

By: Senator(s) Hyde-Smith

To: Finance

SENATE BILL NO. 2136

1 AN ACT TO CREATE NEW SECTION 25-11-126, MISSISSIPPI CODE OF
2 1972, TO PROVIDE THAT CERTAIN PERSONS RECEIVING A RETIREMENT
3 ALLOWANCE FROM THE PUBLIC EMPLOYEES' RETIREMENT SYSTEM WHO ARE
4 EMPLOYED AS TEACHERS IN A PUBLIC SCHOOL OR SCHOOL DISTRICT LOCATED
5 IN A CRITICAL TEACHER SHORTAGE AREA AND HAVING A LOWER
6 ACCREDITATION LEVEL THAN THE TEACHER'S FORMER SCHOOL OR DISTRICT,
7 AND TEACHERS EMPLOYED IN THE PUBLIC SCHOOL SYSTEM WHO ARE ELIGIBLE
8 TO RECEIVE A RETIREMENT ALLOWANCE FROM THE PUBLIC EMPLOYEES'
9 RETIREMENT SYSTEM WHO ACCEPT EMPLOYMENT UNDER THE SAME CONDITIONS,
10 MAY RECEIVE A RETIREMENT ALLOWANCE DURING THEIR EMPLOYMENT AS
11 TEACHERS IN ADDITION TO RECEIVING A TEACHER'S SALARY; TO PROVIDE
12 THAT THOSE PERSONS SHALL NOT BE CONTRIBUTING MEMBERS OF THE
13 RETIREMENT SYSTEM NOR RECEIVE ANY CREDITABLE SERVICE FOR THE
14 PERIOD DURING WHICH THEY RECEIVE A RETIREMENT ALLOWANCE DURING
15 THEIR EMPLOYMENT AS TEACHERS; TO AMEND SECTIONS 25-11-103,
16 25-11-105 AND 25-11-127, MISSISSIPPI CODE OF 1972, IN CONFORMITY
17 WITH THE PROVISIONS OF THIS ACT; TO AMEND SECTION 37-19-7,
18 MISSISSIPPI CODE OF 1972, TO PROVIDE THAT THE TEACHERS' SALARIES
19 OF THOSE PERSONS SHALL BE EQUAL TO THE AMOUNT OF THE SALARY THAT
20 THEY RECEIVED DURING THE SCHOOL YEAR IMMEDIATELY PRECEDING THE
21 DATE OF THEIR RETIREMENT OR THE DATE THAT CURRENT TEACHERS BEGAN
22 RECEIVING A RETIREMENT ALLOWANCE; TO PROVIDE THAT THE TEACHERS'
23 SALARIES OF THOSE PERSONS SHALL NOT INCLUDE ANY INCREASE IN THE
24 SALARY FOR TEACHING EXPERIENCE OBTAINED AFTER THE DATE OF THEIR
25 EMPLOYMENT AS TEACHERS AFTER THEIR RETIREMENT OR THE DATE THAT
26 CURRENT TEACHERS BEGAN RECEIVING A RETIREMENT ALLOWANCE; AND FOR
27 RELATED PURPOSES.

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

29 **SECTION 1.** The following shall be codified as Section

30 25-11-126, Mississippi Code of 1972:

31 25-11-126. (1) (a) Any person who has completed
32 twenty-five (25) or more years of creditable service and is
33 receiving a retirement allowance under this article, who was
34 employed as a teacher in the public school system at the time of
35 his retirement and who is employed as a teacher in a public school
36 district located in a geographic area of the state designated as a
37 critical teacher shortage area by the State Board of Education
38 after his retirement, may choose to continue receiving the
39 retirement allowance under this article during his employment as a

40 teacher after his retirement in addition to receiving the salary
41 authorized under Section 37-19-7(3), in the manner provided in
42 this section. Provided, however, that in order to choose the
43 retirement option authorized under this section, the teacher must
44 be employed in a school district or school with a lower level of
45 accreditation than the school district or school in which the
46 teacher was employed prior to retirement.

47 (b) Any person who is employed as a teacher in the
48 public school district located in a geographical area of the state
49 designated as a critical teacher shortage area by the State Board
50 of Education who completes twenty-five (25) or more years of
51 creditable service during his employment as a teacher, may choose
52 to receive a retirement allowance under this article during his
53 employment as a teacher in the public school system in addition to
54 receiving the salary authorized under Section 37-19-7(3), in the
55 manner provided in this section. Provided, however, that in order
56 to choose the retirement option authorized under this section, the
57 teacher must be employed in a school district or school with a
58 lower level of accreditation than the school district or school in
59 which the teacher was employed prior to retirement.

60 (2) Any person described in subsection (1)(a) of this
61 section shall notify the executive director of the retirement
62 system, before being employed as a teacher in the public school
63 system after his retirement, about his choice on continuing to
64 receive the retirement allowance during his employment as a
65 teacher. If the person chooses not to continue receiving the
66 retirement allowance during his employment as a teacher, the
67 retirement allowance shall cease on the day that he begins
68 employment as a teacher after his retirement. After the person
69 leaves employment as a teacher that he began after his retirement,
70 in order to begin receiving a retirement allowance under this
71 article again, the person shall make application to the executive
72 director of the retirement system, and the retirement allowance

73 shall begin on the first of the month following the date that the
74 application is received by the executive director.

75 (3) Any person described in subsection (1)(b) who chooses to
76 receive a retirement allowance during his employment as a teacher
77 in the public school system shall make application to the
78 executive director of the retirement system, and the retirement
79 allowance shall begin on the first of the month following the date
80 that the application is received by the executive director. Those
81 persons shall not be required to withdraw from service in order to
82 receive the retirement allowance.

83 (4) Any person to whom this section applies who receives or
84 continues to receive a retirement allowance under this article
85 during his employment as a teacher shall not be a contributing
86 member of the retirement system nor receive any creditable service
87 for the period during which he receives a retirement allowance
88 during his employment as a teacher. Any person to whom this
89 section applies who chooses not to receive a retirement allowance
90 during his employment as a teacher shall be a contributing member
91 of the retirement system and shall receive creditable service for
92 the period during which he is employed as a teacher without
93 receiving a retirement allowance. If the person has previously
94 received a retirement allowance under this article and he is
95 employed as a teacher for more than six (6) months without
96 receiving a retirement allowance, he shall have his allowance
97 recomputed when he retires again, which shall include the service
98 after he again became a contributing member of the retirement
99 system.

100 **SECTION 2.** Section 25-11-103, Mississippi Code of 1972, is
101 amended as follows:

102 25-11-103. The following words and phrases as used in
103 Articles 1 and 3, unless a different meaning is plainly required
104 by the context, shall have the following meanings:

105 (a) "Accumulated contributions" shall mean the sum of
106 all the amounts deducted from the compensation of a member and
107 credited to his individual account in the annuity savings account,
108 together with regular interest thereon as provided in Section
109 25-11-123.

