculation of the beneficiary's additional payment under this
46 section shall be based on the retired member's age and full fiscal
47 years in retirement as if the retired member had lived.

48 (3) The additional payments authorized under this section
49 shall not be made unless:

50 (a) The City of Laurel Fire and Police Disability and
51 Relief Fund is actuarially sound, as shown by the most recent
52 actuarial study required by Section 21-29-119, Mississippi Code of
53 1972; and

54 (b) The disability and relief fund will remain
55 actuarially sound if the additional payments authorized under this
56 section are made, as shown by a certified statement from the
57 actuarial firm that prepared the most recent actuarial study.

58 (4) The Board of Trustees of the Public Employees'
59 Retirement System shall make the additional payments to the
60 persons authorized and entitled to receive the additional
61 payments, after all of the following conditions have been met:

62 (a) The governing authorities of the City of Laurel
63 must adopt a resolution to establish the additional payments
64 authorized under this section and transmit the resolution to the
65 board of trustees;



66 (b) The advisory board provided for in Section
67 21-29-105, Mississippi Code of 1972, must adopt a resolution
68 supporting the establishment of the additional payments and
69 transmit the resolution to the board of trustees; and

70 (c) The board of trustees must receive the resolutions
71 from the governing authorities and advisory board, and receive the
72 most recent actuarial study of the disability and relief fund and
73 the certified statement from the actuarial firm that the fund will
74 remain actuarially sound if the additional payments are made.

75 (5) If the City of Laurel Fire and Police Disability and
76 Relief Fund sustains actuarial losses in future years that would
77 make the disability and relief fund actuarially unsound if the
78 payments authorized under this section are continued, the
79 governing authorities of the City of Laurel shall increase the
80 millage rate as necessary for the disability and relief fund to be
81 actuarially sound, or shall reduce the amount of the additional
82 payments. The additional payments shall be made each year unless
83 the authorization for the payment is rescinded, discontinued or
84 otherwise modified by the governing authorities of the City of
85 Laurel.

86 **SECTION 2.** This act shall take effect and be in force from
87 and after July 1, 2003.

