PERS of MISSISSIPPI

Member Handbook

Supplemental Legislative Retirement Plan

Providing Benefits for Life

PERS of MISSISSIPPI

Our Mission

Providing secure benefits to our members

and consistently delivering quality service by

meeting our customers' needs; operating efficiently and transparently;

investing and managing assets prudently; and

acting in the best interest of all members.

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Discover More Online

Along with this handbook, PERS provides online resources for members. Look for the pointing finger symbol (at left) throughout this handbook to guide you to resources found at www.pers.ms.gov.

Contact Us

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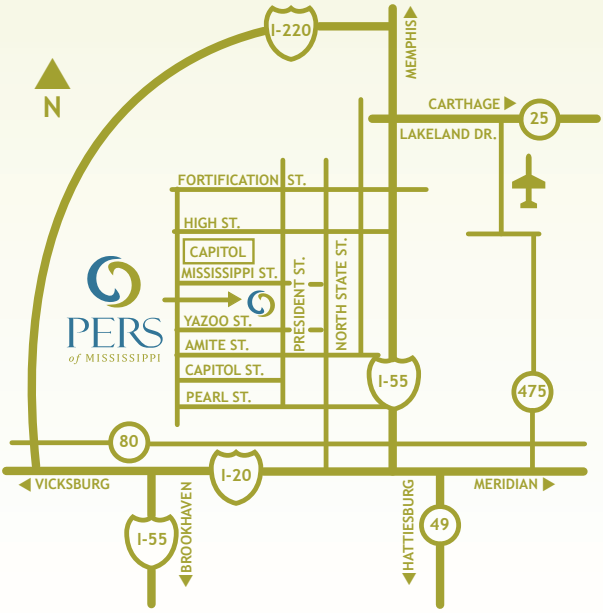
8:00 a.m. to 5:00 p.m., Monday - Friday

Visitor parking is available in the parking garage behind the PERS Building at 429 Mississippi Street. Entrance to the parking garage is from President Street, between Yazoo Street and Mississippi Street.



Introduction

The Supplemental Legislative Retirement Plan (SLRP) was established in 1989 and placed under management of the Public Employees' Retirement System of Mississippi (PERS) Board of Trustees. SLRP provides supplemental benefits, in addition to PERS benefits, to all members of the Mississippi Legislature and the person serving as the President of the Senate (Lieutenant Governor).

An addendum to the PERS Member Handbook, this publication provides information specific to members and retirees of SLRP. Please refer to the PERS Member Handbook and the PERS website for additional information. Both this addendum and the PERS Member Handbook are available on the PERS website, www.pers.ms.gov.

Enrollment and Member Information

All elected members of the Mississippi Legislature and the President of the Senate are members of both SLRP and PERS.

To establish a member account, each legislator must complete enrollment forms for both PERS and SLRP. These forms are available through the employer, upon request from PERS, or through the PERS website.

Members are encouraged to keep their account information up to date by submitting a completed PERS Form 1C *Change of Information*, to PERS. This form, which can be found on the PERS website, allows members to update their name, mailing address, marital status, and family and beneficiary information.

Contributions

SLRP members are required to pay the full contribution amounts for both PERS and SLRP in order to fund their regular and supplemental benefits.

Contribution rates on earnings up to the maximum reportable earnings are set by law and regulation.

Look Up Current Contribution Rates, Download Forms

Current member and employer contribution rates are posted under PERS Board Regulation 60, *Contribution Rates*, at www.pers.ms.gov. Also online are enrollment forms needed to establish a member account and the PERS 1C, *Change of Information*, to update account information.

SLRP Benefits

Benefit Options

The same benefit options available to PERS retirees are available to SLRP retirees (see PERS Member Handbook). A member retiring under PERS and SLRP may choose different benefit options and may designate different beneficiaries for each plan.

As SLRP acts as a supplement to a participant's PERS benefit, eligibility for benefits under SLRP is contingent upon eligibility for benefits under PERS. Any SLRP member who meets the eligibility requirements for benefits under PERS (see PERS Member Handbook), upon termination from SLRP-covered employment, may apply for benefits under SLRP.

Benefit Amount

The retirement allowance provided under SLRP is equal to 50 percent of the retirement allowance provided under PERS, but applies only to a retirement allowance earned as an elected member of the Mississippi Legislature or as the President of the Senate. SLRP will not provide a supplement for PERS benefits earned by the member in any covered position other than that of an elected member of the Mississippi Legislature or as President of the Senate.

