



Recent Pension Reform: Changes to PERS Benefits made by the Legislature from 2007-2013, by Effective Date and Code Section

Effective Date	Mississippi Code Section	Description of Change to PERS Benefits
7/1/2007	25-11-105	Vesting period increased from 4 years to 8 years for new employees hired on or after July 1, 2007
7/1/2007	25-11-115	Limited the selection of the partial lump sum option for those person hired on or after July 1, 2007, to those who have 28 or more years of creditable service at the time of retirement
7/1/2008	25-11-103(f) and (k)	Increased maximum compensation cap from \$150,000 to coincide with Internal Revenue Service limits. Initially, this change increased the earned compensation limit from \$150,000 to \$230,000 effective July 1, 2008. Since then, the limit has increased from \$230,000 to \$255,000.
7/1/2010	25-11-123 25-11-109 25-11-115	Increased the employee contribution rate from 7.25 percent to 9.00 percent of earned compensation <i>Offsetting benefits: Members who retire on or after July 1, 2010, receive additional credit toward retirement for one-half day of leave for each full fiscal year of membership service accrued after June 30, 2010; Option 4, a 75 percent joint and survivor annuity, made available to members who retire on or after January 1, 2011</i>
7/1/2010	25-11-103(f)	Limited the amount of paid leave that is used in calculating average compensation at the death of a member to 30 days (previously 150 days)
7/1/2010	25-11-127	Tightened regulations on “double dipping” by local elected officials in PERS by: 1) requiring local elected officials to be age 62 or older to retire and continue in office without a break in service; and 2) requiring employers to pay employer contributions on the full salary in effect for the position for any retired member who is reemployed as a local elected position in what would otherwise be a covered position
7/1/2011	25-11-127	Tightened regulations on “double dipping” by non-elected employees in PERS by: 1) establishing a required separation period of not less than 90 days before a retiree may be reemployed on a limited basis; and 2) requiring employers to pay employer contributions on compensation paid to retirees working on a limited basis while receiving a retirement allowance
7/1/2011	25-11-111	Increased the number of years of creditable service required for service-based retirement from 25 years to 30 years for new employees hired on or after July 1, 2011
7/1/2011	25-11-115	Increased the number of years of creditable service required to select the partial lump sum option from 28 years to 33 years for new employees hired on or after July 1, 2011
7/1/2011	25-11-111	Reduced benefits for those retiring at age 60 with less than 30 years of service for new employees hired on or after July 1, 2011

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7/1/2011	25-11-111	Moved the 2.50 percent retirement multiplier out to 30 years from 25 years for new employees hired on or after July 1, 2011
7/1/2011	25-11-112	Moved the 3.00 percent compound COLA rate from age 55 to age 60 for new employees hired on or after July 1, 2011
7/1/2012	25-11-115	Calculation of all optional benefits will be cost neutral to the plan
7/1/2013	25-11-103(k)	Prospectively exclude the value of maintenance (housing, utilities, meals, etc.) from earned compensation and grandfather those who have maintenance reported to PERS as earned compensation as of June 30, 2013; clarify that employer-paid health and life insurance premiums for an employee are not earned compensation, whether taxable or nontaxable to the employee; prospectively exclude performance-based incentive payments from earned compensation; and clarify that in-kind benefits are not reportable to PERS as earned compensation.