

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H

1

HOUSE BILL 642*

Short Title: 1997 Retirement Benefits Act.

(Public)

Sponsors: Representatives Barbee; Culp, Davis, Hardy, and Thompson.

Referred to: Pensions and Retirement.

March 27, 1997

A BILL TO BE ENTITLED

1 AN ACT TO ENHANCE THE RETIREMENT BENEFITS PAYABLE FROM THE
2 TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE
3 CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, THE LEGISLATIVE
4 RETIREMENT SYSTEM, AND THE LOCAL GOVERNMENTAL EMPLOYEES'
5 RETIREMENT SYSTEM.
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 135-5(b16) reads as rewritten:

9 "(b16) Service Retirement Allowance of Members Retiring on or After July 1,
10 ~~1995-1995, but Before July 1, 1997.~~ – Upon retirement from service in accordance with
11 subsection (a) or (a1) above, on or after July 1, 1995, but before July 1, 1997, a member
12 shall receive the following service retirement allowance:

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

- 16 a. If the member's service retirement date occurs on or after his
17 55th birthday, and completion of five years of creditable service
18 as a law enforcement officer, or after the completion of 30 years
19 of creditable service, the allowance shall be equal to one and
20 seventy-five hundredths percent (1.75%) of his average final

- 1 compensation, multiplied by the number of years of his
2 creditable service.
- 3 b. If the member's service retirement date occurs on or after his
4 50th birthday and before his 55th birthday with 15 or more years
5 of creditable service as a law enforcement officer and prior to the
6 completion of 30 years of creditable service, his retirement
7 allowance shall be equal to the greater of:
- 8 1. The service retirement allowance payable under G.S. 135-
9 5(b16)(1)a. reduced by one-third of one percent ($1/3$ of
10 1%) thereof for each month by which his retirement date
11 precedes the first day of the month coincident with or next
12 following the month the member would have attained his
13 55th birthday; or
- 14 2. The service retirement allowance as computed under G.S.
15 135-5(b16)(1)a. reduced by five percent (5%) times the
16 difference between 30 years and his creditable service at
17 retirement.
- 18 (2) A member who is not a law enforcement officer or an eligible former
19 law enforcement officer shall receive a service retirement allowance
20 computed as follows:
- 21 a. If the member's service retirement date occurs on or after his
22 65th birthday upon the completion of five years of creditable
23 service or after the completion of 30 years of creditable service
24 or on or after his 60th birthday upon the completion of 25 years
25 of creditable service, the allowance shall be equal to one and
26 seventy-five hundredths percent (1.75%) of his average final
27 compensation, multiplied by the number of years of creditable
28 service.
- 29 b. If the member's service retirement date occurs after his 60th and
30 before his 65th birthday and prior to his completion of 25 years
31 or more of creditable service, his retirement allowance shall be
32 computed as in G.S. 135-5(b16)(2)a. but shall be reduced by one-
33 quarter of one percent ($1/4$ of 1%) thereof for each month by
34 which his retirement date precedes the first day of the month
35 coincident with or next following his 65th birthday.
- 36 c. If the member's early service retirement date occurs on or after
37 his 50th birthday and before his 60th birthday and after
38 completion of 20 years of creditable service but prior to the
39 completion of 30 years of creditable service, his early service
40 retirement allowance shall be equal to the greater of:
- 41 1. The service retirement allowance as computed under G.S.
42 135-5(b16)(2)a. but reduced by the sum of five-twelfths of
43 one percent ($5/12$ of 1%) thereof for each month by which

1 his retirement date precedes the first day of the month
2 coincident with or next following the month the member
3 would have attained his 60th birthday, plus one-quarter of
4 one percent (1/4 of 1%) thereof for each month by which
5 his 60th birthday precedes the first day of the month
6 coincident with or next following his 65th birthday; or

7 2. The service retirement allowance as computed under G.S.
8 135-5(b16)(2)a. reduced by five percent (5%) times the
9 difference between 30 years and his creditable service at
10 retirement; or

11 3. If the member's creditable service commenced prior to
12 July 1, 1994, the service retirement allowance equal to the
13 actuarial equivalent of the allowance payable at the age of
14 60 years as computed in G.S. 135-5(b16)(2)b.

15 d. Notwithstanding the foregoing provisions, any member whose
16 creditable service commenced prior to July 1, 1963, shall not
17 receive less than the benefit provided by G.S. 135-5(b)."

18 Section 2. G.S. 135-5 is amended by adding a new subsection to read:

19 "(b17) Service Retirement Allowance of Members Retiring on or After July 1,
20 1997. – Upon retirement from service in accordance with subsection (a) or (a1) above, on
21 or after July 1, 1997, a member shall receive the following service retirement allowance:

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

25 a. If the member's service retirement date occurs on or after his
26 55th birthday, and completion of five years of creditable service
27 as a law enforcement officer, or after the completion of 30 years
28 of creditable service, the allowance shall be equal to one and
29 eighty-one hundredths percent (1.81%) of his average final
30 compensation, multiplied by the number of years of his
31 creditable service.

32 b. If the member's service retirement date occurs on or after his
33 50th birthday and before his 55th birthday with 15 or more years
34 of creditable service as a law enforcement officer and prior to the
35 completion of 30 years of creditable service, his retirement
36 allowance shall be equal to the greater of:

37 1. The service retirement allowance payable under G.S. 135-
38 5(b17)(1)a. reduced by one-third of one percent (1/3 of
39 1%) thereof for each month by which his retirement date
40 precedes the first day of the month coincident with or next
41 following the month the member would have attained his
42 55th birthday; or

- 1 2. The service retirement allowance as computed under G.S.
2 135-5(b17)(1)a. reduced by five percent (5%) times the
3 difference between 30 years and his creditable service at
4 retirement.
- 5 (2) A member who is not a law enforcement officer or an eligible former
6 law enforcement officer shall receive a service retirement allowance
7 computed as follows:
- 8 a. If the member's service retirement date occurs on or after his
9 65th birthday upon the completion of five years of membership
10 service or after the completion of 30 years of creditable service
11 or on or after his 60th birthday upon the completion of 25 years
12 of creditable service, the allowance shall be equal to one and
13 eighty-one hundredths percent (1.81%) of his average final
14 compensation, multiplied by the number of years of creditable
15 service.
- 16 b. If the member's service retirement date occurs after his 60th and
17 before his 65th birthday and prior to his completion of 25 years
18 or more of creditable service, his retirement allowance shall be
19 computed as in G.S. 135-5(b17)(2)a. but shall be reduced by one-
20 quarter of one percent (1/4 of 1%) thereof for each month by
21 which his retirement date precedes the first day of the month
22 coincident with or next following his 65th birthday.
- 23 c. If the member's early service retirement date occurs on or after
24 his 50th birthday and before his 60th birthday and after
25 completion of 20 years of creditable service but prior to the
26 completion of 30 years of creditable service, his early service
27 retirement allowance shall be equal to the greater of:
- 28 1. The service retirement allowance as computed under G.S.
29 135-5(b17)(2)a. but reduced by the sum of five-twelfths of
30 one percent (5/12 of 1%) thereof for each month by which
31 his retirement date precedes the first day of the month
32 coincident with or next following the month the member
33 would have attained his 60th birthday, plus one-quarter of
34 one percent (1/4 of 1%) thereof for each month by which
35 his 60th birthday precedes the first day of the month
36 coincident with or next following his 65th birthday; or
- 37 2. The service retirement allowance as computed under G.S.
38 135-5(b17)(2)a. reduced by five percent (5%) times the
39 difference between 30 years and his creditable service at
40 retirement; or
- 41 3. If the member's creditable service commenced prior to
42 July 1, 1994, the service retirement allowance equal to the

1 actuarial equivalent of the allowance payable at the age of
2 60 years as computed in G.S. 135-5(b17)(2)b.

- 3 d. Notwithstanding the foregoing provisions, any member whose
4 creditable service commenced prior to July 1, 1963, shall not
5 receive less than the benefit provided by G.S. 135-5(b)."