110 (b) "Actuarial cost" shall mean the amount of funds
111 presently required to provide future benefits as determined by the
112 board based on applicable tables and formulas provided by the
113 actuary.

114 (c) "Actuarial equivalent" shall mean a benefit of
115 equal value to the accumulated contributions, annuity or benefit,
116 as the case may be, when computed upon the basis of such mortality
117 tables as shall be adopted by the board of trustees, and regular
118 interest.

119 (d) "Actuarial tables" shall mean such tables of
120 mortality and rates of interest as shall be adopted by the board
121 in accordance with the recommendation of the actuary.

122 (e) "Agency" shall mean any governmental body employing
123 persons in the state service.

124 (f) "Average compensation" shall mean the average of
125 the four (4) highest years of earned compensation reported for an
126 employee in a fiscal or calendar year period, or combination
127 thereof which do not overlap, or the last forty-eight (48)
128 consecutive months of earned compensation reported for an
129 employee. The four (4) years need not be successive or joined
130 years of service. In no case shall the average compensation so
131 determined be in excess of One Hundred Fifty Thousand Dollars
132 (\$150,000.00). In computing the average compensation, any amount
133 paid in a lump sum for personal leave shall be included in the
134 calculation to the extent that such amount does not exceed an
135 amount which is equal to thirty (30) days of earned compensation
136 and to the extent that it does not cause the employees' earned
137 compensation to exceed the maximum reportable amount specified in

138 Section 25-11-103(k); however, this thirty-day limitation shall
139 not prevent the inclusion in the calculation of leave earned under
140 federal regulations prior to July 1, 1976, and frozen as of that
141 date as referred to in Section 25-3-99. Only the amount of lump
142 sum pay for personal leave due and paid upon the death of a member
143 attributable for up to one hundred fifty (150) days shall be used
144 in the deceased member's average compensation calculation in
145 determining the beneficiary's benefits. In computing the average
146 compensation, no amounts shall be used which are in excess of the
147 amount on which contributions were required and paid. If any
148 member who is or has been granted any increase in annual salary or
149 compensation of more than eight percent (8%) retires within
150 twenty-four (24) months from the date that such increase becomes
151 effective, then the board shall exclude that part of the increase
152 in salary or compensation that exceeds eight percent (8%) in
153 calculating that member's average compensation for retirement
154 purposes. The board may enforce this provision by rule or
155 regulation. However, increases in compensation in excess of eight
156 percent (8%) per year granted within twenty-four (24) months of
157 the date of retirement may be included in such calculation of
158 average compensation if satisfactory proof is presented to the
159 board showing that the increase in compensation was the result of
160 an actual change in the position held or services rendered, or
161 that such compensation increase was authorized by the State
162 Personnel Board or was increased as a result of statutory
163 enactment, and the employer furnishes an affidavit stating that
164 such increase granted within the last twenty-four (24) months was
165 not contingent on a promise or agreement of the employee to
166 retire. Nothing in Section 25-3-31 shall affect the calculation
167 of the average compensation of any member for the purposes of this
168 article. The average compensation of any member who retires
169 before July 1, 1992, shall not exceed the annual salary of the
170 Governor.

171 (g) "Beneficiary" shall mean any person entitled to
172 receive a retirement allowance, an annuity or other benefit as
173 provided by Articles 1 and 3. In the event of the death prior to
174 retirement of any member whose spouse and/or children are not
175 entitled to a retirement allowance on the basis that the member
176 has less than four (4) years of service credit and/or has not been
177 married for a minimum of one (1) year or the spouse has waived his
178 or her entitlement to a retirement allowance pursuant to Section
179 25-11-114, the lawful spouse of a member at the time of the death
180 of such member shall be the beneficiary of such member unless the
181 member has designated another beneficiary subsequent to the date
182 of marriage in writing, and filed such writing in the office of
183 the executive director of the board of trustees. No designation
184 or change of beneficiary shall be made in any other manner.

185 (h) "Board" shall mean the board of trustees provided
186 in Section 25-11-15 to administer the retirement system herein
187 created.

188 (i) "Creditable service" shall mean "prior service,"
189 "retroactive service" and all lawfully credited unused leave not
190 exceeding the accrual rates and limitations provided in Section
191 25-3-91 et seq., as of the date of withdrawal from service plus
192 "membership service" for which credit is allowable as provided in
193 Section 25-11-109. Except to limit creditable service reported to
194 the system for the purpose of computing an employee's retirement
195 allowance or annuity or benefits provided in this article, nothing
196 in this paragraph shall limit or otherwise restrict the power of
197 the governing authority of a municipality or other political
198 subdivision of the state to adopt such vacation and sick leave
199 policies as it deems necessary.

200 (j) "Child" means either a natural child of the member,
201 a child that has been made a child of the member by applicable
202 court action before the death of the member, or a child under the
203 permanent care of the member at the time of the latter's death,

204 which permanent care status shall be determined by evidence
205 satisfactory to the board.

206 (k) "Earned compensation" shall mean the full amount
207 earned by an employee for a given pay period including any
208 maintenance furnished up to a maximum of One Hundred Fifty
209 Thousand Dollars (\$150,000.00) per year, and proportionately for
210 less than one (1) year of service. The value of such maintenance
211 when not paid in money shall be fixed by the employing state
212 agency, and, in case of doubt, by the board of trustees as defined
213 in Section 25-11-15. In any case, earned compensation shall be
214 limited to the regular periodic compensation paid, exclusive of
215 litigation fees, bond fees, and other similar extraordinary
216 nonrecurring payments. In addition, any member in a covered
217 position, as defined by Public Employees' Retirement System laws
218 and regulations, who is also employed by another covered agency or
219 political subdivision shall have the earnings of that additional
220 employment reported to the Public Employees' Retirement System
221 regardless of whether the additional employment is sufficient in
222 itself to be a covered position. In addition, computation of
223 earned compensation shall be governed by the following:

224 (i) In the case of constables, the net earnings
225 from their office after deduction of expenses shall apply, except
226 that in no case shall earned compensation be less than the total
227 direct payments made by the state or governmental subdivisions to
228 the official.

229 (ii) In the case of chancery or circuit clerks,
230 the net earnings from their office after deduction of expenses
231 shall apply as expressed in Section 25-11-123(f)(4).

232 (iii) In the case of members of the State
233 Legislature, all remuneration or amounts paid, except mileage
234 allowance, shall apply.

235 (iv) The amount by which an eligible employee's
236 salary is reduced pursuant to a salary reduction agreement

237 authorized under Section 25-17-5 shall be included as earned
238 compensation under this paragraph, provided this inclusion does
239 not conflict with federal law, including federal regulations and
240 federal administrative interpretations thereunder, pertaining to
241 the Federal Insurance Contributions Act or to Internal Revenue
242 Code Section 125 cafeteria plans.

243 (v) Compensation in addition to an employee's base
244 salary that is paid to the employee pursuant to the vacation and
245 sick leave policies of a municipality or other political
246 subdivision of the state that employs him which exceeds the
247 maximums authorized by Section 25-3-91 et seq. shall be excluded
248 from the calculation of earned compensation under this article.

