

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 1103
SENATE BILL 847

AN ACT TO PERMIT A MEMBER OF THE TEACHERS' AND STATE
EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE TIME LOST DUE TO
AN EXTENDED ILLNESS, BY PAYING THE FULL ACTUARIAL COST.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4 is amended by adding a new subdivision (x) to the end to read:

"(x) Credit at Full Cost for Leave due to Extended Illness. Any member in service with five or more years of membership service standing to his credit may purchase creditable service for periods of interrupted service while on leave without pay status due to the member's illness or injury, excluding leave due to maternity, provided that any single such interrupted service shall have included such period of time during which the member failed to earn at least two months membership service, by making a lump sum amount payable to the Annuity Savings Fund 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 system's liabilities; and the calculation of the amount payable shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees."

Sec. 2. This act shall become effective July 1, 1988.

In the General Assembly read three times and ratified this the 12th day of July, 1988.