

28 of 60 years or more; or

29 (d) the member has been credited with at least [30] 25 years of service[; ~~or~~].

30 [~~e~~] the member is credited with at least 25 years of service, in which case the member
31 shall be subject to the reduction set out under Subsection 49-3-402(2)(b).]

32 Section 2. Section **49-3-402** is amended to read:

33 **49-3-402. Service retirement plans -- Calculation of retirement benefit -- Social**
34 **Security limitations -- Board authority to adjust formula -- Computation of benefits for**
35 **segments of service.**

36 (1) There are six service retirement plans available to members of the system. Plan One
37 is as follows, with Plans Two, Three, Four, Five, and Six established under Section 49-3-403.

38 (2) Except for members of this system who meet the requirements of Section 49-3-802,
39 upon the service retirement of a member under Section 49-3-401, the member shall receive a
40 retirement allowance consisting of a pension based on service determined as follows:

41 (a) If the member has attained the age of 65 years, the retirement allowance is an amount
42 equal to 2% of the final average monthly salary multiplied by the number of years of service
43 credited to the member.

44 (b) If the member is less than 65 years old, the retirement allowance shall be reduced 3%
45 for each year of retirement from age 60 to age 65, plus a full actuarial reduction for each year of
46 retirement prior to age 60, unless the member has [30] 25 or more years of credit, in which event
47 no reduction is made to the allowance.

48 (3) Years of service include any fractions of years of service to which the member may be
49 entitled. Service amounting to 9/10 of one year constitutes a year of service credit in the
50 computation of a retirement benefit.

51 (4) (a) The final average salary is limited in the computation of that part of a member's
52 prior service retirement allowance based on service rendered during a period when the member
53 received employer contributions on a portion of compensation from an educational institution
54 toward the payment of the premium required on a retirement annuity contract with the Teachers'
55 Insurance and Annuity Association of America or with any other public or private system,
56 organization, or company to \$4,800. This limitation is not applicable to members who elected to
57 continue in the state retirement system by July 1, 1967.

58 (b) Periods of service which are exempt from this system as permitted under Subsection

59 49-3-206(3), not to exceed four years, may be purchased by the member for the purpose of
60 retirement.

61 Section 3. **Effective date.**

62 This act takes effect on July 1, 2000.

Legislative Review Note
as of 1-25-00 4:40 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel