

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 1126

Short Title: Purchase Maternity Leave.

(Public)

Sponsors: Representatives Diamont; Bowman, Jeffus, Kennedy, and J. Preston.

Referred to: Pensions and Retirement.

April 19, 1993

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR A MEMBER OF THE LOCAL GOVERNMENTAL
EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE TIME LOST DUE TO
INTERRUPTED SERVICE FOR MATERNITY AND PARENTAL LEAVE.

The General Assembly of North Carolina enacts:

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

"(t) Credit at Full Cost for Maternity Leave. – Notwithstanding other provisions of this Chapter, any member in service with five or more years of credited membership service may purchase creditable service for periods of service which were interrupted due to parental leave, pregnancy, or childbirth 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. Creditable service purchased under this subsection may not exceed six months per parental leave, pregnancy, or childbirth. Notwithstanding the foregoing provisions of this subsection that provide for the purchase of service credits, the term 'full liability' includes assumed annual postretirement allowance increases, as determined by the Board of Trustees, from the earliest age at which a member could retire on an unreduced service allowance."

Sec. 2. This act becomes effective October 1, 1993.