

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 473

Pensions and Retirement/Insurance/State Personnel Committee Substitute Adopted 5/10/95

Short Title: Veterans' Disability Amendment.

(Public)

Sponsors:

Referred to:

March 23, 1995

A BILL TO BE ENTITLED

AN ACT TO AMEND THE STATE DISABILITY INCOME PLAN AS IT APPLIES TO DISABLED VETERANS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-105(c) reads as rewritten:

"(c) The monthly benefit as provided in subsection (a) of this section shall be equal to fifty percent (50%) of 1/12th of the annual base rate of compensation last payable to the participant prior to the beginning of the short-term benefit period as may be adjusted for percentage increases as provided under G.S. 135-108 plus fifty percent (50%) of 1/12th of the annual longevity payment to which the participant would be eligible, to a maximum of three thousand dollars (\$3,000) per month reduced by monthly payments for Workers' Compensation to which the participant may be entitled. The monthly benefit shall be further reduced by the amount of any monthly payments from the federal Veterans Administration, any other federal agency, or any payments made under the provisions of G.S. 127A-108, to which the participant or beneficiary may be entitled on account of the same disability. disability; except that payments to the participant or beneficiary equivalent to any converted longevity-based retirement from the federal Veterans Administration shall not reduce the monthly benefit. Provided, that

1 should a participant have earnings in an amount greater than the short-term benefit, the
2 amount of the short-term benefit shall be reduced on a dollar-for-dollar basis by the
3 amount that exceeds the short-term benefit."

4 Sec. 2. G.S. 135-106(b) reads as rewritten:

5 "(b) After the commencement of benefits under this section, the benefits payable
6 under the terms of this section shall be equal to sixty-five percent (65%) of 1/12th of the
7 annual base rate of compensation last payable to the participant or beneficiary prior to the
8 beginning of the short-term disability period as may be adjusted for percentage increases
9 as provided under G.S. 135-108, plus sixty-five percent (65%) of 1/12th of the annual
10 longevity payment to which the participant or beneficiary would be eligible, to a
11 maximum of three thousand nine hundred dollars (\$3,900) per month reduced by any
12 primary Social Security disability benefits and by monthly payments for Workers'
13 Compensation to which the participant or beneficiary may be entitled. The monthly
14 benefit shall be further reduced by the amount of any monthly payments from the federal
15 Veterans Administration, any other federal agency or any payments made under the
16 provisions of G.S. 127A-108, ~~to~~ which the participant or beneficiary may be entitled on
17 account of the same ~~disability~~. disability; except that payments to the participant or
18 beneficiary equivalent to any converted longevity-based retirement from the federal
19 Veterans Administration shall not reduce the monthly benefit. Provided, in any event, the
20 benefit payable shall be no less than ten dollars (\$10.00) a month. However, a disabled
21 participant may elect to receive any salary continuation as provided in G.S. 135-104 in
22 lieu of long-term disability benefits; provided such election shall not extend the first 36
23 consecutive calendar months of the long-term disability period. An election to receive
24 any salary continuation for any part of any given day shall be in lieu of any long-term
25 benefit payable for that day, provided further, any lump-sum payout for vacation leave
26 shall be treated as if the beneficiary or participant had exhausted the leave and shall be in
27 lieu of any long-term benefit otherwise payable. Notwithstanding the foregoing, upon the
28 completion of four years from the conclusion of the waiting period as provided in G.S.
29 135-104, the beneficiary's benefit shall be reduced by an amount, as determined by the
30 Board of Trustees, equal to a primary Social Security disability benefit to which the
31 beneficiary might be entitled had the beneficiary been awarded Social Security disability
32 benefits. Provided that, in any event, a beneficiary's benefit shall be reduced by an
33 amount, as determined by the Board of Trustees, equal to a primary Social Security
34 retirement benefit to which the beneficiary might be entitled.

35 Notwithstanding the foregoing, the long-term disability benefit is payable so long as
36 the beneficiary is disabled until the earliest date at which the beneficiary is eligible for an
37 unreduced service retirement allowance from the Retirement System, at which time the
38 beneficiary would receive a retirement allowance calculated on the basis of the
39 beneficiary's average final compensation at the time of disability as adjusted to reflect
40 compensation increases subsequent to the time of disability and the creditable service
41 accumulated by the beneficiary, including creditable service while in receipt of benefits
42 under the Plan."

43 Sec. 3. This act becomes effective July 1, 1995.