

20:16:19:31. Purchase of credited service. Any employee may elect to purchase additional credit for years of service for which the employee is not presently receiving credit for the purpose of determining eligibility for benefits under the plan, calculating the amount of benefit payments under the plan, or both. Any credited service purchased or transferred under Plans 1 to 5, inclusive, and Plans 1A to 5A, inclusive, including any amendments as well as this Plan 6 shall be used for calculating any and all benefits under this plan, including eligibility for early or normal retirement. The full actuarial costs of such credited service as determined by the actuary shall be paid. The employee may use only the following sources to purchase such credited service.

(1) All or any portion of the balance of the employee's interest in a qualified trust pursuant to § 401(a) of the Internal Revenue Code;

(2) The money contained in an individual retirement account or individual retirement annuity of the employee that is attributable to a qualified distribution from a qualified trust pursuant to § 401(a) of the Internal Revenue Code, and qualified as an eligible rollover distribution to § 402 of the Internal Revenue Code; or

(3) Payment by the commission to pay for all or part of the cost of purchasing credited service on behalf of the employee.

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.