Example of Benefit Calculation

Based on the PERS service retirement benefit formula, a member of PERS and SLRP, age 65 or older, who retires with 20 years of creditable service as a member of the Legislature and/or as President of the Senate would be eligible for an unreduced PERS service retirement benefit equal to 40 percent of average compensation for his or her legislative service. The same member also would be eligible for a maximum SLRP service retirement benefit equal to half of that, or 20 percent of the average compensation. For this example, if a member's average compensation is $35,000 for his or her legislative service, the member would be eligible for an annual service retirement benefit under the Maximum Retirement Allowance of $14,000 from PERS and $7,000 from SLRP. If the member has additional creditable service through employment with another PERS-covered agency, the PERS benefit could increase but the SLRP benefit would not. (The PERS Member Handbook provides additional benefit calculation information.)

Partial Lump Sum Option

SLRP members who meet the eligibility criteria under PERS may elect to choose the Partial Lump Sum Option (PLSO) at the time of retirement equal to benefits for 12, 24, or 36 months under the Maximum Retirement Allowance. Receiving a partial lump sum would result in a reduction in monthly benefits and the annual Cost-of-Living Adjustment (COLA) (see PERS Member Handbook).

Annual Cost-of-Living Adjustment (COLA)

The same provisions that govern the COLA for PERS retirees pertain to SLRP. Unless an eligible retiring member elects to receive equal monthly installments from July to June, he or she will receive the COLA in one lump sum payment in mid-December. A retiree must draw benefits for one full fiscal year (July 1-June 30) to qualify for the COLA.

The COLA is equal to 3 percent of annual base benefits for each full fiscal year of retirement, with the 3 percent compounded beginning with the fiscal year that the retired member reaches age 55 or 60, as applicable (see PERS Member Handbook).

Read more about PLSO and COLA

For more information about the PLSO and COLA, visit PERS online, www.pers.ms.gov.

Service Credit

Creditable service refers to service credit awarded on a state fiscal year basis for employment in a SLRP-covered position. Types of service credit are:

Membership Service

Membership service credit is awarded for employment in a SLRP-covered position for periods beginning July 1, 1989, the date SLRP was established. All earned compensation must be properly reported before credit can be awarded.

Prior Service

Prior service credit is awarded for employment in a covered position for SLRP prior to July 1, 1989. Credit for prior service was awarded to all members of SLRP as of July 1, 1989. Any employee elected or appointed to a SLRP-covered position after July 1, 1989, who also served in the Legislature or served as President of the Senate prior to July 1, 1989, is eligible for this prior service after contributing to and vesting in SLRP. Prior service is awarded at no cost to the member.

Active Duty Military Service

SLRP service credit is awarded for active duty military service in the U.S. Armed Forces or with World War II Maritime Service. The maximum credit for military service is four years, unless the member was detained by the government during World War II without opportunity for discharge. The member must submit to PERS a copy (not the original)

of the military DD214 discharge form or other documentation acceptable to PERS. No credit can be provided to anyone who received a dishonorable discharge. Military credit is authorized in no more than one retirement system administered by PERS and cannot be split between plans. Military credit is awarded at no cost to the member, but a member must be vested in PERS to be eligible to receive active military service credit.

Elected Official Leave

Elected official leave credit is awarded to members of PERS and SLRP who serve in an elected capacity. Thirty days of elected official leave credit is awarded for each year of elected service prior to June 30, 1984. After June 30, 1984, service credit is awarded for elected official leave based upon the number of years of continuous elected service according to the leave accrual tables in the State Leave Law as follows:

Total Years in Office	Allowed for Term	Cumulative Total	Service Credit
4	121.5 days	121.5 days	0.50 years
8	126.0 days	247.5 days	1.00 years
12	132.0 days	379.5 days	1.50 years
16	133.5 days	513.0 days	2.00 years
20	138.0 days	651.0 days	2.75 years
24	138.0 days	789.0 days	3.25 years
28	138.0 days	927.0 days	3.75 years
32	138.0 days	1,065.0 days	4.25 years
36	138.0 days	1,203.0 days	4.75 years
40	138.0 days	1,341.0 days	5.50 years

Add 138 days for each additional four-year term.

