

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 1045
SENATE BILL 815

AN ACT TO PERMIT MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE SERVICE CREDITS FOR EMPLOYMENT WITH A LOCAL GOVERNMENT EMPLOYER AND TO REPEAL THE PROVISION FOR LOCAL GOVERNMENT SERVICE CREDITS AT NO COST TO MEMBERS WITH PAST SERVICE WITH A NEW PARTICIPATING EMPLOYER IN THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4 is amended by adding a new subsection (t) to read:

"(t) Credit at Full Cost for Local Government Employment. Any member may purchase creditable service for any employment as an employee, as defined in G.S. 128-21(10), of a local government employer not creditable in the North Carolina Local Governmental Employees' Retirement System upon completion of 10 years of membership service by making a lump-sum payment into the Annuity Savings Fund. The payment by the member shall be equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the Retirement System's liabilities, taking into account the additional retirement allowance arising on account of the additional service credits commencing at the earliest age at which the member could retire with an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the actuary plus an administrative expense fee to be determined by the Board of Trustees."

Sec. 2. G.S. 135-4(a) is amended by substituting a period for the last semicolon in the first sentence and deleting the remainder of that sentence and the following sentence.

Sec. 3. Notwithstanding any provisions of this Article to the contrary, any inchoate or accrued rights of a member in service on July 1, 1974, for service credits at no cost for employment with a local government whose participation in the Local Governmental Employees' Retirement System began prior to July 1, 1984, shall in no way be diminished.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 29th day of June, 1984.