~~Indicates Matter Stricken~~

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COMMITTEE REPORT

May 15, 2014

**S. 1008**

Introduced by Senators Setzler and Lourie

S. Printed 5/15/14--H.

Read the first time April 1, 2014.

**THE COMMITTEE ON WAYS AND MEANS**

To whom was referred a Bill (S. 1008) to amend Section 9‑8‑10, as amended, Code of Laws of South Carolina, 1976, relating to definitions pertaining to the retirement system for judges and solicitors, etc., respectfully

**REPORT:**

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

Amend the bill, as and if amended, page 2, by striking SECTION 3 and inserting:

/ SECTION 3. A. Section 9‑8‑60(1) of the 1976 Code, as last amended by Act 278 of 2012, is further amended to read:

“(1) A member of the system may retire upon written application to the board setting forth at what time, not later than the end of the calendar year in which the member attains age seventy‑two and not more than ninety days prior nor more than six months subsequent to the execution and filing thereof, the member desires to be retired, if the member at the time so specified for retirement is no longer in the service of the State, except as a member of the General Assembly or as allowed pursuant to subsection (7), and has completed ten years of earned service as a judge or eight years of earned service as a solicitor or circuit public defender or was in service as a judge or solicitor on July 1, 1984, and has either:

(a) attained the age of sixty‑five and completed at least twenty years of credited service;

(b) attained age seventy and completed at least fifteen years of credited service; or

(c) completed at least twenty‑five years of credited service in the system for a judge, or twenty‑four years of credited service in the system for a solicitor or circuit public defender, regardless of age. A member may retire under this section if the member was a member of this system as of June 30, 2004; attained age sixty‑five with at least four years’ earned service in the position of judge, solicitor, or circuit public defender; and, as of June 30, 2004, had a total of twenty‑five years of credited service with the State in the South Carolina Retirement System, the Police Officers Retirement System, or the Retirement System for Members of the General Assembly.

~~A person is not eligible to receive a retirement allowance under this system while under employment covered by the South Carolina Retirement System and the South Carolina Police Officers Retirement System except as provided in Section 9‑8‑65.~~

A person receiving retirement allowances under this system who is elected to the General Assembly continues to receive the retirement allowances while serving in the General Assembly, and also must be a member of the retirement system unless the person files a statement with the board on a form prescribed by the board electing not to participate in the applicable system while a member of the General Assembly. A person making this election shall not make contributions to the applicable retirement system nor shall the State make contributions on the member’s behalf and the person is not entitled to benefits from the applicable retirement system after ceasing to be a member of the General Assembly.”

B. Section 9‑8‑120(2) of the 1976 Code, as last amended by Act 108 of 2007, is further amended to read:

/ (2)(a) A retired member of the system who has been retired for at least thirty consecutive calendar days may be hired and return to employment covered by the South Carolina Retirement System or the South Carolina Police Officers Retirement System and earn up to ten thousand dollars without affecting the monthly retirement allowance the member is receiving from the system. If the retired member continues in service after earning ten thousand dollars in a calendar year, the member’s allowance must be discontinued during his period of service in the remainder of the calendar year. If a retired member of the system returns to employment covered by the South Carolina Retirement System or South Carolina Police Officers Retirement System sooner than thirty days after retirement, the member’s retirement allowance is suspended while the member remains employed by the participating employer. If an employer fails to notify the system of the engagement of a retired member to perform services, the employer shall reimburse the system for all benefits wrongly paid to the retired member. ~~Except as otherwise provided below, if this return is in a position other than as a solicitor or circuit public defender, the beneficiary, upon cessation of service in the position, is entitled to apply for a retirement allowance at the same rate to which the beneficiary was previously entitled, disregarding any reduction resulting from a previous election of an option.~~ If the beneficiary’s return is as a member of the General Assembly, retirement allowances continue as provided pursuant to Section 9‑8‑60(1).

(b) The earnings limitation imposed pursuant to this item does not apply if the member meets at least one of the following qualifications:

(i) the member retired before July 1, 2014;

(ii) the member had attained the age of sixty‑two years at retirement; or

(iii) compensation received by the retired member from the covered employer is for service in a public office filled by the appointment of the Governor and with confirmation by the Senate, by appointment or election by the General Assembly, or by election of the qualified electors of the applicable jurisdiction.

(c) A member retiring before July 1, 2014 is not subject to the thirty-day separation from service requirement pursuant to this item and the retired member’s retirement allowance is not suspended if the retired member returns to employment covered by the South Carolina Retirement System or the Police Officers’ Retirement System sooner than thirty days after retirement.

(d) If a participating employer in the South Carolina Retirement System or the South Carolina Police Officers Retirement System employs a retired member of the system, the retired member and the participating employer shall pay to the South Carolina Retirement System or the South Carolina Police Officers Retirement System, as applicable, the employee and employer contributions, respectively, that would be required if the member were an active contributing member of the applicable system. A retired member so employed may not become a member of the South Carolina Retirement System or the South Carolina Police Officers Retirement System and does not accrue service credit in either system by reason of the contributions required pursuant to this subitem.”

C. Section 9‑8‑65 of the 1976 Code is repealed.

SECTION 4. This act takes effect upon approval by the Governor. /

Renumber sections to conform.

Amend title to conform.

W. BRIAN WHITE for Committee.

**A** **BILL**

TO AMEND SECTION 9‑8‑10, AS AMENDED, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO DEFINITIONS PERTAINING TO THE RETIREMENT SYSTEM FOR JUDGES AND SOLICITORS, SO AS TO INCLUDE ADMINISTRATIVE LAW JUDGES IN THE DEFINITION OF “JUDGE”; AND TO AMEND SECTION 9‑8‑40, AS AMENDED, RELATING TO MEMBERSHIP IN THE SYSTEM, SO AS TO ALLOW ADMINISTRATIVE LAW JUDGES SERVING ON JULY 1, 2014, TO ELECT TO BECOME A MEMBER.

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

SECTION 1. Section 9‑8‑10(16) of the 1976 Code is amended to read:

“(16) ‘Judge’ means a justice of the Supreme Court or a judge of the court of appeals, circuit or family court of the State of South Carolina. Subject to the provisions of Section 9‑8‑40, ‘judge’ also means an administrative law judge.”

SECTION 2. Section 9‑8‑40(1) of the 1976 Code, as last amended by Act 108 of 2007, is further amended to read:

“(1) All persons who are judges or solicitors on July 1, 1979, and who have not attained age seventy‑two shall become members of the system as of that date. All administrative law judges on July 1, 2014, who have not retired may elect to become a member of the system. Administrative law judges making that election may transfer prior service into the system as provided in Section 9‑8‑50, and to the extent the service thus transferred occurred after the member took office as an administrative law judge, that service is deemed earned service in the system. All other persons become members of the system on taking office as judge, solicitor, or circuit public defender before attaining age seventy‑two.”

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

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