

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 784

Short Title: Durham/LEOs Purchase of Retirement Service.

(Public)

Sponsors: Senators Atwater and Lucas.

Referred to: Pensions, Retirement & Aging.

March 15, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR THE PURCHASE OF SERVICE CREDIT FOR
3 PERIODS OF SERVICE AS A LAW ENFORCEMENT OFFICER WITH THE
4 CITY OF DURHAM OR DURHAM COUNTY.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 128-26 is amended by adding a new subsection to read:

7 "(w) Notwithstanding any other provisions of this Chapter, a member who is a law
8 enforcement officer employed by the City of Durham or Durham County, and who has
9 received intermediate law enforcement certification, may, upon the completion of 10
10 years of membership service, purchase up to two years of creditable service as a law
11 enforcement officer as provided in this subsection.

12 Notwithstanding any other provisions of this Chapter, a member who is a law
13 enforcement officer employed by the City of Durham or Durham County, and who has
14 received advanced law enforcement certification, may, upon the completion of 10 years
15 of membership service, purchase up to four years of creditable service as a law
16 enforcement officer as provided in this subsection.

17 Members who qualify under this subsection shall purchase the service by making a
18 lump-sum amount payable to the Annuity Savings Fund equal to the full liability of the
19 service credits calculated on the basis of the assumptions used for purposes of the
20 actuarial valuation of the system's liabilities, and shall take into account the retirement
21 allowance arising on account of the additional service credit commencing at the earliest
22 age at which the member could retire on an unreduced retirement allowance, as
23 determined by the Board of Trustees upon the advice of the consulting actuary, plus an
24 administrative fee to be set by the Board of Trustees. Notwithstanding the foregoing
25 provisions of this subsection that provide for the purchase of service credits, the terms
26 "full cost", "full liability", and "full actuarial cost" include assumed annual
27 postretirement allowance increases, as determined by the Board of Trustees, from the
28 earliest age at which a member could retire on an unreduced service allowance."

29 **SECTION 2.** This act is effective when it becomes law.