§ 689. Transfer of officers and employees. 1. Officers and employees of state departments and agencies may be transferred to the corporation and officers and employees of the corporation may be transferred to state departments and agencies without examination and without loss of any civil service status or rights. No such transfer may, however, be made except with the approval of the head of the state department or division involved and the director of the budget and the president of the corporation and in compliance with the rules and regulations of the state civil service commission.

2. Promotions from positions in state departments and agencies to positions in the corporation, and vice versa, may be made from interdepartmental promotion lists resulting from promotion examinations in which both employees of the corporation and employees of the state are eligible to participate.

3. In computing seniority for purposes of promotion or for purposes of suspension or demotion upon the abolition of positions in the service of the corporation or in the service of the state, in the case of an employee of the corporation a period of prior employment in the service of the state shall be counted in the same manner as though such period of employment had been in the service of the corporation, and in the case of an employee of the state a period of prior employment in the service of the corporation shall be counted in the same manner as though such period of employment had been in the service of the state. For the purposes of the establishment and certification of preferred lists, employees suspended from the corporation shall be eligible for reinstatement in the service of the state, and employees suspended from the service of the state shall be eligible for reinstatement in the service of the corporation, in the same manner as though the corporation were a department of the state.