6 Section 3. G.S. 135-5(m) reads as rewritten:

7 "(m) Survivor's Alternate Benefit. – Upon the death of a member in service, the
8 principal beneficiary designated to receive a return of accumulated contributions shall
9 have the right to elect to receive in lieu thereof the reduced retirement allowance
10 provided by Option 2 of subsection (g) above computed by assuming that the member
11 had retired on the first day of the month following the date of his death, provided that the
12 following conditions apply:

- 13 (1) a. The member had attained such age and/or creditable service to be
14 eligible to commence retirement with an early or service
15 retirement allowance, or
16 b. The member had obtained 20 years of creditable service in which
17 case the retirement allowance shall be computed in accordance
18 with ~~G.S. 135-5(b16)(1)b.~~ G.S. 135-5(b17)(1)b. or ~~G.S. 135-~~
19 ~~5(b16)(2)e.,~~ G.S. 135-5(b17)(2)c., notwithstanding the
20 requirement of obtaining age 50.
21 (2) The member had designated as the principal beneficiary to receive a
22 return of his accumulated contributions one and only one person who
23 was living at the time of his death.
24 (3) The member had not instructed the Board of Trustees in writing that he
25 did not wish the provisions of this subsection to apply.

26 For the purpose of this benefit, a member is considered to be in service at the date of
27 his death if his death occurs within 180 days from the last day of his actual service. The
28 last day of actual service shall be determined as provided in subsection (l) of this section.
29 Upon the death of a member in service, the surviving spouse may make all purchases for
30 creditable service as provided for under this Chapter for which the member had made
31 application in writing prior to the date of death, provided that the date of death occurred
32 prior to or within 60 days after notification of the cost to make the purchase. The term "in
33 service" as used in this subsection includes a member in receipt of a benefit under the
34 Disability Income Plan as provided in Article 6 of this Chapter."

35 Section 4. G.S. 135-5 is amended by adding two new subsections to read:

36 "(ccc) From and after July 1, 1997, the retirement allowance to or on account of
37 beneficiaries whose retirement commenced on or before July 1, 1996, shall be increased
38 by three percent (3%) of the allowance payable on June 1, 1997, in accordance with G.S.
39 135-5(o). Furthermore, from and after July 1, 1997, the retirement allowance to or on
40 account of beneficiaries whose retirement commenced after July 1, 1996, but before June
41 30, 1997, shall be increased by a prorated amount of three percent (3%) of the allowance
42 payable as determined by the Board of Trustees based upon the number of months that a
43 retirement allowance was paid between July 1, 1996, and June 30, 1997.

1 (ddd) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1997. –
2 From and after July 1, 1997, the retirement allowance to or on account of beneficiaries on
3 the retirement rolls as of June 1, 1997, shall be increased by three and four-tenths percent
4 (3.4 %) of the allowance payable on June 1, 1997. This allowance shall be calculated on
5 the allowance payable and in effect on June 30, 1997, so as not to be compounded on any
6 other increase granted by act of the 1997 General Assembly."

7 Section 5. G.S. 135-65 is amended by adding a new subsection to read:

8 "(r) From and after July 1, 1997, the retirement allowance to or on account of
9 beneficiaries whose retirement commenced on or before July 1, 1996, shall be increased
10 by three percent (3%) of the allowance payable on June 1, 1997. Furthermore, from and
11 after July 1, 1997, the retirement allowance to or on account of beneficiaries whose
12 retirement commenced after July 1, 1996, but before June 30, 1997, shall be increased by
13 a prorated amount of three percent (3%) of the allowance payable as determined by the
14 Board of Trustees based upon the number of months that a retirement allowance was paid
15 between July 1, 1996, and June 30, 1997."

16 Section 6. G.S. 120-4.22A is amended by adding a new subsection to read:

17 "(l) In accordance with subsection (a) of this section, from and after July 1, 1997,
18 the retirement allowance to or on account of beneficiaries whose retirement commenced
19 on or before January 1, 1997, shall be increased by three percent (3%) of the allowance
20 payable on June 1, 1997. Furthermore, from and after July 1, 1997, the retirement
21 allowance to or on account of beneficiaries whose retirement commenced after January 1,
22 1997, but before June 30, 1997, shall be increased by a prorated amount of three percent
23 (3%) of the allowance payable as determined by the Board of Trustees based upon the
24 number of months that a retirement allowance was paid between January 1, 1997, and
25 June 30, 1997."

