



PERS Legislative Summary as of April 6, 2011

House Bill 957 (Regular Session 2010), effective July 1, 2011
Approved by the Governor April 28, 2010

Public Employees' Retirement System of Mississippi (PERS)

- **Required Separation Period** – Amends §25-11-127 to provide that a retiree must be retired for not less than 90 consecutive days from his or her effective date of retirement, or such later date as established by the PERS Board of Trustees, before he or she may be reemployed on a limited basis. This replaces the 45-day separation period with a 90-day separation period for those who retire effective on or after July 1, 2011. **§25-11-127(1)(a); Board Regulation 34**
- **Required Employer Contributions** – Amends §25-11-127 to provide that the employer of any retired member who is working after retirement will pay the full amount of the employer's contributions on the amount of compensation received by the retiree for his or her post-retirement employment effective July 1, 2011. **§25-11-127(5); Board Regulation 34**

House Bill 859 (Regular Session 2011), effective July 1, 2011, except as otherwise provided
Approved by the Governor March 11, 2011

PERS and Supplemental Legislative Retirement Plan (SLRP)

- **"Pop-up" and "Pop-down" Provisions** – Amends §25-11-115 (3) and (4) to add Option 4 to the "pop-up" and "pop-down" provisions, respectively, effective July 1, 2011. **§25-11-115 (3) and (4); Board Regulation 35**
- **Calculation of Optional Benefits** – Amends §25-11-115 to provide that, for members who retire effective on or after July 1, 2012, the actuarial equivalent factor used to compute the reduced retirement allowance at retirement or upon any subsequent recalculation of benefit shall be the factor for the age of the retiree and his or her beneficiary at the time of retirement or at the time an election for recalculation of benefits is made. **§25-11-115 (5)(b)**

Mississippi Highway Safety Patrol Retirement System (MHSPRS)

- **New Optional Benefit** – Amends §25-13-16 to add Option 4, the 75 percent joint and survivor annuity, and makes it available to members who retire on or after July 1, 2011. **§25-13-16 (1)**
- **"Pop-up" and "Pop-down" Provisions** – Amends §25-13-16 (3) and (4) to add Option 4 to the "pop-up" and "pop-down" provisions, respectively, effective July 1, 2011. **§25-13-16 (3) and (4); Board Regulation 35**

House Bill 861 (Regular Session 2011), effective July 1, 2011
Approved by the Governor March 11, 2011

PERS

- **Alternative Investment Managers Must Act as Fiduciaries** – Amends §25-11-121 to provide that with respect to certain investments made by PERS that are in the form of a separate managed account, or a limited partnership or commingled fund, any person or entity who exercises any discretionary authority or discretionary control respecting management of the separate account, limited partnership or commingled fund, or who exercises any authority or control respecting management or disposition of the assets of the separate account, limited partnership or commingled fund, shall exercise such authority or control as a fiduciary. **§25-11-121 (1)(n)**

House Bill 1209 (Regular Session 2011), effective July 1, 2011
Approved by the Governor March 11, 2011

MHSPRS

- **Mandatory Retirement Age** – Amends §25-13-11 to increase the mandatory retirement age for members of MHSPRS from age sixty (60) to age sixty-three (63) effective July 1, 2011. **§25-13-11 (1)(f)**

House Bill 1466 (Regular Session 2011), effective July 1, 2011
Approved by the Governor April 6, 2011

- **PERS FY 2012 Appropriation (Budget) Bill**

Senate Bill 2437 (Regular Session 2011), effective March 14, 2011
Approved by the Governor March 14, 2011

PERS

- **Collection of Contributions from Chancery and Circuit Clerks** – Codifies §25-11-106.1
 - To provide that the county is responsible for the employer contributions to PERS on net income attributable to direct treasury or county payroll income to the chancery or circuit clerk from the county **§25-11-106.1 (2)(a)(i)** and the chancery or circuit clerk is responsible for the employee contributions to PERS on net income attributable to direct treasury or county payroll income and both the employer and employee share of contributions on the proportionate share of net income attributable to fees **§25-11-106.1 (2)(a)(ii)**;
 - To authorize the county board of supervisors to elect to be responsible for the employer share of contributions to PERS on the proportionate share of net income of chancery and circuit clerks attributable to fees for contributions required for calendar years beginning on or after January 1, 2011 **§25-11-106.1 (2)(a)(iii)**;
 - To provide that if the county board of supervisors elects to be responsible for the employer share of contributions to PERS on the proportionate share of net income of chancery and circuit clerks attributable to fees, the election shall be irrevocable until the board of supervisors takes office for the next succeeding term of office at which time the board may elect whether to continue such election **§25-11-106.1 (2)(a)(iii)**;
 - To provide that notice of such election by the board of supervisors shall be filed with the executive director of PERS within five days after the election is made **§25-11-106.1 (2)(a)(iii)**;
 - To provide that if the chancery or circuit clerk fails to make full payment of contributions as required in calendar year 2010 or any calendar year thereafter, PERS shall certify the delinquency to the county and the county shall withhold any and all payments and fees due to the chancery or circuit clerk until such time as the amount of his or her delinquent contributions, including accrued interest, are withheld and pay the amount so withheld to PERS **§25-11-106.1 (2)(c)**; and