Refund Payback & Reinstatement of Credit

Any new member of SLRP who received a refund of employee contributions and interest at the end of a previous period of SLRP covered employment may begin repaying the refund immediately upon returning to covered employment. A member who wishes to have refunded credit reinstated must repay the refund beginning with the most recent service. Reinstated service credit will be posted to a member's account only after the member becomes vested in SLRP. The minimum credit that may be repurchased is one quarter year.

Eligibility to repay a refund for reinstatement of service credit requires that the member must have returned to covered service after the date of the refund. However, the member does not have to be an actively contributing member to be eligible to repay a refund.

The cost to repay a refund includes the gross amount of the refund, plus a compounded interest charge for each year beginning with the date of the refund, based upon rates established by the PERS Board.

Termination from SLRP

Termination is a severance of employment from all SLRP-covered positions. Eligibility for benefits from SLRP requires that a member must have terminated from SLRP-covered employment and must have filed an application separate from any application for PERS benefits.

The terminating member must consider the following options related to his or her SLRP retirement account:

Requesting a refund of SLRP contributions:

- If the member applies for a lump sum of SLRP contributions, plus interest,

PERS is required to withhold 20 percent of the taxable distribution for federal income tax withholding.

- If a member requests a direct transfer of contributions into an eligible retirement plan or a traditional IRA, taxes and/or penalties will be deferred to the new plan.
- If a member receiving a refund is younger than 55 years old, the Internal Revenue Service may impose a 10 percent penalty for early distribution in addition to the 20 percent federal tax withholding referred to above.
- Acceptance of a refund terminates membership in SLRP and cancels all rights to any future retirement benefits based on the service associated with the refunded contributions.

There is no provision in SLRP law for loans, partial refunds, or hardship withdrawals. PERS will not issue refunds until 90 days after termination of employment and receipt of the completed application, unless there is a documented emergency. Refund applications are available through the employer, by making a request to PERS, or through the PERS website.

Leaving SLRP contributions with benefit availability depending on vested status:

Termination of non-vested member:

- Interest will be posted monthly; service credit will remain.
- In the event of an inactive member's death, a lump sum distribution of SLRP contributions and interest is payable to the designated beneficiaries with a mandatory 20 percent federal tax withholding unless the beneficiary elects a direct transfer into an eligible retirement plan or a traditional IRA. A non-spouse beneficiary may elect to rollover funds into an account established only for that purpose.

- Basic SLRP survivor benefit provisions are the same as those for PERS (see PERS Member Handbook).

Termination of vested member:

- Interest will be posted monthly; service credit will remain intact.
- Service retirement benefits will be payable, upon application, at age 60.

Death of vested member:

- The qualifying spouse and dependent children will be eligible for monthly benefits.
- In the absence of a spouse or dependent children, a lump sum distribution of SLRP contributions and interest is payable to the designated beneficiaries.

Applying for monthly benefits:

Upon meeting eligibility requirements and submitting a completed application to PERS, monthly SLRP retirement benefits are paid as an annuity. The member qualifying for monthly benefits will receive equal monthly payments for life. The amount of a retired member's annuity is calculated using the service credit factor, his or her average compensation, and, depending on the optional benefit payment plan selected, the age of the member and of the beneficiaries at the effective date of retirement, which is the first of the month after termination of employment and after a completed application is received by PERS.

Disability Retirement

Disability benefits are designed to provide a secure income to active SLRP members who become sick or injured, can no longer perform the essential duties of the job, and have a condition that is likely to be permanent. Basic SLRP Disability Retirement provisions are the same as those for PERS (see PERS Member Handbook).

Disclaimer: This handbook is published for members of the Supplemental Legislative Retirement Plan (SLRP) to provide general information regarding PERS laws, policies, and regulations and is subject to periodic revision as laws, policies, and regulations change. See all current PERS Board of Trustees Regulations at www.pers.ms.gov/Content/Pages/Board-Regulations.aspx.

PERS administers the benefits described in this handbook on behalf of participating employers. This handbook is meant to serve as a general reference to SLRP members and retirees and should not be used as a legal reference or a complete statement of the laws or administrative rules related to retirement. If any conflict exists between the information in this handbook and the applicable laws or administrative rules, the laws and administrative rules shall prevail.

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