~~Indicates Matter Stricken~~

Indicates New Matter

COMMITTEE REPORT

March 11, 2015

**S. 381**

Introduced by Senators Shealy, Bright, Turner, Johnson, Young, Jackson, Grooms, Sabb, Thurmond, Massey, Allen, Sheheen, Davis, Hembree, L. Martin, Bryant, Peeler, Alexander and Lourie

S. Printed 3/11/15--S.

Read the first time January 28, 2015.

**THE COMMITTEE ON FINANCE**

To whom was referred a Bill (S. 381) 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, 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, by striking Section 8‑11‑620, SECTION 1, and inserting:

/ “Section 8‑11‑620. (A)(1) Upon termination from state employment, an employee may take both annual leave and a 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 unused leave, not to exceed forty‑five working days, except as provided in Section 8‑11‑610. An active member of the South Carolina Retirement System or South Carolina Police Officers Retirement System who is terminated within one year of retirement eligibility shall have five business days after the date of termination to purchase any service credit that the member is otherwise eligible to purchase as provided in Section 9‑1‑1140 or Section 9‑11‑50 in order to attain retirement eligibility.” /

Amend the bill further by adding appropriately numbered SECTIONS to read:

/ SECTION \_\_. Section 9‑1‑1140 of the 1976 Code, as last amended by Act 278 of 2012, is further amended by adding a subsection at the end to read:

“(O) An active member who is terminated within one year of retirement eligibility shall have five business days after the date of termination to purchase any service credit that the member is otherwise eligible to purchase under this section.”

SECTION \_\_. Section 9‑11‑50 of the 1976 Code, as last amended by Act 278 of 2012, is further amended by adding a subsection at the end to read:

“(O) An active member who is terminated within one year of retirement eligibility shall have five business days after the date of termination to purchase any service credit that the member is otherwise eligible to purchase under this section.” /

Renumber sections to conform.

Amend title to conform.

HUGH K. LEATHERMAN, SR. for Committee.

**STATEMENT OF ESTIMATED FISCAL IMPACT**

**Fiscal Impact Summary**

The bill would have no expenditure impact to the general fund, federal funds, and other funds.

**Explanation of Fiscal Impact**

**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 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.

Frank A. Rainwater, Executive Director

Revenue and Fiscal Affairs Office

**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.

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

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

“Section 8‑11‑620. (A)(1) Upon termination from state employment, an employee may take both annual leave and a 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 unused leave, not to exceed forty‑five working days, except as provided in Section 8‑11‑610. An employee who is terminated within one year of retirement eligibility under each of the retirement systems contained in Title 9 shall have five business days after the date of termination to purchase his remaining service time in order to attain retirement eligibility.”

SECTION 2. This act takes effect upon approval by the Governor.

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