

**20:16:15:01. Definitions.** Terms used in this chapter mean:

- (1) "Plan," the retirement plan set forth in this chapter and any modifications, amendments, extensions, or renewals of it;
- (2) "Collective bargaining agreement," any written contract between a union and the commission requiring contributions to the plan or setting forth benefits to be provided, including all extensions or renewals and its successor agreements of it;
- (3) "Employee," an employed person, including an officer, whose customary employment is for at least 20 hours in a week and for at least five months in any calendar year;
- (4) "Pensioner," an employee who is retired and who is receiving benefits under the plan;
- (5) "Credited service," period of employment for purposes of determining eligibility for benefits under the plan, as set forth in §§ 20:16:15:21 to 20:16:15:23, inclusive;
- (6) "Actuarial equivalent," a benefit calculated to be of equal value to the benefit otherwise payable when computed on the basis of assumptions and methods last adopted for this purpose by the board on the advice of an actuary;
- (7) "Beneficiary," any person, estate, or trust designated by the employee or pensioner to receive benefit payments, if any, after the death of the employee or pensioner;
- (8) "Earnings," the compensation paid to an employee by the commission, excluding premium pay, overtime pay, and higher pay rates for temporary job assignments. For the purpose of converting an hourly rate to a monthly rate, four and one-third weeks per month at 40 hours per week shall be utilized;
- (9) "Final average earnings," the average of an employee's highest consecutive 36 calendar months of earnings in the last 72 calendar months of the employee's credited service immediately preceding the earlier of the calendar month in which the employee's retirement date occurs or the calendar month in which the employee attains the age of 65. Final average earnings for any piece worker shall be calculated as stated above plus piece work pay as described in the collective bargaining agreement for vacations, sick leave, or authorized leaves of absence;
- (10) "Effective date," March 1, 1968;
- (11) "Restated plan effective date," February 1, 1974;
- (12) "Retirement date," the date an employee actually retires under the applicable provisions of the plan. "Normal retirement date" means the first day of the calendar month coincident with or next following the employee's 65<sup>th</sup> birthday;
- (13) "Compulsory retirement date," the first day of the calendar month coincident with or next following the employee's 67<sup>th</sup> birthday;

(14) "Fund," the fund created pursuant to SDCL chapter 3-12;

(15) "Totally disabled," any disability which prevents the employee from performing the employee's duties and entitles the employee to receive a federal Social Security Act disability benefit;

(16) "Number," the singular number includes the plural unless a different meaning is plainly required by the context.

**Source:** 28 SDR 109, effective February 11, 2002; 36 SDR 207, effective July 1, 2010; 40 SDR 197, effective May 27, 2014.

**General Authority:** SDCL 3-12-222.

**Law Implemented:** SDCL 3-12-218, 3-12-219.

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