26 Section 7. Required employer salary-related contributions for employees
27 whose salaries are paid from department, office, institution, or agency receipts shall be
28 paid from the same source as the source of the employees' salary. If an employee's salary
29 is paid in part from the General Fund or Highway Fund and in part from department,
30 office, institution, or agency receipts, required employer salary-related contributions may
31 be paid from the General Fund or Highway Fund only to the extent of the proportionate
32 part paid from the General Fund or Highway Fund in support of the salary of the
33 employee, and the remainder of the employer's requirements shall be paid from the
34 source that supplies the remainder of the employee's salary. The requirements of this
35 section as to source of payment are also applicable to payments on behalf of the
36 employee for hospital-medical benefits, longevity pay, unemployment compensation,
37 accumulated leave, workers' compensation, severance pay, separation allowances, and
38 applicable disability income and disability salary continuation benefits.

39 Section 8. Effective July 1, 1997, the State's employer contribution rates
40 budgeted for retirement and related benefits as a percentage of covered salaries for the
41 1997-98 fiscal year are (i) ten and eighty-three hundredths percent (10.83%) - Teachers
42 and State Employees; (ii) fifteen and eighty-three hundredths percent (15.83%) - State
43 Law Enforcement Officers; (iii) nine and eighteen hundredths percent (9.18%) -

1 University Employees' Optional Retirement Program; (iv) twenty-two and sixty-five
2 hundredths percent (22.65%) - Consolidated Judicial Retirement System; and (v) twenty-
3 four and fifty-eight hundredths percent (24.58%) - Legislative Retirement System. Each
4 of the foregoing contribution rates includes two percent (2%) for hospital and medical
5 benefits. The rate for State Law Enforcement Officers includes five percent (5%) for the
6 Supplemental Retirement Income Plan. The rates for Teachers and State Employees,
7 State Law Enforcement Officers, and for the University Employees' Optional Retirement
8 Program include fifty-two hundredths percent (0.52%) for the Disability Income Plan.

9 Section 9. G.S. 128-27(b15) reads as rewritten:

10 "(b15) Service Retirement Allowance of Members Retiring on or after July 1,
11 ~~1995-1995, but before July 1, 1997.~~ – Upon retirement from service in accordance with
12 subsection (a) or (a1) above, on or after July 1, 1995, but before July 1, 1997, a member
13 shall receive the following service retirement allowance:

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

17 a. If the member's service retirement date occurs on or after his
18 55th birthday, and completion of five years of creditable service
19 as a law enforcement officer, or after the completion of 30 years
20 of creditable service, the allowance shall be equal to one and
21 seventy-two hundredths percent (1.72%) of his average final
22 compensation, multiplied by the number of years of his
23 creditable service.

24 b. If the member's service retirement date occurs on or after his
25 50th birthday and before his 55th birthday with 15 or more years
26 of creditable service as a law enforcement officer and prior to the
27 completion of 30 years of creditable service, his retirement
28 allowance shall be equal to the greater of:

29 1. The service retirement allowance payable under G.S. 128-
30 27(b15)(1)a. reduced by one-third of one percent (1/3 of
31 1%) thereof for each month by which his retirement date
32 precedes the first day of the month coincident with or next
33 following the month the member would have attained his
34 55th birthday; or

35 2. The service retirement allowance as computed under G.S.
36 128-27(b15)(1)a. reduced by five percent (5%) times the
37 difference between 30 years and his creditable service at
38 retirement.

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

42 a. If the member's service retirement date occurs on or after his
43 65th birthday upon the completion of five years of creditable

1 service or after the completion of 30 years of creditable service
2 or on or after his 60th birthday upon the completion of 25 years
3 of creditable service, the allowance shall be equal to one and
4 seventy-two hundredths percent (1.72%) of his average final
5 compensation, multiplied by the number of years of creditable
6 service.

7 b. If the member's service retirement date occurs after his 60th and
8 before his 65th birthday and prior to his completion of 25 years
9 or more of creditable service, his retirement allowance shall be
10 computed as in G.S. 128-27(b15)(2)a. but shall be reduced by
11 one-quarter of one percent (1/4 of 1%) thereof for each month by
12 which his retirement date precedes the first day of the month
13 coincident with or next following his 65th birthday.

