**A** **BILL**

TO AMEND SECTIONS 9‑1‑1085 AND 9‑11‑225, CODE OF LAWS OF SOUTH CAROLINA, 1976, BOTH RELATING TO EMPLOYER AND EMPLOYEE CONTRIBUTION RATES UNDER THE SOUTH CAROLINA RETIREMENT SYSTEM AND THE POLICE OFFICERS RETIREMENT SYSTEM RESPECTIVELY, SO AS TO PROVIDE THAT AN EMPLOYER, UP TO CERTAIN LIMITS, MAY ELECT TO PAY ALL OR A PORTION OF REQUIRED EMPLOYEE CONTRIBUTIONS DURING A FISCAL YEAR.

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

SECTION 1. Section 9‑1‑1085 of the 1976 Code is amended by adding a new subsection (E) to read:

“(E) Notwithstanding the employer and employee contribution rates set out in this section, no later than July first, an employer may notify the system of its election to increase its employer contribution rate for the fiscal year beginning that July first by a percentage of earnable compensation no greater than the employee contribution rate for the fiscal year. The employer election under this subsection may not be changed during the fiscal year. The employee contribution rate for employees of an employer electing to increase its employer contribution rate under this subsection must be reduced by the additional percentage of earnable compensation paid by the employer pursuant to this subsection. Additional contributions remitted by an employer under this subsection must be treated as employer contributions.”

SECTION 2. Section 9‑11‑225 of the 1976 Code is amended by adding a new subsection (E) to read:

“(E) Notwithstanding the employer and employee contribution rates set out in this section, no later than July first, an employer may notify the system of its election to increase its employer contribution rate for the fiscal year beginning that July first by a percentage of earnable compensation no greater than the employee contribution rate for the fiscal year. The employer election under this subsection may not be changed during the fiscal year. The employee contribution rate for employees of an employer electing to increase its employer contribution under this subsection must be reduced by the additional percentage of earnable compensation paid by the employer pursuant to this subsection. Additional contributions remitted by an employer under this subsection must be treated as employer contributions.”

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

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