

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 1178

Pensions and Retirement Committee Substitute Adopted 6/19/92

Short Title: Increase Retirement Allowances.

(Public)

Sponsors:

Referred to:

June 3, 1992

A BILL TO BE ENTITLED

1 AN ACT TO INCREASE THE RETIREMENT ALLOWANCES IN THE LOCAL
2 GOVERNMENTAL RETIREMENT SYSTEM, THE TEACHERS' AND STATE
3 EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL
4 RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM,
5 AND TO ADJUST THE EMPLOYER CONTRIBUTION RATE.
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 128-27 is amended by adding a new subsection to read:

9 "(jj) From and after July 1, 1992, the retirement allowance to or on account of
10 beneficiaries whose retirement commenced on or before July 1, 1991, shall be increased
11 by one and six-tenths percent (1.6%) of the allowance payable on July 1, 1991, in
12 accordance with G.S. 128-27(k). Furthermore, from and after July 1, 1992, the
13 retirement allowance to or on account of beneficiaries whose retirement commenced
14 after July 1, 1991, but before June 30, 1992, shall be increased by a prorated amount of
15 one and six-tenths percent (1.6%) of the allowance payable as determined by the Board
16 of Trustees based upon the number of months that a retirement allowance was paid
17 between July 1, 1991, and June 30, 1992."

18 Sec. 2. G.S. 135-5 is amended by adding a new subsection to read:

19 "(uu) From and after July 1, 1992, the retirement allowance to or on account of
20 beneficiaries whose retirement commenced on or before July 1, 1991, shall be increased
21 by one and six-tenths percent (1.6%) of the allowance payable on July 1, 1991, in
22 accordance with G.S. 135-5(o). Furthermore, from and after July 1, 1992, the
23 retirement allowance to or on account of beneficiaries whose retirement commenced

1 after July 1, 1991, but before June 30, 1992, shall be increased by a prorated amount of
2 one and six-tenths percent (1.6%) of the allowance payable as determined by the Board
3 of Trustees based upon the number of months that a retirement allowance was paid
4 between July 1, 1991, and June 30, 1992."

5 Sec. 3. G.S. 135-65 is amended by adding a new subsection to read:

6 "(m) From and after July 1, 1992, the retirement allowance to or on account of
7 beneficiaries whose retirement commenced on or before July 1, 1991, shall be increased
8 by one and six-tenths percent (1.6%) of the allowance payable on July 1, 1991.
9 Furthermore, from and after July 1, 1992, the retirement allowance to or on account of
10 beneficiaries whose retirement commenced after July 1, 1991, but before June 30, 1992,
11 shall be increased by a prorated amount of one and six-tenths percent (1.6%) of the
12 allowance payable as determined by the Board of Trustees based upon the number of
13 months that a retirement allowance was paid between July 1, 1991, and June 30, 1992."

14 Sec. 4. G.S. 120-4.22A is amended by adding a new subsection to read:

15 "(g) In accordance with subsection (a) of this section, from and after July 1, 1992,
16 the retirement allowance to or on account of beneficiaries whose retirement commenced
17 on or before January 1, 1992, shall be increased by one and six-tenths percent (1.6%) of
18 the allowance payable on July 1, 1992. Furthermore, from and after July 1, 1992, the
19 retirement allowance to or on account of beneficiaries whose retirement commenced
20 after January 1, 1992, but before June 30, 1992, shall be increased by a prorated amount
21 of one and six-tenths percent (1.6%) of the allowance payable as determined by the
22 Board of Trustees based upon the number of months that a retirement allowance was
23 paid between January 1, 1992, and June 30, 1992."

24 Sec. 5. Section 188(c) of Chapter 689 of the 1991 Session Laws reads as
25 rewritten:

26 "(c) Effective July 1, 1992, the State's employer contribution rates budgeted for
27 retirement and related benefits as a percentage of covered salaries for the 1992-93 fiscal
28 year are (i) ten and ninety-three hundredths percent (10.93%) - Teachers and State
29 Employees; (ii) fifteen and ninety-three hundredths percent (15.93%) - State Law
30 Enforcement Officers; (iii) eight and ~~sixty-six~~ eighty-eight hundredths percent (~~8.66%~~)
31 (8.88%) - University Employees' Optional Retirement Program; (iv) twenty-nine and
32 forty-six hundredths percent (29.46%) - Consolidated Judicial Retirement System; and
33 (v) thirty-two and thirty hundredths percent (32.30%) - Legislative Retirement System.
34 Each of the foregoing contribution rates includes two percent (2%) for hospital and
35 medical benefits. The rate for State Law Enforcement Officers includes five percent
36 (5%) for the Supplemental Retirement Income Plan. The rates for Teachers and State
37 Employees, State Law Enforcement Officers, and for the University Employees'
38 Optional Retirement Program includes forty-two hundredths percent (0.42%) for the
39 Disability Income Plan."

40 Sec. 6. This act becomes effective July 1, 1992.