

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

3

SENATE BILL 1046

Pensions & Retirement and Aging Committee Substitute Adopted 6/23/99

House Committee Substitute Favorable 7/6/00

Short Title: Licensing/Examining Board Retirement.

(Public)

Sponsors:

Referred to:

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO MAKE CERTAIN EMPLOYEES OF STATE LICENSING AND EXAMINING BOARDS MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-1.1 reads as rewritten:

"§ 135-1.1. Licensing and examining boards.

(a) Any State board or agency charged with the duty of administering any law relating to the examination and licensing of persons to practice a profession, trade or occupation, in its discretion, may elect on or before July 1, 1983, by an appropriate resolution of said board, to cause its employees so employed prior to July 1, 1983 to become members of the Teachers' and State Employees' Retirement System. Such Retirement System coverage shall be conditioned on such board's paying all of the employer's contributions or matching funds from funds of the board and on such board's collecting from its employees the employees' contributions, at such rates as may be fixed by law and by the regulations of the Board of Trustees of the Retirement System, all of such funds to be paid to the Retirement System and placed in the appropriate funds. Retroactive coverage of the employees of any such board may also be effected to the

1 extent that such board requests provided the board pays all of the employer's
2 contributions or matching funds necessary for such purpose and provided said board
3 collects from its employees all employees' contributions necessary for such purpose,
4 computed at such rates and in such amount as the Board of Trustees of the Retirement
5 System determines, all of such funds to be paid to the Retirement System, together with
6 such interest as may be due, and placed in the appropriate funds.

7 (b) Notwithstanding any other provision of this Chapter, any State board or agency
8 charged with the duty of administering any law relating to the examination and licensing
9 of persons to practice a profession, trade, or occupation, and who is subject to the
10 provisions of the Executive Budget Act, Article 1 of Chapter 143 of the General Statutes,
11 may make an irrevocable election by appropriate resolution of the board, on or before
12 October 1, 2000, to become an employer in the Teachers' and State Employees'
13 Retirement System. Retirement System coverage shall be conditioned on the board's
14 payment of all of the employer's contributions or matching funds from funds of the board
15 and on the board's collecting from its employees the employees' contributions, at such
16 rates as may be fixed by law and by the rules of the Board of Trustees of the Retirement
17 System, all of such funds to be paid to the Retirement System and placed in the
18 appropriate funds. Any person who is an employee of the board on the date the board
19 makes an irrevocable election to participate in the Retirement System may purchase
20 creditable service for periods of employment with the board prior to the election by
21 making a lump-sum payment equal to the full cost of the service credits calculated on the
22 basis of the assumptions used for the purposes of the actuarial valuation of the system's
23 liabilities, and shall take into account the additional retirement allowance arising on
24 account of such additional service credit commencing at the earliest age at which a
25 member could retire on an unreduced retirement allowance, as determined by the Board
26 of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set
27 by the Board of Trustees. Notwithstanding the foregoing provisions of this subdivision
28 that provide for the purchase of service credits, the terms 'full cost', 'full liability', and
29 'full actuarial cost' include assumed annual postretirement allowance increases, as
30 determined by the Board of Trustees, from the earliest age at which a member could
31 retire on an unreduced service allowance."

32 Section 2. This act becomes effective July 1, 2000.