

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 994
SENATE BILL 1276

AN ACT TO AMEND G.S. 135-5, G.S. 135-3 AND G.S. 128-27 RELATING TO CERTAIN
RETIREMENT BENEFITS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5(d3)(2), as the same appears in the 1973 Cumulative Supplement to Volume 3B of the General Statutes, is hereby rewritten to read as follows:

- "(2) Notwithstanding the foregoing provisions,
- (i) any member whose creditable service commenced prior to July 1, 1971, shall receive not less than the benefit provided by G.S. 135-5(d2);
 - (ii) the amount of disability allowance payable from the reserve funds of the Retirement System to any member retiring on or after July 1, 1974, who is eligible for and in receipt of a disability benefit under the Social Security Act shall be seventy percent (70%) of the amount calculated under (1) above, and the balance shall be provided by the employer from time to time during each year in such amounts as may be required to cover such payments as current disbursements; and
 - (iii) the amount of disability allowance payable to any member retiring on or after July 1, 1974, who is not eligible for and in receipt of a disability benefit under the Social Security Act shall not be payable from the reserve funds of the Retirement System but shall be provided by the employer from time to time during each year in such amounts as may be required to cover such payments as current disbursements."

Sec. 2. G.S. 128-27(d3)(2), as the same appears in the 1973 Cumulative Supplement to Volume 3B of the General Statutes, is hereby rewritten to read as follows:

- "(2) Notwithstanding the foregoing provisions,
- (i) any member whose creditable service commenced prior to July 1, 1971, shall receive not less than the benefit provided by G.S. 128-27(d2);
 - (ii) the amount of disability allowance payable from the reserve funds of the Retirement System to any member retiring on or after July 1, 1974, who is eligible for and in receipt of a disability benefit under the Social Security Act shall be seventy percent (70%) of the amount calculated under (1) above, and the balance shall be provided by the employer from time to time during each year in such amounts as may be required to cover such payments as current disbursements; and
 - (iii) the amount of disability allowance payable to any member retiring on or after July 1, 1974, who is not eligible for and in receipt of a disability benefit under the Social Security Act shall not be payable from the reserve funds of the Retirement System but shall be provided by the employer from time to time during each year in such

amounts as may be required to cover such payments as current disbursements."

Sec. 3. G.S. 135-5(g), as the same appears in the 1973 Cumulative Supplement to Volume 3B of the General Statutes, is hereby amended by rewriting the fourth paragraph to read as follows:

"Option 2. Upon his death his reduced retirement allowance shall be continued throughout the life of and paid to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees at the time of his retirement, provided that if the person selected is other than his spouse the reduced retirement allowance payable to the member shall not be less than one-half of the retirement allowance without optional modification which would otherwise be payable to him; or".

Sec. 4. G.S. 128-27(g), as the same appears in the 1973 Cumulative Supplement to Volume 3B of the General Statutes, is hereby amended by rewriting the fourth paragraph to read as follows:

"Option 2. Upon his death his reduced retirement allowance shall be continued throughout the life of and paid to such person as he shall nominate by written designation duly acknowledged and filed with the Board of Trustees at the time of his retirement, provided that if the person selected is other than his spouse the reduced retirement allowance payable to the member shall not be less than one-half of the retirement allowance without optional modification which would otherwise be payable to him; or".

Sec. 5. G.S. 135-3, subdivision (8)a, as the same appears in the 1973 Cumulative Supplement to Volume 3B of the General Statutes, is hereby amended by striking out the period immediately after the word "employment" at the end of subdivision (8)a, inserting a comma in lieu thereof and adding the words "provided that he is otherwise vested."

Sec. 6. This act shall become effective July 1, 1974.

In the General Assembly read three times and ratified, this the 18th day of March, 1974.