

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 542

Short Title: Council of State Retirement.

(Public)

Sponsors: Senator Block.

Referred to: Pensions and Retirement.

April 10, 1991

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE RETIREMENT FORMULA FOR THE MEMBERS OF
THE COUNCIL OF STATE WHO ARE MEMBERS OF THE TEACHERS' AND
STATE EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5(b12) reads as rewritten:

"(b12) Service Retirement Allowance of Members Retiring on or after July 1, 1990.
– Upon retirement from service in accordance with subsection (a) above, on or after
July 1, 1990, a member shall receive the following service retirement allowance:

(1) A member who is a law enforcement officer or an eligible former law
enforcement officer shall receive a service retirement allowance
computed as follows:

a. If the member's service retirement date occurs on or after his
55th birthday, and completion of five years of creditable service
as a law enforcement officer, or after the completion of 30 years
of creditable service, the allowance shall be equal to one and
sixty-four hundredths percent (1.64%) of his average final
compensation, multiplied by the number of years of his
creditable ~~service~~ service, other than as a member of the
Council of State, plus three percent (3%) of his average final
compensation, multiplied by the number of years of his
creditable service as a member of the Council of State.
However, in no event shall the annual allowance payable to any
member pursuant to this subdivision, prior to any reduction for

1 early retirement or for an optional mode of payment, exceed
2 seventy-five percent (75%) of the highest annual compensation
3 earned by the member.

4 b. This allowance shall also be governed by the provisions of G.S.
5 135-5(b9)(1)b.

6 (2) A member who is not a law enforcement officer or an eligible former
7 law enforcement officer shall receive a service retirement allowance
8 computed as follows:

9 a. If the member's service retirement date occurs on or after his
10 65th birthday upon the completion of five years of creditable
11 service or after the completion of 30 years of creditable service
12 or on or after his 60th birthday upon the completion of 25 years
13 of creditable service, the allowance shall be equal to one and
14 sixty-four hundredths percent (1.64%) of his average final
15 compensation, multiplied by the number of years of creditable
16 ~~service.~~ service, other than as a member of the Council of State,
17 plus three percent (3%) of his average final compensation,
18 multiplied by the number of years of his creditable service as a
19 member of the Council of State. However, in no event shall the
20 annual allowance payable to any member pursuant to this
21 subdivision, prior to any reduction for early retirement or for an
22 optional mode of payment, exceed seventy-five percent (75%)
23 of the highest annual compensation earned by the member.

24 b. This allowance shall also be governed by the provisions of G.S.
25 135-5(b9)(2)b. c. and d."

26 Sec. 2. This act becomes effective July 1, 1991.