# REPORT OF THE GENERAL GOVERNMENT, PERSONNEL & BENEFITS SUBCOMMITTEE

(Anthony, Pitts, Herbkersman, Hayes & Whitmire - Staff Contact: Blythe Littlefield)

## **SENATE BILL 381**

S. 381 -- Senators Shealy, Bright, Turner, Johnson, Young, Jackson, Grooms, Sabb, Thurmond, Massey, Allen, Sheheen, Davis, Hembree, L. Martin, Bryant, Peeler, Alexander, Lourie, Cromer, Setzler and Scott: A BILL TO AMEND SECTION 8-11-620(A)(1) OF THE 1976 CODE, RELATING TO LEAVE AND LUMP-SUM PAYMENTS UPON TERMINATION OF EMPLOYMENT, TO PROVIDE THAT ANY PUBLIC EMPLOYEE WHO IS TERMINATED WITHIN ONE YEAR OF FULL RETIREMENT SHALL HAVE FIVE DAYS AFTER TERMINATION TO PURCHASE THE REMAINING TIME.

Summary of Bill: This bill provides that any public employee who is

terminated within one year of retirement eligibility will have five business days after termination to purchase the remaining service time in order to attain retirement eligibility. This applies to members of the South Carolina Retirement System and the South Carolina Police Officer

Retirement System.

*Introduced:* 01/28/2015

Received by Ways and Means: 03/24/2015

Estimated Fiscal Impact: The bill would have no expenditure impact to the General

Fund, Federal Funds, and Other Funds.

Subcommittee Recommendation: Adopted Favorable

Full Committee Recommendation: Pending

Other Notes/Comments:



## SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-0640 • RFA.SC.GOV/IMPACTS

Bill Number:

S. 0381

As amended by the Senate on March 17, 2015

Author:

Shealy

Requestor:

House Ways and Means

Date:

April 14, 2015

Subject:

Leave and lump-sum payments

RFA Analyst(s):

Fulmer

**Estimate of Fiscal Impact** 

	FY 2015-16	FY 2016-17		
State Expenditure				
General Fund	\$0	N/A		
Other and Federal	\$0	N/A		
Full-Time Equivalent Position(s)	0.00	0.00		
State Revenue				
General Fund	N/A	N/A		
Other and Federal	N/A	N/A		
Local Expenditure	N/A	N/A		
Local Revenue	N/A	N/A		

### **Fiscal Impact Summary**

The bill, as amended, would have no expenditure impact to the General Fund, Federal Funds, and Other Funds.

## **Explanation of Fiscal Impact**

### Explanation of Amendment (March 17, 2015) - By Senate Finance Committee

### **State Expenditure**

This bill would amend Section 8-11-620 to provide that any public employee who is terminated within one year of retirement eligibility will have five business days after termination to purchase the remaining service time in order to attain retirement eligibility. The amended bill further clarifies that this bill includes active members of the South Carolina Retirement System and South Carolina Police Officers Retirement System.

The Public Employee Benefits Authority indicates that this bill, as amended, would have no expenditure impact to the General Fund, Federal Funds, and Other Funds since members are required to purchase service time at actuarial cost.

#### **State Revenue**

N/A

## **Local Expenditure**

N/A

### **Local Revenue**

N/A

### **Explanation of Bill filed January 28, 2015**

This bill would amend Section 8-11-620 to provide that any public employee who is terminated within one year of retirement eligibility will have five days after termination to purchase the remaining service time in order to attain retirement eligibility

The Public Employee Benefits Authority indicates that this bill would have no expenditure impact to the General Fund, Federal Funds, and Other Funds since members are required to purchase service time at actuarial cost.

