**South Carolina General Assembly**

119th Session, 2011-2012

**S. 1038**

**STATUS INFORMATION**

General Bill

Sponsors: Senators Campsen, Massey, Elliott, Courson, Lourie, Rose, Cleary, Setzler and Gregory

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Introduced in the Senate on January 10, 2012

Currently residing in the Senate Committee on **Finance**

Summary: Retirement system for General Assembly members

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

12/5/2011 Senate Prefiled

12/5/2011 Senate Referred to Committee on **Finance**

1/10/2012 Senate Introduced and read first time ([Senate Journal‑page 24](file:///h:\sj%20archive\2012\01-10-12.docx))

1/10/2012 Senate Referred to Committee on **Finance** ([Senate Journal‑page 24](file:///h:\sj%20archive\2012\01-10-12.docx))

**VERSIONS OF THIS BILL**

[12/5/2011](file:///p:\pprever\2011-12\1038_20111205.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING SECTION 9‑9‑7 SO AS TO CLOSE THE RETIREMENT SYSTEM FOR MEMBERS OF THE GENERAL ASSEMBLY OF THE STATE OF SOUTH CAROLINA (GARS) TO NEW MEMBERS AFTER 2012, TO PROVIDE THAT NO ADDITIONAL SERVICE CREDIT MAY BE EARNED OR ESTABLISHED IN GARS NOR MEMBER CONTRIBUTIONS ACCEPTED BY GARS AFTER 2012, TO PROVIDE THAT ANNUITY BENEFITS EARNED BY GARS MEMBERS BEFORE 2013 MUST BE PAID, INCLUDING APPLICABLE SURVIVOR BENEFITS, TO PROVIDE FOR THE REFUND OF CONTRIBUTIONS AND APPLICABLE INTEREST TO GARS MEMBERS WHO HAVE NOT EARNED AN ANNUITY BENEFIT BEFORE 2013, AND TO PROVIDE THAT MEMBERS OF THE GENERAL ASSEMBLY PARTICIPATING IN THE STATE DEFERRED COMPENSATION PLANS SHALL RECEIVE A STATE‑PAID MATCHING CONTRIBUTION NOT TO EXCEED IN TOTAL THE MATCH THAT WOULD BE PAID IF THEY WERE PARTICIPATING IN THE STATE OPTIONAL RETIREMENT PROGRAM.

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

SECTION 1. Chapter 9, Title 9 of the 1976 Code is amended by adding:

“Section 9‑9‑7. (A) For purposes of this section:

(1) ‘GARS’ means the Retirement System for Members of the General Assembly of the State of South Carolina.

(2) ‘Member’ means a member of GARS who, before 2013, has earned an annuity benefit under GARS which the member is receiving currently or which the member is eligible to receive on retirement or termination of service after 2012.

(3) ‘Nonmember’ means an individual who does not have employee contributions and applicable interest on account in GARS as of December 31, 2012.

(4) ‘Nonvested member’ means a participant in GARS who has not before 2013 earned an annuity benefit payable under GARS and pursuant to the provisions of this section is not eligible to receive an annuity benefit under GARS.

(5) ‘SCDCC plans’ means deferred compensation plans offered to state and local government employees by the South Carolina Deferred Compensation Commission pursuant to Chapter 21, Title 8.

(B)(1) Notwithstanding any other provision of law, GARS is closed to nonmembers after 2012.

(2) After 2012, no additional service credit may be earned or established in GARS. Contributions paid to GARS from the compensation of members and nonvested members and contributions from special contributing members will not be accepted after 2012. Members, including special contributing members who waive the receipt of any annuity they have earned but not yet begun to receive before 2013 and all nonvested members shall receive a refund of their GARS contributions and applicable interest in the manner provided by law. Members due a refund may choose to roll those refunds to other tax deferred accounts in the manner provided by law.

(3) Members shall receive or continue to receive annuity benefits they have earned under GARS before 2013. The beneficiaries of deceased members, who by virtue of the member’s service are receiving or may receive a survivor’s benefit, shall receive or continue to receive the survivor’s benefits due them under GARS.

(4) Nothing in this section may be construed to diminish the GARS annuity benefit of a member or beneficiary of a deceased member, as applicable, with respect to the annuity benefits they were receiving before 2013 or paid after 2012 pursuant to the GARS annuity earned by the member before 2013.

(5) To the extent necessary, the General Assembly in the annual general appropriations act shall appropriate to GARS funds sufficient to ensure the timely payment of all benefits due under GARS.

(C)(1) After 2012, a member of the South Carolina General Assembly who participates in SCDCC plans is eligible to receive a matching contribution paid by this State as provided pursuant to item (2) of this subsection if that member is not currently receiving a GARS annuity benefit earned by and paid to the member pursuant to this chapter.

(2) The matching contribution allowed pursuant to item (1) of this subsection is a dollar for dollar match for contributions made in a calendar year by the member to the member’s account or accounts in the SCDCC plans, not to exceed in total in all such accounts to which the member contributes the total match that would be paid if the member were participating in the State Optional Retirement Program established pursuant to Chapter 20 of this title.”

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

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