249 (vi) The maximum salary applicable for retirement
250 purposes before July 1, 1992, shall be the salary of the Governor.

251 (vii) Nothing in Section 25-3-31 shall affect the
252 determination of the earned compensation of any member for the
253 purposes of this article.

254 (l) "Employee" means any person legally occupying a
255 position in the state service, and shall include the employees of
256 the retirement system created hereunder.

257 (m) "Employer" shall mean the State of Mississippi or
258 any of its departments, agencies or subdivisions from which any
259 employee receives his compensation.

260 (n) "Executive director" shall mean the secretary to
261 the board of trustees, as provided in Section 25-11-15(9), and the
262 administrator of the Public Employees' Retirement System and all
263 systems under the management of the board of trustees. Wherever
264 the term "Executive Secretary of the Public Employees' Retirement
265 System" or "executive secretary" appears in this article or in any
266 other provision of law, it shall be construed to mean the
267 Executive Director of the Public Employees' Retirement System.

268 (o) "Fiscal year" shall mean the period beginning on
269 July 1 of any year and ending on June 30 of the next succeeding
270 year.

271 (p) "Medical board" shall mean the board of physicians
272 or any governmental or nongovernmental disability determination
273 service designated by the board of trustees that is qualified to
274 make disability determinations as provided for in Section
275 25-11-119.

276 (q) "Member" shall mean any person included in the
277 membership of the system as provided in Section 25-11-105.

278 (r) "Membership service" shall mean service as an
279 employee rendered while a member of the retirement system.

280 (s) "Position" means any office or any employment in
281 the state service, or two (2) or more of them, the duties of which
282 call for services to be rendered by one (1) person, including
283 positions jointly employed by federal and state agencies
284 administering federal and state funds. The employer shall
285 determine upon initial employment and during the course of
286 employment of an employee who does not meet the criteria for
287 coverage in the Public Employees' Retirement System based on the
288 position held, whether the employee is or becomes eligible for
289 coverage in the Public Employees' Retirement System based upon any
290 other employment in a covered agency or political subdivision. If
291 or when the employee meets the eligibility criteria for coverage
292 in such other position, then the employer must withhold
293 contributions and report wages from the noncovered position in
294 accordance with the provisions for reporting of earned
295 compensation. Failure to deduct and report those contributions
296 shall not relieve the employee or employer of liability thereof.
297 The board shall adopt such rules and regulations as necessary to
298 implement and enforce this provision.

299 (t) "Prior service" shall mean service rendered before
300 February 1, 1953, for which credit is allowable under Sections

301 25-11-105 and 25-11-109, and which shall allow prior service for
302 any person who is now or becomes a member of the Public Employees'
303 Retirement System and who does contribute to the system for a
304 minimum period of four (4) years.

305 (u) "Regular interest" shall mean interest compounded
306 annually at such a rate as shall be determined by the board in
307 accordance with Section 25-11-121.

308 (v) "Retirement allowance" shall mean an annuity for
309 life as provided in this article, payable each year in twelve (12)
310 equal monthly installments beginning as of the date fixed by the
311 board. The retirement allowance shall be calculated in accordance
312 with Section 25-11-111. However, any spouse who received a spouse
313 retirement benefit in accordance with Section 25-11-111(d) before
314 March 31, 1971, and those benefits were terminated because of
315 eligibility for a social security benefit, may again receive his
316 spouse retirement benefit from and after making application with
317 the board of trustees to reinstate the spouse retirement benefit.

318 (w) "Retroactive service" shall mean service rendered
319 after February 1, 1953, for which credit is allowable under
320 Section 25-11-105(b) and Section 25-11-105(k).

321 (x) "System" shall mean the Public Employees'
322 Retirement System of Mississippi established and described in
323 Section 25-11-101.

324 (y) "State" shall mean the State of Mississippi or any
325 political subdivision thereof or instrumentality thereof.

326 (z) "State service" shall mean all offices and
327 positions of trust or employment in the employ of the state, or
328 any political subdivision or instrumentality thereof, which elect
329 to participate as provided by Section 25-11-105(f), including the
330 position of elected or fee officials of the counties and their
331 deputies and employees performing public services or any
332 department, independent agency, board or commission thereof, and
333 shall also include all offices and positions of trust or

334 employment in the employ of joint state and federal agencies
335 administering state and federal funds and service rendered by
336 employees of the public schools. Effective July 1, 1973, all
337 nonprofessional public school employees, such as bus drivers,
338 janitors, maids, maintenance workers and cafeteria employees,
339 shall have the option to become members in accordance with Section
340 25-11-105(b), and shall be eligible to receive credit for services
341 before July 1, 1973, provided that the contributions and interest
342 are paid by the employee in accordance with that section; in
343 addition, the county or municipal separate school district may pay
344 the employer contribution and pro rata share of interest of the
345 retroactive service from available funds. From and after July 1,
346 1998, retroactive service credit shall be purchased at the
347 actuarial cost in accordance with Section 25-11-105(b).

348 (aa) "Withdrawal from service" or "termination from
349 service" shall mean complete severance of employment in the state
350 service of any member by resignation, dismissal or discharge,
351 except in the case of persons who become eligible to receive a
352 retirement allowance under this article during their employment as
353 teachers and who choose to receive the retirement allowance during
354 their employment as teachers as authorized by Section 25-11-126.

355 (bb) The masculine pronoun, wherever used, shall
356 include the feminine pronoun.

357 **SECTION 3.** Section 25-11-105, Mississippi Code of 1972, is
358 amended as follows:

359 25-11-105. **I. THOSE WHO ARE ELIGIBLE FOR MEMBERSHIP**

360 The membership of this retirement system shall be composed as
361 follows:

362 (a) (i) All persons who shall become employees in the
363 state service after January 31, 1953, and whose wages are subject
364 to payroll taxes and are lawfully reported on IRS Form W-2, except
365 those persons who are specifically excluded, those persons as to
366 whom election is provided in Articles 1 and 3, or those persons

367 who choose to receive or continue receiving a retirement allowance
368 during their employment as teachers as authorized by Section
369 25-11-126, shall become members of the retirement system as a
370 condition of their employment.

371 (ii) From and after July 1, 2002, any individual
372 who is employed by a governmental entity to perform professional
373 services shall become a member of the system if the individual is
374 paid regular periodic compensation for those services that is
375 subject to payroll taxes, is provided all other employee benefits
376 and meets the membership criteria established by the regulations
377 adopted by the board of trustees that apply to all other members
378 of the system; however, any active member employed in such a
379 position on July 1, 2002, will continue to be an active member for
380 as long as they are employed in any such position.

