

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 527

Short Title: Increase Retire. Allowance.

(Public)

Sponsors: Senators Harris; Smith and Carpenter.

Referred to: Pensions and Retirement.

March 23, 1993

A BILL TO BE ENTITLED

1
2 AN ACT TO PROVIDE AN INCREASE TO RETIREES OF THE LOCAL
3 GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE TEACHERS'
4 AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED
5 JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT
6 SYSTEM.

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 120-4.22A is amended by adding a new subsection to read:

9 "(h) In accordance with subsection (a) of this section, from and after July 1, 1993,
10 the retirement allowance to or on account of beneficiaries whose retirement commenced
11 on or before January 1, 1993, shall be increased by two percent (2%) of the allowance
12 payable on January 1, 1993. Furthermore, from and after July 1, 1993, the retirement
13 allowance to or on account of beneficiaries whose retirement commenced after January
14 1, 1993, but before June 30, 1993, shall be increased by a prorated amount of two
15 percent (2%) of the allowance payable as determined by the Board of Trustees based
16 upon the number of months that a retirement allowance was paid between January 1,
17 1993, and June 30, 1993."

18 Sec. 2. G.S. 128-27 is amended by adding a new subsection to read:

19 "(ll) From and after July 1, 1993, the retirement allowance to or on account of
20 beneficiaries whose retirement commenced on or before July 1, 1992, shall be increased
21 by two percent (2%) of the allowance payable on July 1, 1992, in accordance with G.S.
22 128-27(k). Furthermore, from and after July 1, 1993, the retirement allowance to or on
23 account of beneficiaries whose retirement commenced after July 1, 1992, but before
24 June 30, 1993, shall be increased by a prorated amount of two percent (2%) of the

1 allowance payable as determined by the Board of Trustees based upon the number of
2 months that a retirement allowance was paid between July 1, 1992, and June 30, 1993."

3 Sec. 3. G.S 135-5 is amended by adding a new subsection to read:

4 "(vv) From and after July 1, 1993, the retirement allowance to or on account of
5 beneficiaries whose retirement commenced on or before July 1, 1992, shall be increased
6 by two percent (2%) of the allowance payable on July 1, 1992, in accordance with G.S.
7 135-5(o). Furthermore, from and after July 1, 1993, the retirement allowance to or on
8 account of beneficiaries whose retirement commenced after July 1, 1992, but before
9 June 30, 1993, shall be increased by a prorated amount of two percent (2%) of the
10 allowance payable as determined by the Board of Trustees based upon the number of
11 months that a retirement allowance was paid between July 1, 1992, and June 30, 1993."

12 Sec. 4. G.S. 135-65 is amended by adding a new subsection to read:

13 "(n) From and after July 1, 1993, the retirement allowance to or on account of
14 beneficiaries whose retirement commenced on or before July 1, 1992, shall be increased
15 by two percent (2%) of the allowance payable on July 1, 1992, in accordance with G.S.
16 135-50. Furthermore, from and after July 1, 1993, the retirement allowance to or on
17 account of beneficiaries whose retirement commenced after July 1, 1992, but before
18 June 30, 1993, shall be increased by a prorated amount of two percent (2%) of the
19 allowance payable as determined by the Board of Trustees based upon the number of
20 months that a retirement allowance was paid between July 1, 1992, and June 30, 1993."

21 Sec. 5. In order to fund the provisions of this act, the Board of Trustees of the
22 Teachers' and State Employees' Retirement System, the Consolidated Judicial
23 Retirement System, and the Legislative Retirement System, with the advice of the
24 consulting actuary, shall apply the unencumbered actuarial gains in the Systems by
25 allocating the percentage of payroll contribution rates for employers between the normal
26 and accrued liability contributions to the Retirement System without an increase in the
27 total employer contribution rate. The Board of Trustees of the Local Governmental
28 Employees' Retirement System, with the advice of its consulting actuary, shall apply the
29 unencumbered actuarial gain in the System to the normal percentage contribution of
30 payroll for employers to the Retirement System without an increase in the total
31 employer contribution rate.

32 Sec. 6. This act becomes effective July 1, 1993.