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COMMITTEE REPORT

April 15, 2010

**S. 1145**

Introduced by Senator Leatherman

S. Printed 4/15/10--H.

Read the first time February 24, 2010.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (S. 1145) to amend Sections 9‑1‑1540, 9‑9‑65, and 9‑11‑80 of the 1976 Code, relating to the date upon which an application for disability retirement, etc., respectfully

**REPORT:**

That they have duly and carefully considered the same and recommend that the same do pass:

DANILE T. COOPER for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

$0 (No additional expenditures or savings are expected)

**EXPLANATION OF IMPACT:**

State Budget and Control Board

The S.C. Retirement System reports that there is no actuarial impact to the system with the adoption of this bill.

*Approved By:*

Harry Bell

Office of State Budget

**A** **BILL**

TO AMEND SECTIONS 9‑1‑1540, 9‑9‑65, AND 9‑11‑80 OF THE 1976 CODE, RELATING TO THE DATE UPON WHICH AN APPLICATION FOR DISABILITY RETIREMENT MUST BE FILED WITH THE SOUTH CAROLINA RETIREMENT SYSTEM, TO PROVIDE THAT A MEMBER IS CONSIDERED TO BE IN SERVICE ON THE DATE THE APPLICATION IS FILED IF THE MEMBER IS NOT RETIRED AND THE LAST DAY THE MEMBER WAS EMPLOYED BY A COVERED EMPLOYER IN THE SYSTEM OCCURRED NOT MORE THAN NINETY DAYS PRIOR TO THE DATE OF FILING.

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

SECTION 1. Section 9‑1‑1540 of the 1976 Code is amended to read:

“Section 9‑1‑1540. Upon the application of a member in service or of his employer, a member in service on or after July 1, 1970, who has had five or more years of earned service or a contributing member who is disabled as a result of an injury arising out of and in the course of the performance of his duties regardless of length of membership on or after July 1, 1985, may be retired by the board not less than thirty days and not more than nine months next following the date of filing the application on a disability retirement allowance if the system, after a medical examination of the member, certifies that the member is mentally or physically incapacitated for the further performance of duty, that the incapacity is likely to be permanent, and that the member should be retired. For purposes of this section, a member is considered to be in service on the date the application is filed if the member is not retired and the last day the member was employed by a covered employer in the system occurred not more than ninety days prior to the date of filing.

The South Carolina Retirement System may contract with the Department of Vocational Rehabilitation to evaluate the medical evidence submitted with the disability application relative to the job being performed and make recommendations to the medical board. The system may approve a disability retirement subject to the member participating in vocational rehabilitation with the Department of Vocational Rehabilitation. Upon determination by the department that a member retired on disability is able to reenter the job market and work is available, the Retirement System may adjust the benefit paid by the system in accordance with Sections 9‑1‑1580, 9‑1‑1590, 9‑9‑60, and 9‑11‑90.”

SECTION 2. Section 9‑9‑65(1) of the 1976 Code is amended to read:

“(1) Upon the application of a member in service or of the State, any member in service on or after July 1, 1977, who has five or more years of credited service or any contributing member who is disabled as a result of an injury arising out of and in the course of the performance of his duties regardless of length of membership on or after July 1, 1985, may be retired by the board not less than thirty days nor more than ninety days next following the date of filing the application on a disability retirement allowance if the system, after a medical examination of the member, shall certify that the member is mentally or physically incapacitated for further performance of duty, that the incapacity is likely to be permanent, and that the member should be retired. For purposes of this section, a member is considered to be in service on the date the application is filed if the member is not retired and the last day the member held office as a member of the General Assembly occurred not more than ninety days prior to the date of filing.”

SECTION 3. Section 9‑11‑80(1) of the 1976 Code is amended to read:

“(1) On the application of a member in service or the member’s employer, a member who has five or more completed years of earned service or any contributing member who is disabled as a result of an injury arising out of and in the course of the performance of the member’s duties regardless of length of membership may be retired by the retirement board not less than thirty days and not more than nine months next following the date of filing the application on a disability retirement allowance if the system, after a medical examination of the member, certifies that the member is mentally or physically incapacitated for the further performance of duty, that the incapacity is likely to be permanent, and that the member should be retired. For purposes of this section, a member is considered to be in service on the date the application is filed if the member is not retired and the last day the member was employed by a covered employer in the system occurred not more than ninety days prior to the date of filing.

The South Carolina Retirement System may contract with the Department of Vocational Rehabilitation to evaluate the medical evidence submitted with the disability application relative to the job being performed and make recommendations to the system. The system may approve a disability retirement subject to the member participating in vocational rehabilitation with the Department of Vocational Rehabilitation. Upon determination by the department that a member retired on disability is able to reenter the job market and work is available, the Retirement System may adjust the benefit paid by the system in accordance with Sections 9‑1‑1580, 9‑1‑1590, 9‑9‑60, and 9‑11‑90.”

SECTION 4. This act takes effect upon approval by the Governor and applies to any application for disability retirement filed with the South Carolina Retirement Systems on or after May 12, 2008.

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