381 (b) All persons who shall become employees in the state
382 service after January 31, 1953, except those specifically excluded
383 or as to whom election is provided in Articles 1 and 3, unless
384 they shall file with the board prior to the lapse of sixty (60)
385 days of employment or sixty (60) days after the effective date of
386 the cited articles, whichever is later, on a form prescribed by
387 the board, a notice of election not to be covered by the
388 membership of the retirement system and a duly executed waiver of
389 all present and prospective benefits which would otherwise inure
390 to them on account of their participation in the system, shall
391 become members of the retirement system; however, no credit for
392 prior service will be granted to members until they have
393 contributed to Article 3 of the retirement system for a minimum
394 period of at least four (4) years. Such members shall receive
395 credit for services performed prior to January 1, 1953, in
396 employment now covered by Article 3, but no credit shall be
397 granted for retroactive services between January 1, 1953, and the
398 date of their entry into the retirement system unless the employee
399 pays into the retirement system both the employer's and the

400 employee's contributions on wages paid him during the period from
401 January 31, 1953, to the date of his becoming a contributing
402 member, together with interest at the rate determined by the board
403 of trustees. Members reentering after withdrawal from service
404 shall qualify for prior service under the provisions of Section
405 25-11-117. From and after July 1, 1998, upon eligibility as noted
406 above, the member may receive credit for such retroactive service
407 provided:

408 (1) The member shall furnish proof satisfactory to
409 the board of trustees of certification of such service from the
410 covered employer where the services were performed; and

411 (2) The member shall pay to the retirement system
412 on the date he or she is eligible for such credit or at any time
413 thereafter prior to the date of retirement the actuarial cost for
414 each year of such creditable service. The provisions of this
415 subparagraph (2) shall be subject to the limitations of Section
416 415 of the Internal Revenue Code and regulations promulgated
417 thereunder.

418 Nothing contained in this paragraph (b) shall be construed to
419 limit the authority of the board to allow the correction of
420 reporting errors or omissions based on the payment of the employee
421 and employer contributions plus applicable interest.

422 (c) All persons who shall become employees in the state
423 service after January 31, 1953, and who are eligible for
424 membership in any other retirement system shall become members of
425 this retirement system as a condition of their employment unless
426 they elect at the time of their employment to become a member of
427 such other system.

428 (d) All persons who are employees in the state service
429 on January 31, 1953, and who are members of any nonfunded
430 retirement system operated by the State of Mississippi, or any of
431 its departments or agencies, shall become members of this system
432 with prior service credit unless, before February 1, 1953, they

433 shall file a written notice with the board of trustees that they
434 do not elect to become members.

435 (e) All persons who are employees in the state service
436 on January 31, 1953, and who under existing laws are members of
437 any fund operated for the retirement of employees by the State of
438 Mississippi, or any of its departments or agencies, shall not be
439 entitled to membership in this retirement system unless, before
440 February 1, 1953, any such person shall indicate by a notice filed
441 with the board, on a form prescribed by the board, his individual
442 election and choice to participate in this system, but no such
443 person shall receive prior service credit unless he becomes a
444 member on or before February 1, 1953.

445 (f) Each political subdivision of the state and each
446 instrumentality of the state or a political subdivision, or both,
447 is hereby authorized to submit, for approval by the board of
448 trustees, a plan for extending the benefits of this article to
449 employees of any such political subdivision or instrumentality.
450 Each such plan or any amendment to the plan for extending benefits
451 thereof shall be approved by the board of trustees if it finds
452 that such plan, or such plan as amended, is in conformity with
453 such requirements as are provided in Articles 1 and 3; however,
454 upon approval of such plan or any such plan heretofore approved by
455 the board of trustees, the approved plan shall not be subject to
456 cancellation or termination by the political subdivision or
457 instrumentality, except that any community hospital serving a
458 municipality that joined the Public Employees' Retirement System
459 as of November 1, 1956, to offer social security coverage for its
460 employees and subsequently extended retirement annuity coverage to
461 its employees as of December 1, 1965, may, upon documentation of
462 extreme financial hardship, have future retirement annuity
463 coverage cancelled or terminated at the discretion of the board of
464 trustees. No such plan shall be approved unless:

465 (1) It provides that all services which constitute
466 employment as defined in Section 25-11-5 and are performed in the
467 employ of the political subdivision or instrumentality, by any
468 employees thereof, shall be covered by the plan; with the
469 exception of municipal employees who are already covered by
470 existing retirement plans; however, those employees in this class
471 may elect to come under the provisions of this article;

472 (2) It specifies the source or sources from which
473 the funds necessary to make the payments required by paragraph (d)
474 of Section 25-11-123 and of paragraph (f)(5)B and C of this
475 section are expected to be derived and contains reasonable
476 assurance that such sources will be adequate for such purpose;

477 (3) It provides for such methods of administration
478 of the plan by the political subdivision or instrumentality as are
479 found by the board of trustees to be necessary for the proper and
480 efficient administration thereof;

481 (4) It provides that the political subdivision or
482 instrumentality will make such reports, in such form and
483 containing such information, as the board of trustees may from
484 time to time require;

485 (5) It authorizes the board of trustees to
486 terminate the plan in its entirety in the discretion of the board
487 if it finds that there has been a failure to comply substantially
488 with any provision contained in such plan, such termination to
489 take effect at the expiration of such notice and on such
490 conditions as may be provided by regulations of the board and as
491 may be consistent with applicable federal law.

492 A. The board of trustees shall not finally
493 refuse to approve a plan submitted under paragraph (f), and shall
494 not terminate an approved plan without reasonable notice and
495 opportunity for hearing to each political subdivision or
496 instrumentality affected thereby. The board's decision in any
497 such case shall be final, conclusive and binding unless an appeal

498 be taken by the political subdivision or instrumentality aggrieved
499 thereby to the Circuit Court of Hinds County, Mississippi, in
500 accordance with the provisions of law with respect to civil causes
501 by certiorari.

502 B. Each political subdivision or
503 instrumentality as to which a plan has been approved under this
504 section shall pay into the contribution fund, with respect to
505 wages (as defined in Section 25-11-5), at such time or times as
506 the board of trustees may by regulation prescribe, contributions
507 in the amounts and at the rates specified in the applicable
508 agreement entered into by the board.

509 C. Every political subdivision or
510 instrumentality required to make payments under paragraph (f)(5)B
511 hereof is authorized, in consideration of the employees' retention
512 in or entry upon employment after enactment of Articles 1 and 3,
513 to impose upon its employees, as to services which are covered by
514 an approved plan, a contribution with respect to wages (as defined
515 in Section 25-11-5) not exceeding the amount provided in Section
516 25-11-123(d) if such services constituted employment within the
517 meaning of Articles 1 and 3, and to deduct the amount of such
518 contribution from the wages as and when paid. Contributions so
519 collected shall be paid into the contribution fund as partial
520 discharge of the liability of such political subdivisions or
521 instrumentalities under paragraph (f)(5)B hereof. Failure to
522 deduct such contribution shall not relieve the employee or
523 employer of liability thereof.

