

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 902
SENATE BILL 472

AN ACT TO EXTEND THIRTY-YEAR UNREDUCED RETIREMENT BENEFITS
TO TEACHERS AND STATE EMPLOYEES WHO RETIRED PRIOR TO JULY
1, 1973, AND WHO CONTRIBUTED TO THE TEACHERS' AND STATE
EMPLOYEES' RETIREMENT SYSTEM FOR THIRTY OR MORE YEARS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5 is hereby amended by adding a new subsection (gg) thereto to read as follows:

"(gg) Notwithstanding any other provision of this Chapter, from and after July 1, 1983, the retirement allowance payable to each teacher and State employee, who retired prior to July 1, 1973, and who is in receipt of a reduced retirement allowance based upon 30 or more years of contributing membership service, shall be increased by the elimination of the reduction factors applicable at the time of their retirement under G.S. 135-3(8) or G.S. 135-5(b3). The provisions of this subsection shall apply equally to the allowance of a surviving annuitant of a beneficiary."

Sec. 2. Whereas Chapter 242 of the 1973 Session Laws enacted the 30-year unreduced retirement benefit for teachers and State employees who retired on and after July 1, 1973, without requiring any increase in the employer contribution rate; and whereas undistributed gains in the Teachers' and State Employees' Retirement System have been at least \$25 million per year since December 31, 1977, and averaging almost \$40 million per year since December 31, 1977; now therefore, the total present value cost of this act shall be funded by undistributed gains in the Teachers' and State Employees' Retirement System for the year ending December 31, 1982, without requiring any increase in the employer contribution rate.

Sec. 3. This act shall become effective July 1, 1983, and the increased benefit shall be payable on the first of the month following a determination by the System's consulting actuary that sufficient gains are available in the System to pay the total present value actuarial cost of the increased benefit.

In the General Assembly read three times and ratified, this the 21st day of July, 1983.