- To provide that any current or former chancery or circuit clerk for whom appropriate employee and employer contributions and interest on all fees and county income from covered service before January 1, 2010, have not been made, shall a) pay to PERS the required contributions and interest by not later than December 31, 2011, or irrevocably forfeit service credit for any period for which contributions are delinquent **§25-11-106.1 (3)(a)**; or b) elect, before December 31, 2011, not to pay delinquent employee and employer contributions and applicable interest for service as a chancery or circuit clerk before January 1, 2010, and irrevocably forfeit service credit for any period for which contributions are delinquent **§25-11-106.1 (3)(b)**.
- **Allowable Expenses of Chancery and Circuit Clerks** – Amends §9-1-43 to provide that employer contributions made to PERS under §25-11-106.1 may be deducted in determining the maximum amount of fees as compensation the chancery or circuit clerk may receive for their services.
- **PERS Financing** - Amends §25-11-123 to remove the July 1, 2012, repeal date.

Senate Bill 3078 (Regular Session 2010), effective July 1, 2011
Approved by the Governor March 17, 2010

PERS and SLRP

- **Retirement Eligibility** – Establishes 30 years as the number of years of creditable service required for retirement regardless of age for persons who become members of the System on or after July 1, 2011. **§25-11-111; Board Regulation 28; Board Regulation 54**
- **Partial Lump Sum Option Eligibility** – Establishes 33 years as the number of years of creditable service required to select a partial lump sum option for persons who become members of the System on or after July 1, 2011. **§25-11-115; Board Regulation 48**

Senate Bill 2439 (Regular Session 2011), effective July 1, 2011
Approved by the Governor March 30, 2011

PERS

- **Retirement Formula** – Establishes the retirement formula for persons who become members of the System on or after July 1, 2011, as two percent (2.0%) of average compensation for each of the first thirty (30) years of creditable service and two and one-half percent (2.5%) of average compensation for each year beyond thirty (30) years, with no minimum monthly benefit. **§25-11-111 (e); Board Regulation 30** Provides for an actuarial reduction in the benefit for each year of creditable service below thirty (30) years or the number of years in age that the member is below age 65, whichever is less, for persons who become members of the System on or after July 1, 2011. **§25-11-111 (f)**
- **Cost-of-Living Adjustment (COLA)** – Establishes the COLA for persons who become members of the System on or after July 1, 2011, as three percent (3.0%) of the annual retirement allowance for each full fiscal year in retirement up to the fiscal year in which the retired member reaches age 60, plus three percent (3.0%) compounded for each full fiscal year thereafter. **§25-11-112 (b)**
- **Spouse Survivor Retirement Benefits** – Amends §25-11-114 to replace the three percent (3.0%) reduction in spouse survivor retirement benefits with an actuarially determined percentage or factor to allow for modification as the percentage or factor might need to change from time to time as determined by the actuary. **§25-11-114 (2)(d)(ii)**
- **Transfer of Assets from Health Care Trust Fund to PERS** – Amends §43-13-405 to authorize the transfer of ownership of certain assets in the Health Care Trust Fund to PERS. Amends §25-11-123 to authorize PERS to accept the transfer of certain assets from the Health Care Trust Fund. **§25-11-123 (c)(7)**
- **PERS Financing** - Amends §25-11-123 to remove the July 1, 2012, repeal date.

PERS Retirement Tiers

| Tier | PERS Entry Date <i>Date of Hire</i> | Vesting Period | Retirement Eligibility | Service Retirement Formula | PLSO Eligibility | Non-Duty-Related Disability Plan |
|------|--|----------------|--|--|--|---|
| 1 | June 30, 1992, or earlier | 4 years | 25 years at any age or age 60 and vested | 2.0% per year for up to 25 years, plus 2.5% per year for each year over 25; minimum monthly benefit under single-life annuity of \$10 per month for each year of service | 28 years at any age or age 63 and vested | Age-limited, unless elected coverage under the Tiered Disability Plan |
| 2 | July 1, 1992, through June 30, 2007 | 4 years | 25 years at any age or age 60 and vested | 2.0% per year for up to 25 years, plus 2.5% per year for each year over 25; minimum monthly benefit under single-life annuity of \$10 per month for each year of service | 28 years at any age or age 63 and vested | Tiered |
| 3 | July 1, 2007, through June 30, 2011 | 8 years | 25 years at any age or age 60 and vested | 2.0% per year for up to 25 years, plus 2.5% per year for each year over 25; minimum monthly benefit under single-life annuity of \$10 per month for each year of service | 28 years at any age | Tiered |
| 4 | July 1, 2011, or later | 8 years | 30 years at any age or age 60 and vested | 2.0% per year for up to 30 years, plus 2.5% per year for each year over 30, with an actuarial reduction for each year of creditable service below 30 or for each year in age below age 65, whichever is less; no minimum monthly benefit | 33 years at any age | Tiered |