

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 572
HOUSE BILL 96

AN ACT TO ALLOW LAW ENFORCEMENT OFFICERS TO TRANSFER MEMBERSHIP
IN THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM OR THE
LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO THE LAW
ENFORCEMENT OFFICERS' BENEFIT AND RETIREMENT FUND.

Whereas, certain law enforcement officers who are presently members of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System were not permitted to elect to become members of the Law Enforcement Officers' Benefit and Retirement Fund instead of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System; and

Whereas, there exists a need for all law enforcement officers a uniform Benefit and Retirement Fund with increased benefits for all; Now, therefore.

The General Assembly of North Carolina enacts:

Section 1. All law enforcement officers as defined in G.S. 143-166(m), and who are now contributing members of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System are hereby allowed until June 30, 1974, in which to transfer their membership in the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System and become members of the Law Enforcement Officers' Benefit and Retirement Fund.

Sec. 2. Upon written request of a law enforcement officer who meets the requirements of Section 1, filed with the Board of Trustees of the Teachers' and State Employees' Retirement System or the Board of Trustees of the Local Governmental Employees' Retirement System stating that he desires to transfer his membership in the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System and become a member of the Law Enforcement Officers' Benefit and Retirement Fund, the Board of Trustees of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System is hereby authorized, empowered, and directed to transfer to the proper official of the Law Enforcement Officers' Benefit and Retirement Fund:

- (1) All of the employee's accumulated contributions that were made on compensation received as a law enforcement officer, together with the accumulated regular interest thereon, standing to the credit of such employee in the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System; and
- (2) All accumulated contributions that were made because of service rendered as a law enforcement officer, together with the accumulated regular interest thereon, which have been made to the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System on behalf of such employee by his employer. Upon such transfer being made, the officer shall immediately become a member of the Law Enforcement Officers' Benefit and Retirement Fund and the service

transferred shall no longer be creditable in the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System.

Sec. 3. The Board of Commissioners of the Law Enforcement Officers' Benefit and Retirement Fund is hereby authorized, empowered, and directed to receive any funds transferred as provided in this act, and to receive for the purpose of enabling the transferring employee to obtain credit for approved service prior to the date of his membership in the System from which he is transferring, any additional lump sum contribution made by or on behalf of employees transferring their membership from the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System to the Law Enforcement Officers' Benefit and Retirement Fund. The transferring law enforcement officer's creditable law enforcement service that accrued while a member of the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System shall be deemed to be eligible service in the Law Enforcement Officers' Benefit and Retirement Fund.

Sec. 4. The creditable service of an officer who transfers to the Law Enforcement Officers' Benefit and Retirement Fund shall be determined as follows:

- (1) Upon receipt of a transferring officer's accumulated employee contributions, such contributions shall be deposited in the officer's regular contributions account and full credit shall be given for all service as a law enforcement officer subsequent to the effective date of membership in the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System.
- (2) Upon receipt of a transferring officer's accumulated employer contributions, such contributions shall be deposited in the officer's special contributions account, except that any accumulated employer contributions in excess of the amount of the accumulated employee contributions may be used by the officer to acquire credit for service prior to membership in the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System and for which credit for said service was allowed.
- (3) Credit for any portion of service as an officer prior to the effective date of membership in the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System and for which credit was 888 allowed by the Teachers' and State Employees' Retirement System or the Local Governmental Employees' Retirement System may be obtained in the Law Enforcement Officers' Benefit and Retirement Fund. The cost for such credit shall be additional regular contributions equal to five percent (5%) of compensation received during the period of service for which credit is acquired. Application for said credit must be made by June 30, 1974 and a lump sum payment of any additional regular contributions must be made by December 31, 1974.

Sec. 5. The Board of Commissioners of the Law Enforcement Officers' Benefit and Retirement Fund is authorized and empowered to make and promulgate suitable rules and regulations to carry out the provisions of this act.

Sec. 6. This act shall become effective immediately upon ratification and subject to the availability of an appropriation of funds adequate for funding on an actuarially sound basis.

In the General Assembly read three times and ratified, this the 17th day of May, 1973.