~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

February 17, 2010

**S. 906**

Introduced by Senators Leatherman, Land, Coleman and Elliott

S. Printed 2/17/10--S.

Read the first time January 12, 2010.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 906) to amend Section 9‑8‑50 of the 1976 Code, relating to service credit in the Retirement System for Judges and Solicitors, to provide that a member upon termination, etc., respectfully

**REPORT:**

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

HUGH K. LEATHERMAN, SR. for Committee.

**A** **BILL**

TO AMEND SECTION 9‑8‑50 OF THE 1976 CODE, RELATING TO SERVICE CREDIT IN THE RETIREMENT SYSTEM FOR JUDGES AND SOLICITORS, TO PROVIDE THAT A MEMBER UPON TERMINATION WHO DOES NOT QUALIFY FOR A MONTHLY BENEFIT MAY TRANSFER HIS SERVICE CREDIT TO THE SOUTH CAROLINA RETIREMENT SYSTEM, AND TO CLARIFY PROVISIONS RELATED TO THE TRANSFER OF EARNED SERVICE CREDIT IN RETIREMENT PLANS ADMINISTERED BY THE SOUTH CAROLINA RETIREMENT SYSTEMS.

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

SECTION 1. Section 9‑8‑50(D) of the 1976 Code is amended to read:

“(D) A member upon termination may either:

(1) elect to receive a refund of the member’s employee contributions and accumulated interest; ~~or~~

(2) elect to leave the member’s employee contributions and interest on deposit in the system. Regular interest must continue to be credited to the member’s account in the same manner that interest is credited to the accounts of active members. At a later date, the member may either:

(a) return to employment as a judge, solicitor, or circuit public defender and once again become an active contributing member of the system;

(b) receive a refund of the member’s accumulated contributions and interest;

(c) if vested, receive a deferred annuity in accordance with subsection (E) of this section; or

(d) if the member has been hired or elected to a position covered by the South Carolina Retirement System, the Police Officers Retirement System, or the Retirement System for Members of the General Assembly, and becomes a member of one of these systems, the member may transfer the member’s nonconcurrent service credit to the retirement system in which the member has become an active participant, by taking a refund of the member’s employee contributions and accumulated interest in the system and by purchasing the nonconcurrent service as public service in the other system in which the member is an active participant~~.~~; or

(3) if the member does not qualify for a monthly benefit, elect to transfer his service credit to the South Carolina Retirement System. Upon such election, the director must transfer to the South Carolina Retirement System the required employee and employer contributions. The required contributions shall be equal to the employer and employee contributions that would have been required under the South Carolina Retirement System had the member earned his highest career salary as a judge, solicitor, or circuit public defender in a position covered by the South Carolina Retirement System for each year of service credit transferred. Should either employee contributions or employer contributions be insufficient for the member to transfer all of his service credit, the member shall receive a prorated portion of his service credit in the South Carolina Retirement System and have the option to purchase the remaining service as public service pursuant to Section 9‑1‑1140. Any excess employer contributions following the transfer shall remain in the system and shall be held pursuant to Section 9‑8‑180. Any excess member contributions following the transfer shall be refunded to the member. Earned service credit transferred pursuant to this section shall be considered earned service credit in the South Carolina Retirement System as defined by Section 9‑1‑10(9). The member’s salary as a judge, solicitor, or circuit public defender shall be considered earnable compensation in determining the member’s average final compensation under the South Carolina Retirement System.”

SECTION 2. Notwithstanding the limitations on establishment of additional service credit in the Retirement System for Judges and Solicitors provided in Section 9‑8‑50(A) of the 1976 Code, within thirty days of the effective date of this act, an active contributing member of the Retirement System for Judges and Solicitors, who was also an active contributing member on July 1, 2004, may transfer to the Retirement System for Judges and Solicitors any amount of nonconcurrent earned service credit from the South Carolina Retirement System, the South Carolina Police Officers Retirement System, or the Retirement System for Members of the General Assembly in the manner provided in Section 9‑8‑50(B) of the 1976 Code. A member of the Retirement System for Judges and Solicitors may not establish in the aggregate more than sixteen years of service credit in the Retirement System for Judges and Solicitors pursuant to this act or Sections 9‑8‑50(A) and (B). For purposes of Section 9‑8‑60(5) of the 1976 Code only, service earned in the South Carolina Retirement System, the South Carolina Police Officers Retirement System, or the Retirement System for Members of the General Assembly and transferred to the Retirement System for Judges and Solicitors pursuant to this act shall be deemed earned service.

SECTION 3. This act takes effect upon approval by the Governor.

‑‑‑‑XX‑‑‑‑