§ 342. Payments for credit for service for the federal government or certain public authorities or corporations. a. The payments required by this section shall be made by:

1. Members who elect to continue their membership pursuant to subdivision d of section three hundred forty of this article even though their government service was discontinued because of the transfer of their offices to the federal government or to any public authority or corporation organized pursuant to the laws of this state, and which is not a participating employer.

2. Officers or employees of the federal government who are contributing members pursuant to paragraph two of subdivision c of section three hundred forty of this article.

3. Members who claim service credit pursuant to paragraph four of subdivision b of section three hundred forty-one of this article for federal service previously rendered by them.

b. Memberships pursuant to paragraph two of subdivision c of section three hundred forty of this article shall be conditioned upon the payment in regular monthly installments into:

1. The annuity savings fund of a proportion of the salary paid to the member in such employment computed upon his rate of contribution, and

2. The annuity savings fund of a sum computed to be sufficient to provide the full cost of the service retirement benefits to which such member could have become entitled as an incident of his membership and which would have been payable from the pension reserve fund if he were in government service, and

3. The pension accumulation fund of a sum, computed upon the rate of contribution necessary to provide the full cost of all benefits, other than service retirement benefits, to which such member could have become entitled as an incident of his membership if he were in government service.

In the case of such a membership in the state employees' retirement system which was last begun or last resumed prior to March twenty-ninth, nineteen hundred forty-four and which now is continuing pursuant to such paragraph four of subdivision c of section three hundred forty of this article, and so long as federal service of such member shall continue hereafter without interruption, the member shall make only the payments required by former section fifty-two-c of the civil service law, as amended by chapter seven hundred ninety-four of the laws of nineteen hundred thirty-nine. Federal service covered by such former section fifty-two-c of the civil service law shall not, for the purposes of this paragraph, be deemed to have been interrupted by the rendition of service to the state immediately after such federal service and the return to such federal service not later than four months after the termination of such service to the state.

c. Membership pursuant to subdivision d of section three hundred forty of this article shall be conditioned upon the payment in regular monthly installments into:

1. The annuity savings fund of a proportion of the salary paid to the member in such employment computed upon his rate of contribution, and

2. The pension accumulation fund of a further proportion of such salary to cover the state contribution on his account computed upon the rate of contribution that would have been payable by the state in his behalf had he continued in government service. The payments required to be made by this paragraph two may be made by the member's employer in his behalf.

In the event the office in which a member was employed was transferred as provided in subdivision d of section three hundred forty of this article prior to January first, nineteen hundred thirty-three, such member shall be required to make only the payments provided for in paragraph one of this subdivision c.

d. The granting of service credit pursuant to paragraph four of subdivision b of section three hundred forty-one of this article shall

be conditioned upon the payment, in a lump sum or in regular monthly installments, over a period no greater than the number of months of service for which such credit is being purchased, into:

1. The annuity savings fund of a sum equal to the amount that would have been in such fund to his credit if he had actually been a member contributing thereto during the entire period of such federal service, computed on the basis of his present salary, regular interest and tables as adopted by the comptroller, and

2. The annuity savings fund of a sum computed to be sufficient to provide the full cost of an annuity at retirement, equal to the pension and pension-providing-for-increased-take-home-pay, if any, which would be provided out of the pension reserve fund if such federal service had been government service, and

3. The pension accumulation fund of a sum, computed upon the rate of contribution necessary to provide the full cost of all benefits, other than service retirement benefits, to which he would have become entitled if such federal service had been government service.

e. The United State government may make the payments required to be made by paragraphs two and three of subdivision b or by paragraphs two and three of subdivision d of this section. The sums so paid by it shall be credited to the pension accumulation fund. Only to the extent that payments are so made by the United States government shall service credit purchased pursuant to this section be used in determining a member's pension for any type of service retirement benefit.

f. If a member is contributing pursuant to section three hundred seventy-one or three hundred seventy-one-a of this article and elects or has elected to pay for federal service under subdivisions b, c or d of this section, his payments into the annuity savings fund shall be computed in an amount sufficient to provide the full cost of an annuity at age fifty-five equal to the service retirement allowance he would receive at age fifty-five for such federal service under the provisions of section three hundred seventy-one or three hundred seventy-one-a had

it been government service.