524 D. Any state agency, school, political
525 subdivision, instrumentality or any employer that is required to
526 submit contribution payments or wage reports under any section of
527 this chapter shall be assessed interest on delinquent payments or
528 wage reports as determined by the board of trustees in accordance
529 with rules and regulations adopted by the board and such assessed
530 interest may be recovered by action in a court of competent

531 jurisdiction against such reporting agency liable therefor or may,
532 upon due certification of delinquency and at the request of the
533 board of trustees, be deducted from any other monies payable to
534 such reporting agency by any department or agency of the state.

535 E. Each political subdivision of the state
536 and each instrumentality of the state or a political subdivision
537 or subdivisions which submits a plan for approval of the board, as
538 provided in this section, shall reimburse the board for coverage
539 into the expense account, its pro rata share of the total expense
540 of administering Articles 1 and 3 as provided by regulations of
541 the board.

542 (g) The board may, in its discretion, deny the right of
543 membership in this system to any class of employees whose
544 compensation is only partly paid by the state or who are occupying
545 positions on a part-time or intermittent basis. The board may, in
546 its discretion, make optional with employees in any such classes
547 their individual entrance into this system.

548 (h) An employee whose membership in this system is
549 contingent on his own election, and who elects not to become a
550 member, may thereafter apply for and be admitted to membership;
551 but no such employee shall receive prior service credit unless he
552 becomes a member prior to July 1, 1953, except as provided in
553 paragraph (b).

554 (i) In the event any member of this system should
555 change his employment to any agency of the state having an
556 actuarially funded retirement system, the board of trustees may
557 authorize the transfer of the member's creditable service and of
558 the present value of the member's employer's accumulation account
559 and of the present value of the member's accumulated membership
560 contributions to such other system, provided the employee agrees
561 to the transfer of his accumulated membership contributions and
562 provided such other system is authorized to receive and agrees to
563 make such transfer.

564 In the event any member of any other actuarially funded
565 system maintained by an agency of the state changes his employment
566 to an agency covered by this system, the board of trustees may
567 authorize the receipt of the transfer of the member's creditable
568 service and of the present value of the member's employer's
569 accumulation account and of the present value of the member's
570 accumulated membership contributions from such other system,
571 provided the employee agrees to the transfer of his accumulated
572 membership contributions to this system and provided the other
573 system is authorized and agrees to make such transfer.

574 (j) Wherever herein state employment is referred to, it
575 shall include joint employment by state and federal agencies of
576 all kinds.

577 (k) Employees of a political subdivision or
578 instrumentality who were employed by such political subdivision or
579 instrumentality prior to an agreement between such entity and the
580 Public Employees' Retirement System to extend the benefits of this
581 article to its employees, and which agreement provides for the
582 establishment of retroactive service credit, and who have been
583 members of the retirement system and have remained contributors to
584 the retirement system for four (4) years, may receive credit for
585 such retroactive service with such political subdivision or
586 instrumentality, provided the employee and/or employer, as
587 provided under the terms of the modification of the joinder
588 agreement in allowing such coverage, pay into the retirement
589 system the employer's and employee's contributions on wages paid
590 the member during such previous employment, together with interest
591 or actuarial cost as determined by the board covering the period
592 from the date the service was rendered until the payment for the
593 credit for such service was made. Such wages shall be verified by
594 the Social Security Administration or employer payroll records.
595 Effective July 1, 1998, upon eligibility as noted above, a member

596 may receive credit for such retroactive service with such
597 political subdivision or instrumentality provided:

598 (1) The member shall furnish proof satisfactory to
599 the board of trustees of certification of such services from the
600 political subdivision or instrumentality where the services were
601 rendered or verification by the Social Security Administration;
602 and

603 (2) The member shall pay to the retirement system
604 on the date he or she is eligible for such credit or at any time
605 thereafter prior to the date of retirement the actuarial cost for
606 each year of such creditable service. The provisions of this
607 subparagraph (2) shall be subject to the limitations of Section
608 415 of the Internal Revenue Code and regulations promulgated
609 thereunder.

610 Nothing contained in this paragraph (k) shall be construed to
611 limit the authority of the board to allow the correction of
612 reporting errors or omissions based on the payment of employee and
613 employer contributions plus applicable interest. Payment for such
614 time shall be made in increments of not less than one-quarter
615 (1/4) year of creditable service beginning with the most recent
616 service. Upon the payment of all or part of such required
617 contributions, plus interest or the actuarial cost as provided
618 above, the member shall receive credit for the period of
619 creditable service for which full payment has been made to the
620 retirement system.

621 (1) Through June 30, 1998, any state service eligible
622 for retroactive service credit, no part of which has ever been
623 reported, and requiring the payment of employee and employer
624 contributions plus interest, or, from and after July 1, 1998, any
625 state service eligible for retroactive service credit, no part of
626 which has ever been reported to the retirement system, and
627 requiring the payment of the actuarial cost for such creditable
628 service, may, at the member's option, be purchased in quarterly

629 increments as provided above at such time as its purchase is
630 otherwise allowed.

631 (m) All rights to purchase retroactive service credit
632 or repay a refund as provided in Section 25-11-101 et seq. shall
633 terminate upon retirement.

634 **II. THOSE WHO ARE NOT ELIGIBLE FOR MEMBERSHIP**

635 The following classes of employees and officers shall not
636 become members of this retirement system, any other provisions of
637 Articles 1 and 3 to the contrary notwithstanding:

638 (a) Patient or inmate help in state charitable, penal
639 or correctional institutions;

640 (b) Students of any state educational institution
641 employed by any agency of the state for temporary, part-time or
642 intermittent work;

643 (c) Participants of Comprehensive Employment and
644 Training Act of 1973 (CETA) being Public Law 93-203, who enroll on
645 or after July 1, 1979;

646 (d) From and after July 1, 2002, individuals who are
647 employed by a governmental entity to perform professional service
648 on less than a full-time basis who do not meet the criteria
649 established in I(a)(ii) of this section.

650 **III. TERMINATION OF MEMBERSHIP**

651 Membership in this system shall cease by a member withdrawing
652 his accumulated contributions, or by a member withdrawing from
653 active service with a retirement allowance, or by a member's
654 death.

655 **SECTION 4.** Section 25-11-127, Mississippi Code of 1972, is
656 amended as follows:

657 25-11-127. (1) (a) No person who is being paid a
658 retirement allowance or a pension after retirement under this
659 article shall be employed or paid for any service by the State of
660 Mississippi, except as provided in this section or in Section
661 25-11-126.

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

666 (c) No person employed or elected under the exceptions
667 provided for in this section or in Section 25-11-126 shall become
668 a member under Article 3 of the retirement system.

