

GENERAL ASSEMBLY OF NORTH CAROLINA
1989 SESSION

CHAPTER 731
SENATE BILL 510

AN ACT TO MAKE TECHNICAL AMENDMENTS TO THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND TO THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM REGARDING CERTAIN EXCESS CONTRIBUTIONS OF RETIRED MEMBERS AND TO MODIFY CHAPTER 1061 OF THE 1987 SESSION LAWS AS IT RELATES TO FUNDING AND EFFECTIVE DATES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5(f1) reads as rewritten:

"(f1) Upon submission of an application, there shall be paid to any member at retirement or thereafter or surviving beneficiary of a member a refund of contributions not withdrawn with regular interest thereon, equal to (i) additional contributions made under the provisions of Section 2 of Chapter 1053 of the 1953 Session Laws of North Carolina with respect to membership service prior to 1953 and (ii) ~~the contributions made at the rate of two percent (2%) of compensation not subject to coverage under the Social Security Act during the period January 1, 1955, to June 30, 1963; the contributions made by Cooperative Agricultural Extension Service Employees on compensation not subject to coverage under the Social Security Act during the period January 1, 1955, to June 30, 1963;~~ the contributions made by Cooperative Agricultural Extension Service Employees on compensation not subject to coverage under the Social Security Act during the period January 1, 1955, to June 30, 1963; provided that such return of contributions shall be payable only if such contributions did not in any way benefit the member under the provisions of this ~~Chapter~~ Chapter; provided further that this subsection shall apply as well to any former Cooperative Agricultural Extension Service Employee who obtained a refund of contributions for the period January 1, 1955, to June 30, 1963, and who subsequently purchased the creditable service forfeited by paying the contributions withdrawn and interest thereon."

Sec. 2. G.S. 128-27(f2) reads as rewritten:

"(f2) Upon the submission of an application, there shall be paid to any ~~member,~~ member at retirement or thereafter or surviving beneficiary of a ~~member, who was covered under this System and the Teachers' and State Employees' Retirement System for the same period of service~~ member a return-refund of contributions not withdrawn with regular interest thereon, equal to the contributions made by Cooperative Agricultural Extension Service Employees on compensation excluded from coverage under Title II of the Social Security Act representing the difference in the rate applicable to Cooperative Agricultural Extension Service Employees and the rate applicable to other employees of the participating employer at the rate of two percent (2%) of compensation not subject to coverage under the Social Security Act during the

period January 1, 1955, to June 30, 1965; provided that such return of contributions shall be payable only if such contribution did not in any way benefit the member under any provision of this Article. Provided further that this subsection shall apply to any former Cooperative Agricultural Extension Service employee who obtained a refund and subsequently purchased the creditable service forfeited by paying the contributions withdrawn and interest thereon."

Sec. 3. Section 3 of Chapter 1061 of the 1987 Session Laws is rewritten to read:

"The Board of Trustees of the Teachers' and State Employees' Retirement System shall reserve the sum of one million five hundred thousand dollars (\$1,500,000) and the Board of Trustees of the Local Governmental Employees' Retirement System shall reserve the sum of five hundred thousand dollars (\$500,000) from unencumbered actuarial gains in the Retirement Systems for the year ending December 31, 1987, for the purpose of funding this act. Applications for refunds under this act shall be made on or before July 1, 1994."

Sec. 4. This act is effective July 1, 1989.

In the General Assembly read three times and ratified this the 7th day of August, 1989.