

# *The* FISCAL REPORT *an informational update*

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## Ask SSC . . .

### **Is It True that Classified Employees Can Purchase Extra Service Credit?**

- Q.** Our classified unit has received a short statement about a new chaptered law—AB 719—which says it allows PERS employees to purchase extra service credit. I'm having trouble reading the law and understanding what it is saying. Do you have a clue?
- A.** The classified unit is correct. AB 719 (Chapter 838/2003) places into statute the provision that allows an eligible PERS employee to purchase—by paying both the employer's and the employee's portions of the required contribution—up to five years of additional service credit. This duplicates the provision in current law for STRS members. To be an eligible employee, a person must have at least five years of credited state service and may elect this option only one time. The entire amount must be paid before the service is actually credited to the employee's account. It is *extremely* important to note that the credit received through this special purchase option "may not be counted to meet the minimum qualifications for service or disability retirement or for health care benefits, or any other benefits based upon years of service credited to the member."

—Carol Berg