669 (2) Any person who has been retired under the provisions of
670 Article 3 and who is later reemployed in service covered by this
671 article shall cease to receive benefits under this article unless
672 he chooses to continue receiving a retirement allowance during his
673 employment as a teacher as authorized by Section 25-11-126, and
674 the person shall again become a contributing member of the
675 retirement system. When the person retires again, if he has been
676 a contributing member of the retirement system during his
677 reemployment and the reemployment exceeds six (6) months, the
678 person shall have his or her benefit recomputed, including service
679 after again becoming a member, provided that the total retirement
680 allowance paid to the retired member in his or her previous
681 retirement shall be deducted from the member's retirement reserve
682 and taken into consideration in recalculating the retirement
683 allowance under a new option selected.

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

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

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

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

697 To determine the normal working days for a position under
698 paragraph (a) of this subsection, the employer shall determine the
699 required number of working days for the position on a full-time
700 basis and the equivalent number of hours representing the
701 full-time position. The retiree then may work up to one-half
702 (1/2) of the required number of working days or up to one-half
703 (1/2) of the equivalent number of hours and receive up to one-half
704 (1/2) of the salary for the position. In the case of employment
705 with multiple employers, the limitation shall equal one-half (1/2)
706 of the number of days or hours for a single full-time position.

707 Notice shall be given in writing to the executive director,
708 setting forth the facts upon which the employment is being made,
709 and the notice shall be given within five (5) days from the date
710 of employment and also from the date of termination of the
711 employment.

712 (5) Any member may continue in municipal or county elected
713 office or be elected to a municipal or county office, provided
714 that the person:

715 (a) Files annually, in writing, in the office of the
716 employer and the office of the executive director of the system
717 before the person takes office or as soon as possible after
718 retirement, a waiver of all salary or compensation and elects to
719 receive in lieu of that salary or compensation a retirement
720 allowance as provided in this section, in which event no salary or
721 compensation shall thereafter be due or payable for those
722 services; however, any such officer or employee may receive, in
723 addition to the retirement allowance, office expense allowance,
724 mileage or travel expense authorized by any statute of the State
725 of Mississippi; or

726 (b) Elects to receive compensation for that elective
 727 office in an amount not to exceed twenty-five percent (25%) of the
 728 retiree's average compensation. As used in this paragraph, the
 729 term "compensation" shall not include office expense allowance,
 730 mileage or travel expense authorized by a statute of the State of
 731 Mississippi. In order to receive compensation as allowed in this
 732 paragraph, the member shall file annually, in writing, in the
 733 office of the employer and the office of the executive director of
 734 the system, an election to receive, in addition to a retirement
 735 allowance, compensation as allowed in this paragraph.

736 **SECTION 5.** Section 37-19-7, Mississippi Code of 1972, is
 737 amended as follows:

738 37-19-7. (1) This section shall be known and may be cited
 739 as the Mississippi "Teacher Opportunity Program (TOP)." The
 740 allowance in the minimum education program and the Mississippi
 741 Adequate Education Program for teachers' salaries in each county
 742 and separate school district shall be determined and paid in
 743 accordance with the scale for teachers' salaries as provided in
 744 this subsection. For teachers holding the following types of
 745 licenses or the equivalent as determined by the State Board of
 746 Education, and the following number of years of teaching
 747 experience, the scale shall be as follows:

748 **2001-2002 School Year**

749 **Less Than 25 Years of Teaching Experience**

750	AAAA.....	\$ 26,290.00
751	AAA.....	25,440.00
752	AA.....	24,590.00
753	A.....	23,540.00

754 **25 or More Years of Teaching Experience**

755	AAAA.....	\$ 27,790.00
756	AAA.....	26,940.00
757	AA.....	26,090.00
758	A.....	25,040.00

759	2002-2003 School Year	
760	Less Than 25 Years of Teaching Experience	
761	AAAA.....	\$ 27,850.00
762	AAA.....	27,000.00
763	AA.....	26,150.00
764	A.....	24,700.00

765	25 or More Years of Teaching Experience	
766	AAAA.....	\$ 29,850.00
767	AAA.....	29,000.00
768	AA.....	28,150.00
769	A.....	26,700.00

770 For each one percent (1%) that the Sine Die General Fund
771 Revenue Estimate Growth exceeds five percent (5%) for fiscal year
772 2003, as certified by the Legislative Budget Office to the State
773 Board of Education and subject to specific appropriation therefor
774 by the Legislature, the State Board of Education shall revise the
775 salary scale to provide an additional one percent (1%) across the
776 board increase in the base salaries for each type of license.

777	2003-2004 School Year	
778	Less Than 25 Years of Teaching Experience	
779	AAAA.....	\$ 29,550.00
780	AAA.....	28,700.00
781	AA.....	27,850.00
782	A.....	26,000.00

783	25 or More Years of Teaching Experience	
784	AAAA.....	\$ 31,550.00
785	AAA.....	30,700.00
786	AA.....	29,850.00
787	A.....	28,000.00

788 The State Board of Education shall revise the salary scale
789 prescribed above for the 2003-2004 school year to conform to any
790 adjustments made to the salary scale in the prior fiscal year due
791 to revenue growth over and above five percent (5%). For each one

792 percent (1%) that the Sine Die General Fund Revenue Estimate
 793 Growth exceeds five percent (5%) for fiscal year 2004, as
 794 certified by the Legislative Budget Office to the State Board of
 795 Education and subject to specific appropriation therefor by the
 796 Legislature, the State Board of Education shall revise the salary
 797 scale to provide an additional one percent (1%) across the board
 798 increase in the base salaries for each type of license.

799 **2004-2005 School Year**

800 **Less Than 25 Years of Teaching Experience**

801	AAAA.....	\$ 31,775.00
802	AAA.....	30,850.00
803	AA.....	29,925.00
804	A.....	28,000.00

805 **25 or More Years of Teaching Experience**

806	AAAA.....	\$ 33,775.00
807	AAA.....	32,850.00
808	AA.....	31,925.00
809	A.....	30,000.00

810 The State Board of Education shall revise the salary scale
 811 prescribed above for the 2004-2005 school year to conform to any
 812 adjustments made to the salary scale in prior fiscal years due to
 813 revenue growth over and above five percent (5%). For each one
 814 percent (1%) that the Sine Die General Fund Revenue Estimate
 815 Growth exceeds five percent (5%) for fiscal year 2005, as
 816 certified by the Legislative Budget Office to the State Board of
 817 Education and subject to specific appropriation therefor by the
 818 Legislature, the State Board of Education shall revise the salary
 819 scale to provide an additional one percent (1%) across the board
 820 increase in the base salaries for each type of license.

821 **2005-2006 School Year and School Years Thereafter**

822 **Less Than 25 Years of Teaching Experience**

823	AAAA.....	\$ 34,000.00
824	AAA.....	33,000.00

825	AA.....	32,000.00
826	A.....	30,000.00
827	25 or More Years of Teaching Experience	
828	AAAA.....	\$ 36,000.00
829	AAA.....	35,000.00
830	AA.....	34,000.00
831	A.....	32,000.00

832 The State Board of Education shall revise the salary scale
833 prescribed above for the 2005-2006 school year to conform to any
834 adjustments made to the salary scale in prior fiscal years due to
835 revenue growth over and above five percent (5%). For each one
836 percent (1%) that the Sine Die General Fund Revenue Estimate
837 Growth exceeds five percent (5%) for fiscal year 2006, as
838 certified by the Legislative Budget Office to the State Board of
839 Education and subject to specific appropriation therefor by the
840 Legislature, the State Board of Education shall revise the salary
841 scale to provide an additional one percent (1%) across the board
842 increase in the base salaries for each type of license.

