

## **Chapter 60 - Contribution Rates**

### **100 Purpose**

The purpose of this regulation is to reflect the current employee and employer contribution rates for the Public Employees' Retirement System of Mississippi, the Supplemental Legislative Retirement Plan, the Mississippi Highway Safety Patrol Retirement System, and the Optional Retirement Program for Employees of the State Institutions of Higher Learning.

### **101 Contribution Rates for the Public Employees' Retirement System of Mississippi**

Pursuant to Miss. Code Ann. § 25-11-123 (1972, as amended), the Board of Trustees of the Public Employees' Retirement System is authorized to set the contribution rate for both employee and employer contributions based on the basis of the liabilities of the retirement system as shown by the actuarial valuation.

The employee and employer contribution rates are as follows:

1. Employee Contribution Rate -7.25% of earned compensation effective July 1, 1991; and
2. Employer Contribution Rate – ~~11.85~~ 12.00% of earned compensation effective July 1, ~~2007~~ 2009.

### **102 Contribution Rates for the Supplemental Legislative Retirement Plan**

Pursuant to Miss. Code Ann. § 25-11-307 (1972, as amended), the Board of Trustees is authorized to set the employer contribution rate on the basis of the liabilities of the plan as shown by the actuarial valuation.

The employee and employer contribution rates are as follows:

1. Employee Contribution Rate – 3% of annual compensation effective July 1, 1989; and
2. Employer Contribution Rate – 6.65% of annual compensation effective July 1, 2006.

### **103 Contribution Rates for the Mississippi Highway Safety Patrol Retirement System**

Pursuant to Miss. Code Ann. § 25-13-7 (1972, as amended), the Board of Trustees of the Public Employees' Retirement System is authorized to set the employee contribution rate on the basis of the liabilities of the plan as shown by the actuarial valuation. Pursuant to Miss. Code Ann. § 25-13-29 (1972, as amended), the administrative board of the Mississippi Highway Safety Patrol Retirement System is authorized to set biennially the employer contribution percentage rate on the basis of the liabilities of the retirement system as shown by the actuarial valuation.

The employee and employer contribution rates are as follows:

1. Employee Contribution Rate – 7.25% of annual compensation effective July 1, 2008; and
2. Employer Contribution Rate – 30.30% of annual compensation effective July 1, 2006.

In addition, effective July 1, 2004, the Legislature has levied a \$2.00 additional fee for each certified abstract of operating record furnished by the Motor Vehicle Commission. This amount is deposited in the Mississippi Highway Safety Patrol Retirement Fund.

**104 Contribution rates for the Optional Retirement Program for Employees of the State Institutions of Higher Learning**

1. Pursuant to Miss. Code Ann. § 25-11-411 (1972, as amended), each participant is required to contribute monthly to the optional retirement program the same amount that he or she would be required to contribute to the Public Employees’ Retirement System of Mississippi if he or she were a member of that plan.

Each employer of a participant in the optional retirement program shall contribute on behalf of each participant therein the same amount the employer would otherwise be required to contribute on behalf of such participant if he or she participated in the Public Employees’ Retirement System.

The Board of Trustees of the Public Employees’ Retirement System is authorized to set the contribution rate for both employee and employer contributions based on the basis of the liabilities of the Public Employee’s Retirement as shown by the actuarial valuation.

The employee and employer contribution rates are as follows:

- a. Employee Contribution Rate -7.25% of earned compensation effective July 1, 1991; and
- b. Employer Contribution Rate – ~~11.85~~ 12.00% of earned compensation effective July 1, ~~2007~~ 2009.

2. Pursuant to Miss. Code Ann. § 25-11-415 (1972, as amended) the Board of Trustees is authorized to deduct a fee of up to two percent (2%) of the employers’ contribution to defray the cost of administering the plan. Effective July 1, 2009, this fee shall be one percent (1 %) of the employers’ total contribution which shall be transferred each month to PERS when contributions are due.

- ~~2.3.~~ 3. The full amount of the employee contribution which is 7.25% of the participant’s earned compensation shall be remitted to the appropriate company or companies for application to the participant’s contract or account or both.

- 4.** The employers' contribution of twelve percent (12%) of the participant's earned compensation shall be disbursed as follows:
- a.** One percent (1%) of the employer contributions (or the equivalent of .12% of the participant's earned compensation) shall be paid to PERS as an administrative fee.
  - b.** Two and one-half percent (2 ½%) of the participant's earned compensation ~~employer contribution rate~~ reduced by the pro-rata share of the 1% administrative fee, or an equivalent of 2.475% of the participant's earned compensation, shall be remitted to PERS for application to the unfunded accrued liability.
  - c.** Nine and one-half percent (9.5%) of the participant's earned compensation reduced by the pro-rata share of the 1% administrative fee, or an equivalent of 9.405% of the participant's earned compensation, ~~the remainder of the employer contribution~~ shall be remitted to the appropriate company or companies for application to the participant's contract or account or both.

**(History: Adopted effective January 19, 2009; Amended effective July 1, 2009)**