#### **State Revenue**

N/A

## **Local Expenditure**

N/A

#### **Local Revenue**

N/A

Frank A. Rainwater, Executive Director

#### **South Carolina General Assembly**

121st Session, 2015-2016

### S. 381

#### **STATUS INFORMATION**

General Bill

Sponsors: Senators Shealy, Bright, Turner, Johnson, Young, Jackson, Grooms, Sabb, Thurmond, Massey, Allen, Sheheen, Davis, Hembree, L. Martin, Bryant, Peeler, Alexander, Lourie, Cromer, Setzler and Scott Document Path: 1:\s-res\ks\020publ.kmm.ks.docx

Introduced in the Senate on January 28, 2015
Introduced in the House on March 24, 2015
Last Amended on March 17, 2015
Currently residing in the House Committee on Ways and Means

Summary: Leave and lump-sum payments

#### HISTORY OF LEGISLATIVE ACTIONS

_	Date	Body	Action Description with journal page number
	1/28/2015	Senate	Introduced and read first time (Senate Journal-page 22)
	1/28/2015	Senate	Referred to Committee on Finance (Senate Journal-page 22)
	3/11/2015	Senate	Committee report: Favorable with amendment Finance (Senate Journal-page 7)
	3/17/2015	Senate	Committee Amendment Adopted (Senate Journal-page 27)
	3/18/2015	Senate	Read second time (Senate Journal-page 21)
	3/18/2015	Senate	Roll call Ayes-45 Nays-0 (Senate Journal-page 21)
	3/19/2015	Senate	Read third time and sent to House (Senate Journal-page 7)
	3/24/2015	House	Introduced and read first time (House Journal-page 15)
	3/24/2015	House	Referred to Committee on Ways and Means (House Journal-page 15)

View the latest legislative information at the website

#### **VERSIONS OF THIS BILL**

1/28/2015 3/11/2015 3/17/2015

1	Indicates Matter Stricken
2	Indicates New Matter
3	
4	COMMITTEE AMENDMENT ADOPTED
5	March 17, 2015
6	
7	S. 381
8	
9	Introduced by Senators Shealy, Bright, Turner, Johnson, Young,
10	Jackson, Grooms, Sabb, Thurmond, Massey, Allen, Sheheen, Davis,
11	Hembree, L. Martin, Bryant, Peeler, Alexander and Lourie
12	
13	S. Printed 3/17/15S.
14	Read the first time January 28, 2015.
15	
16	
17	

## A BILL

10 11

11 TO AMEND SECTION 8-11-620(A)(1) OF THE 1976 CODE, 12 RELATING TO LEAVE AND LUMP-SUM PAYMENTS UPON 13 TERMINATION OF EMPLOYMENT, TO PROVIDE THAT 14 ANY PUBLIC EMPLOYEE WHO IS TERMINATED WITHIN 15 ONE YEAR OF FULL RETIREMENT SHALL HAVE FIVE 16 DAYS AFTER TERMINATION TO PURCHASE THE 17 REMAINING TIME.

Amend Title To Conform

18 19

20 Be it enacted by the General Assembly of the State of South 21 Carolina:

22

23 SECTION 1. Section 8-11-620(A)(1) of the 1976 Code is amended 24 to read:

25 26

"Section 8-11-620. (A)(1) Upon termination from state 27 employment, an employee may take both annual leave and a 28 lump-sum payment for unused leave, but this combination may not exceed forty-five days in a calendar year except as provided in Section 8-11-610. If an employee dies, the employee's legal representative is entitled to a lump-sum payment for the employee's 31 unused leave, not to exceed forty-five working days, except as provided in Section 8-11-610. An active member of the South 34 Carolina Retirement System or South Carolina Police Officers 35 Retirement System who is terminated within one year of retirement 36 eligibility shall have five business days after the date of termination to purchase any service credit that the member is otherwise eligible 38 to purchase as provided in Section 9-1-1140 or Section 9-11-50 in 39 order to attain retirement eligibility."

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1	SECTION 2. Section 9-1-1140 of the 1976 Code, as last amended
2	by Act 278 of 2012, is further amended by adding a subsection at
3	the end to read:
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5	"(O) An active member who is terminated within one year of
6	retirement eligibility shall have five business days after the date of
7	termination to purchase any service credit that the member is
8	otherwise eligible to purchase under this section."
9	
10	SECTION 3. Section 9-11-50 of the 1976 Code, as last amended
11	by Act 278 of 2012, is further amended by adding a subsection at
12	the end to read:
13	
14	"(O) An active member who is terminated within one year of
15	retirement eligibility shall have five business days after the date of
16	termination to purchase any service credit that the member is
17	otherwise eligible to purchase under this section."
18	
19	SECTION 4. This act takes effect upon approval by the Governor.
20	XX
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