843 It is the intent of the Legislature that any state funds made
844 available for salaries of licensed personnel in excess of the
845 funds paid for such salaries for the 1986-1987 school year shall
846 be paid to licensed personnel pursuant to a personnel appraisal
847 and compensation system implemented by the State Board of
848 Education. The State Board of Education shall have the authority
849 to adopt and amend rules and regulations as are necessary to
850 establish, administer and maintain the system.

851 All teachers employed on a full-time basis shall be paid a
852 minimum salary in accordance with the above scale. However, no
853 school district shall receive any funds under this section for any
854 school year during which the local supplement paid to any
855 individual teacher shall have been reduced to a sum less than that
856 paid to that individual teacher for performing the same duties
857 from local supplement during the immediately preceding school

858 year. The amount actually spent for the purposes of group health
859 and/or life insurance shall be considered as a part of the
860 aggregate amount of local supplement but shall not be considered a
861 part of the amount of individual local supplement.

862 **2001-2002 School Year Annual Increment**

863 For teachers holding a Class AAAA license, the minimum base
864 pay specified in this subsection shall be increased by the sum of
865 Six Hundred Sixty Dollars (\$660.00) for each year of teaching
866 experience possessed by the person holding such license until such
867 person shall have twenty-five (25) years of teaching experience.

868 For teachers holding a Class AAA license, the minimum base
869 pay specified in this subsection shall be increased by the sum of
870 Five Hundred Ninety-five Dollars (\$595.00) for each year of
871 teaching experience possessed by the person holding such license
872 until such person shall have twenty-five (25) years of teaching
873 experience.

874 For teachers holding a Class AA license, the minimum base pay
875 specified in this subsection shall be increased by the sum of Five
876 Hundred Thirty Dollars (\$530.00) for each year of teaching
877 experience possessed by the person holding such license until such
878 person shall have twenty-five (25) years of teaching experience.

879 For teachers holding a Class A license, the minimum base pay
880 specified in this subsection shall be increased by the sum of Four
881 Hundred Thirty-five Dollars (\$435.00) for each year of teaching
882 experience possessed by the person holding such license until such
883 person shall have twenty-one (21) years of teaching experience.

884 **2002-2003 School Year Annual Increment**

885 For teachers holding a Class AAAA license, the minimum base
886 pay specified in this subsection shall be increased by the sum of
887 Six Hundred Eighty-five Dollars (\$685.00) for each year of
888 teaching experience possessed by the person holding such license
889 until such person shall have twenty-five (25) years of teaching
890 experience.

891 For teachers holding a Class AAA license, the minimum base
892 pay specified in this subsection shall be increased by the sum of
893 Six Hundred Twenty Dollars (\$620.00) for each year of teaching
894 experience possessed by the person holding such license until such
895 person shall have twenty-five (25) years of teaching experience.

896 For teachers holding a Class AA license, the minimum base pay
897 specified in this subsection shall be increased by the sum of Five
898 Hundred Fifty-five Dollars (\$555.00) for each year of teaching
899 experience possessed by the person holding such license until such
900 person shall have twenty-five (25) years of teaching experience.

901 For teachers holding a Class A license, the minimum base pay
902 specified in this subsection shall be increased by the sum of Four
903 Hundred Forty-five Dollars (\$445.00) for each year of teaching
904 experience possessed by the person holding such license until such
905 person shall have twenty-two (22) years of teaching experience.

906 **2003-2004 School Year Annual Increment**

907 For teachers holding a Class AAAA license, the minimum base
908 pay specified in this subsection shall be increased by the sum of
909 Seven Hundred Ten Dollars (\$710.00) for each year of teaching
910 experience possessed by the person holding such license until such
911 person shall have twenty-five (25) years of teaching experience.

912 For teachers holding a Class AAA license, the minimum base
913 pay specified in this subsection shall be increased by the sum of
914 Six Hundred Forty-five Dollars (\$645.00) for each year of teaching
915 experience possessed by the person holding such license until such
916 person shall have twenty-five (25) years of teaching experience.

917 For teachers holding a Class AA license, the minimum base pay
918 specified in this subsection shall be increased by the sum of Five
919 Hundred Eighty Dollars (\$580.00) for each year of teaching
920 experience possessed by the person holding such license until such
921 person shall have twenty-five (25) years of teaching experience.

922 For teachers holding a Class A license, the minimum base pay
923 specified in this subsection shall be increased by the sum of Four

924 Hundred Fifty-five Dollars (\$455.00) for each year of teaching
925 experience possessed by the person holding such license until such
926 person shall have twenty-three (23) years of teaching experience.

927 **2004-2005 School Year Annual Increment**

928 For teachers holding a Class AAAA license, the minimum base
929 pay specified in this subsection shall be increased by the sum of
930 Seven Hundred Forty Dollars (\$740.00) for each year of teaching
931 experience possessed by the person holding such license until such
932 person shall have twenty-five (25) years of teaching experience.

933 For teachers holding a Class AAA license, the minimum base
934 pay specified in this subsection shall be increased by the sum of
935 Six Hundred Seventy-five Dollars (\$675.00) for each year of
936 teaching experience possessed by the person holding such license
937 until such person shall have twenty-five (25) years of teaching
938 experience.

939 For teachers holding a Class AA license, the minimum base pay
940 specified in this subsection shall be increased by the sum of Six
941 Hundred Ten Dollars (\$610.00) for each year of teaching experience
942 possessed by the person holding such license until such person
943 shall have twenty-five (25) years of teaching experience.

944 For teachers holding a Class A license, the minimum base pay
945 specified in this subsection shall be increased by the sum of Four
946 Hundred Sixty-five Dollars (\$465.00) for each year of teaching
947 experience possessed by the person holding such license until such
948 person shall have twenty-four (24) years of teaching experience.

949 **2005-2006 School Year**

950 **and School Years Thereafter Annual Increments**

951 For teachers holding a Class AAAA license, the minimum base
952 pay specified in this subsection shall be increased by the sum of
953 Seven Hundred Seventy Dollars (\$770.00) for each year of teaching
954 experience possessed by the person holding such license until such
955 person shall have twenty-five (25) years of teaching experience.

956 For teachers holding a Class AAA license, the minimum base
957 pay specified in this subsection shall be increased by the sum of
958 Seven Hundred Five Dollars (\$705.00) for each year of teaching
959 experience possessed by the person holding such license until such
960 person shall have twenty-five (25) years of teaching experience.