14 c. If the member's early service retirement date occurs on or after
15 his 50th birthday and before his 60th birthday and after
16 completion of 20 years of creditable service but prior to the
17 completion of 30 years of creditable service, his early service
18 retirement allowance shall be equal to the greater of:

19 1. The service retirement allowance as computed under G.S.
20 128-27(b15)(2)a. but reduced by the sum of five-twelfths
21 of one percent (5/12 of 1%) thereof for each month by
22 which his retirement date precedes the first day of the
23 month coincident with or next following the month the
24 member would have attained his 60th birthday, plus one-
25 quarter of one percent (1/4 of 1%) thereof for each month
26 by which his 60th birthday precedes the first day of the
27 month coincident with or next following his 65th birthday;
28 or

29 2. The service retirement allowance as computed under G.S.
30 128-27(b15)(2)a. reduced by five percent (5%) times the
31 difference between 30 years and his creditable service at
32 retirement; or

33 3. If the member's creditable service commenced prior to
34 July 1, 1995, the service retirement allowance equal to the
35 actuarial equivalent of the allowance payable at the age of
36 60 years as computed in G.S. 128-27(b15)(2)b.

37 d. Notwithstanding the foregoing provisions, any member whose
38 creditable service commenced prior to July 1, 1965, shall not
39 receive less than the benefit provided by G.S. 128-27(b)."

40 Section 10. G.S. 128-27 is amended by adding a new subsection to read:

41 "(b16) Service Retirement Allowance of Members Retiring on or After July 1,
42 1997. – Upon retirement from service in accordance with subsection (a) or (a1) above, on
43 or after July 1, 1997, a member shall receive the following service retirement allowance:

- 1 (1) A member who is a law enforcement officer or an eligible former law
2 enforcement officer shall receive a service retirement allowance
3 computed as follows:
- 4 a. If the member's service retirement date occurs on or after his
5 55th birthday, and completion of five years of creditable service
6 as a law enforcement officer, or after the completion of 30 years
7 of creditable service, the allowance shall be equal to one and
8 seventy-six hundredths percent (1.76%) of his average final
9 compensation, multiplied by the number of years of his
10 creditable service.
- 11 b. If the member's service retirement date occurs on or after his
12 50th birthday and before his 55th birthday with 15 or more years
13 of creditable service as a law enforcement officer and prior to the
14 completion of 30 years of creditable service, his retirement
15 allowance shall be equal to the greater of:
- 16 1. The service retirement allowance payable under G.S. 128-
17 27(b16)(1)a. reduced by one-third of one percent (1/3 of
18 1%) thereof for each month by which his retirement date
19 precedes the first day of the month coincident with or next
20 following the month the member would have attained his
21 55th birthday; or
- 22 2. The service retirement allowance as computed under G.S.
23 128-27(b16)(1)a. reduced by five percent (5%) times the
24 difference between 30 years and his creditable service at
25 retirement.
- 26 (2) A member who is not a law enforcement officer or an eligible former
27 law enforcement officer shall receive a service retirement allowance
28 computed as follows:
- 29 a. If the member's service retirement date occurs on or after his
30 65th birthday upon the completion of five years of creditable
31 service or after the completion of 30 years of creditable service
32 or on or after his 60th birthday upon the completion of 25 years
33 of creditable service, the allowance shall be equal to one and
34 seventy-six hundredths percent (1.76%) of his average final
35 compensation, multiplied by the number of years of creditable
36 service.
- 37 b. If the member's service retirement date occurs after his 60th and
38 before his 65th birthday and prior to his completion of 25 years
39 or more of creditable service, his retirement allowance shall be
40 computed as in G.S. 128-27(b16)(2)a. but shall be reduced by
41 one-quarter of one percent (1/4 of 1%) thereof for each month by
42 which his retirement date precedes the first day of the month
43 coincident with or next following his 65th birthday.

