

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 244
HOUSE BILL 499

AN ACT REVISING BENEFITS OF THE LOCAL GOVERNMENTAL EMPLOYEES'
RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. (a) G.S. 128-27(a)(1), as the same appears in the 1971 Cumulative Supplement to the General Statutes, is hereby amended by striking out all of the subdivision following the colon in line 4 and inserting in lieu thereof the words: "Provided, that the said member at the time so specified for his retirement shall have completed 30 years of service or shall have attained the age of 60 years, or if a uniformed policeman or fireman he shall have attained the age of 55 years, and notwithstanding that, during such period of notification, he may have separated from service."

(b) The first three lines of G.S. 128-27(b3), as the same appear in the 1971 Cumulative Supplement to the General Statutes, are hereby amended by rewriting the same to read as follows:

"(b3) Service Retirement Allowances of Persons Retiring on or after July 1, 1969, but prior to July 1, 1973. — Upon retirement from service on or after July 1, 1969, but prior to July 1, 1973, a member shall receive a service retirement allowance which shall consist of:"

(c) G.S. 128-27, as the same appears in the 1971 Cumulative Supplement to the General Statutes, is hereby further amended by the addition of a new subsection immediately after (b3) reading as follows:

"(b4) Service Retirement Allowances of Members Retiring on or after July 1, 1973. — Upon retirement from service, in accordance with subsection (a) above, on or after July 1, 1973, a member shall receive a service retirement allowance computed as follows:

- (1) If the member's service retirement date occurs on or after his 65th birthday, regardless of his years of creditable service, or after the completion of 30 years of creditable service, such allowance shall be equal to one and one-quarter percent (1-1/4%) of the portion of his average final compensation not in excess of fifty-six hundred dollars (\$5,600) plus one and one-half percent (1-1/2%) of the portion of such compensation in excess of fifty-six hundred dollars (\$5,600), multiplied by the number of years of his creditable service.
- (2a) If the member's service retirement date occurs on or after his 60th birthday but before his 65th birthday and prior to his completion of 30 or more years of creditable service, his service retirement allowance shall be computed as in (1) above, but shall be reduced by one quarter of one percent (1/4 of 1%) thereof for each month by which his retirement date precedes the first day of the month coincident with or next following his 65th birthday.
- (2b) If the member's service retirement date occurs before his 60th birthday and prior to his completion of 30 or more years of creditable service, his service retirement allowance shall be the actuarial equivalent of the allowance payable at the age of 60 years computed in (2a) above.
- (3) Notwithstanding the foregoing provisions, any member whose creditable service commenced prior to July 1, 1965, and uniformed policemen or

firemen not covered under the Social Security Act employed thereafter, shall receive not less than the benefits provided by G.S. 128-27(b)."

Sec. 2. G.S. 128-27(m)(1), as the same appears in the 1971 Cumulative Supplement to the General Statutes, is hereby amended by rewriting said subdivision to read as follows:

"(1) The member had attained age 50 with at least 20 years of creditable service, or had attained age 55 regardless of length of service, or had credit for at least 30 years of service regardless of age."

Sec. 3. G.S. 128-27, as the same appears in the 1971 Cumulative Supplement to the General Statutes, is hereby further amended by the addition of a new subsection (o) reading as follows:

"(o) Increases in Benefits to those Persons who were Retired Prior to January 1, 1969. — From and after July 1, 1973, the monthly benefits to or on account of persons who commenced receiving benefits from the System prior to January 1, 1969, shall be increased by a percentage thereof. Such percentage shall be determined in accordance with the following schedule:

Years in which

<u>Benefits Commenced</u>	<u>Percentage</u>
1959 through 1968	10
1946 through 1958	25

These increases shall be calculated after monthly retirement allowances as of July 1, 1973, have been increased to the extent provided for in the preceding subsection (k)."

Sec. 4. This act shall become effective July 1, 1973.

In the General Assembly read three times and ratified, this the 19th day of April, 1973.