961 For teachers holding a Class AA license, the minimum base pay
962 specified in this subsection shall be increased by the sum of Six
963 Hundred Forty Dollars (\$640.00) for each year of teaching
964 experience possessed by the person holding such license until such
965 person shall have twenty-five (25) years of teaching experience.

966 For teachers holding a Class A license, the minimum base pay
967 specified in this subsection shall be increased by the sum of Four
968 Hundred Eighty Dollars (\$480.00) for each year of teaching
969 experience possessed by the person holding such license until such
970 person shall have twenty-four (24) years of teaching experience.

971 The level of professional training of each teacher to be used
972 in establishing the salary allotment for the teachers for each
973 year shall be determined by the type of valid teacher's license
974 issued to those teachers on or before October 1 of the current
975 school year.

976 (2) (a) The following employees shall receive an annual
977 salary supplement in the amount of Six Thousand Dollars
978 (\$6,000.00), plus fringe benefits, in addition to any other
979 compensation to which the employee may be entitled:

980 (i) Any licensed teacher who has met the
981 requirements and acquired a Master Teacher certificate from the
982 National Board for Professional Teaching Standards and who is
983 employed by a local school board or the State Board of Education
984 as a teacher and not as an administrator. Such teacher shall
985 submit documentation to the State Department of Education that the
986 certificate was received prior to October 15 in order to be
987 eligible for the full salary supplement in the current school
988 year, or the teacher shall submit such documentation to the State

989 Department of Education prior to February 15 in order to be
990 eligible for a prorated salary supplement beginning with the
991 second term of the school year.

992 (ii) Any licensed school counselor who has met the
993 requirements and acquired a National Certified School Counselor
994 (NCSC) endorsement from the National Board of Certified Counselors
995 and who is employed by a local school board or the State Board of
996 Education as a counselor and not as an administrator. Such
997 licensed school counselor shall submit documentation to the State
998 Department of Education that the endorsement was received prior to
999 October 15 in order to be eligible for the full salary supplement
1000 in the current school year, or the licensed school counselor shall
1001 submit such documentation to the State Department of Education
1002 prior to February 15 in order to be eligible for a prorated salary
1003 supplement beginning with the second term of the school year.
1004 However, the salary supplement authorized under this item shall be
1005 discontinued two (2) years after the date on which the National
1006 Board for Professional Teaching Standards offers a certification
1007 process for a Master Teacher certificate for school counselors,
1008 and any school counselor receiving the salary supplement will be
1009 required to complete the Master Teacher certificate process under
1010 item (i) of this paragraph in order to continue receiving such
1011 salary supplement.

1012 (iii) Any licensed speech-language pathologist and
1013 audiologist who has met the requirements and acquired a
1014 Certificate of Clinical Competence from the American
1015 Speech-Language-Hearing Association and who is employed by a local
1016 school board. Such licensed speech-language pathologist and
1017 audiologist shall submit documentation to the State Department of
1018 Education that the certificate or endorsement was received prior
1019 to October 15 in order to be eligible for the full salary
1020 supplement in the current school year, or the licensed
1021 speech-language pathologist and audiologist shall submit such

1022 documentation to the State Department of Education prior to
1023 February 15 in order to be eligible for a prorated salary
1024 supplement beginning with the second term of the school year.
1025 However, the salary supplement authorized under this item shall be
1026 discontinued two (2) years after the date on which the National
1027 Board for Professional Teaching Standards offers a certification
1028 process for a Master Teacher certificate for school
1029 speech-language pathologists and audiologists, and any school
1030 speech-language pathologist and audiologist receiving the salary
1031 supplement will be required to complete the Master Teacher
1032 certificate process under item (i) of this paragraph in order to
1033 continue receiving such salary supplement.

1034 (b) An employee shall be reimbursed one (1) time for
1035 the actual cost of completing the process of acquiring the
1036 certificate or endorsement, excluding any costs incurred for
1037 postgraduate courses, not to exceed Five Hundred Dollars (\$500.00)
1038 for a school counselor or speech-language pathologist and
1039 audiologist, regardless of whether or not the process resulted in
1040 the award of the certificate or endorsement. A local school
1041 district or any private individual or entity may pay the cost of
1042 completing the process of acquiring the certificate or endorsement
1043 for any employee of the school district described under paragraph
1044 (a), and the State Department of Education shall reimburse the
1045 school district for such cost, regardless of whether or not the
1046 process resulted in the award of the certificate or endorsement.
1047 If a private individual or entity has paid the cost of completing
1048 the process of acquiring the certificate or endorsement for an
1049 employee, the local school district may agree to directly
1050 reimburse the individual or entity for such cost on behalf of the
1051 employee.

1052 (c) All salary supplements, fringe benefits and process
1053 reimbursement authorized under this subsection shall be paid
1054 directly by the State Department of Education to the local school

1055 district and shall be in addition to its minimum education program
1056 allotments and not a part thereof in accordance with regulations
1057 promulgated by the State Board of Education, and subject to
1058 appropriation by the Legislature. Local school districts shall
1059 not reduce the local supplement paid to any employee receiving
1060 such salary supplement, and the employee shall receive any local
1061 supplement to which employees with similar training and experience
1062 otherwise are entitled.

1063 (d) The State Department of Education may not pay any
1064 process reimbursement to a school district for an employee who
1065 does not complete the certification or endorsement process
1066 required to be eligible for the certificate or endorsement. If an
1067 employee for whom such cost has been paid in full or in part by a
1068 local school district or private individual or entity fails to
1069 complete the certification or endorsement process, the employee
1070 shall be liable to the school district or individual or entity for
1071 all amounts paid by the school district or individual or entity on
1072 behalf of that employee toward his or her certificate or
1073 endorsement.

1074 (3) (a) Notwithstanding any provision in this section to
1075 the contrary, any person who is receiving a retirement allowance
1076 from the Public Employees' Retirement System who is employed as a
1077 teacher after his retirement and chooses to continue receiving the
1078 retirement allowance during his employment as a teacher after his
1079 retirement, as authorized by subsection (1)(a) of Section
1080 25-11-126, shall be paid a salary equal to the amount of the
1081 salary that the person received during the school year immediately
1082 preceding his retirement. No increase in the salary of any such
1083 person shall be allowed for any teaching experience obtained after
1084 the date of his employment as a teacher after his retirement.

1085 (b) Notwithstanding any provision in this section to
1086 the contrary, any person who is employed as a teacher and becomes
1087 eligible to receive a retirement allowance from the Public

1088 Employees' Retirement System during his employment as a teacher
1089 who chooses to receive the retirement allowance during his
1090 employment as a teacher, as authorized by subsection (1)(b) of
1091 Section 25-11-126, shall be paid a salary equal to the amount of
1092 the salary that the person received during the school year
1093 immediately preceding the date that the person began receiving the
1094 retirement allowance. No increase in the salary of any such
1095 person shall be allowed for any teaching experience obtained after
1096 the date that he began receiving the retirement allowance.

1097 **SECTION 6.** This act shall take effect and be in force from
1098 and after July 1, 2004.