- 1 c. If the member's early service retirement date occurs on or after
2 his 50th birthday and before his 60th birthday and after
3 completion of 20 years of creditable service but prior to the
4 completion of 30 years of creditable service, his early service
5 retirement allowance shall be equal to the greater of:
- 6 1. The service retirement allowance as computed under G.S.
7 128-27(b16)(2)a. but reduced by the sum of five-twelfths
8 of one percent (5/12 of 1%) thereof for each month by
9 which his retirement date precedes the first day of the
10 month coincident with or next following the month the
11 member would have attained his 60th birthday, plus one-
12 quarter of one percent (1/4 of 1%) thereof for each month
13 by which his 60th birthday precedes the first day of the
14 month coincident with or next following his 65th birthday;
15 or
- 16 2. The service retirement allowance as computed under G.S.
17 128-27(b16)(2)a. reduced by five percent (5%) times the
18 difference between 30 years and his creditable service at
19 retirement; or
- 20 3. If the member's creditable service commenced prior to
21 July 1, 1995, the service retirement allowance equal to the
22 actuarial equivalent of the allowance payable at the age of
23 60 years as computed in G.S. 128-27(b16)(2)b.
- 24 d. Notwithstanding the foregoing provisions, any member whose
25 creditable service commenced prior to July 1, 1965, shall not
26 receive less than the benefit provided by G.S. 128-27(b)."

27 Section 11. G.S. 128-27 is amended by adding two new subsections to read:

28 "(ss) From and after July 1, 1997, the retirement allowance to or on account of
29 beneficiaries whose retirement commenced on or before July 1, 1996, shall be increased
30 by three percent (3%) of the allowance payable on June 1, 1997, in accordance with G.S.
31 128-27(k). Furthermore, from and after July 1, 1997, the retirement allowance to or on
32 account of beneficiaries whose retirement commenced after July 1, 1996, but before June
33 30, 1997, shall be increased by a prorated amount of three percent (3%) of the allowance
34 payable as determined by the Board of Trustees based upon the number of months that a
35 retirement allowance was paid between July 1, 1996, and June 30, 1997.

36 (tt) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1997. –
37 From and after July 1, 1997, the retirement allowance to or on account of beneficiaries on
38 the retirement rolls as of June 1, 1997, shall be increased by two and three-tenths percent
39 (2.3 %) of the allowance payable on June 1, 1997. This allowance shall be calculated on
40 the allowance payable and in effect on June 30, 1997, so as not to be compounded on any
41 other increase payable under subsection (k) of this section or otherwise granted by act of
42 the 1997 General Assembly."

43 Section 12. G.S 128-27(m) reads as rewritten:

1 "(m) Survivor's Alternate Benefit. – Upon the death of a member in service, the
2 principal beneficiary designated to receive a return of accumulated contributions shall
3 have the right to elect to receive in lieu thereof the reduced retirement allowance
4 provided by Option two of subsection (g) above computed by assuming that the member
5 had retired on the first day of the month following the date of his death, provided that all
6 three of the following conditions apply:

- 7 (1) a. The member had attained such age and/or creditable service to be
8 eligible to commence retirement with an early or service
9 retirement allowance, or
10 b. The member had obtained 20 years of creditable service in which
11 case the retirement allowance shall be computed in accordance
12 with ~~G.S. 128-27(b15)(1)b.~~ G.S. 128-27(b16)(1)b. or ~~G.S. 128-~~
13 ~~27(b15)(2)e.,~~ G.S. 128-27(b16)(2)c., notwithstanding the
14 requirement of obtaining age 50.
15 (2) The member had designated as the principal beneficiary to receive a
16 return of his accumulated contributions one and only one person who is
17 living at the time of his death.
18 (3) The member had not instructed the Board of Trustees in writing that he
19 did not wish the provisions of this subsection apply.

20 For the purpose of this benefit, a member is considered to be in service at the date of
21 his death if his death occurs within 180 days from the last day of his actual service. The
22 last day of actual service shall be determined as provided in subsection (l) of this section.
23 Upon the death of a member in service, the surviving spouse may make all purchases for
24 creditable service as provided for under this Chapter for which the member had made
25 application in writing prior to the date of death, provided that the date of death occurred
26 prior to or within 60 days after notification of the cost to make the purchase."

27 Section 13. This act becomes effective July 1, 1997.