

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**SENATE BILL 720**

Short Title: Open Enrollment/Contributory Death Benefit. (Public)

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Sponsors: Senators Atwater; Albertson, Allran, Apodaca, Bingham, Blake, Boseman, Brunstetter, Clodfelter, East, Foriest, Forrester, Hagan, Hartsell, Jones, Kinnaird, Malone, Nesbitt, Rand, Snow, Soles, Stevens, Swindell, and Tillman.

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Referred to: Commerce, Small Business and Entrepreneurship.

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March 14, 2007

A BILL TO BE ENTITLED

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2 AN ACT TO PROVIDE FOR AN OPEN ENROLLMENT PERIOD IN THE  
3 CONTRIBUTORY DEATH BENEFIT FOR RETIRED MEMBERS OF THE  
4 TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE  
5 LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE  
6 CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE  
7 LEGISLATIVE RETIREMENT SYSTEM.

8 The General Assembly of North Carolina enacts:

9       **SECTION 1.** Notwithstanding any section of law or any rules and  
10 regulations adopted by the Boards of Trustees to the contrary, the Retirement Systems  
11 Division of the Department of State Treasurer shall allow for an open enrollment period  
12 in the Contributory Death Benefit for Retired Members of the Teachers' and State  
13 Employees' Retirement System, the Local Governmental Employees' Retirement  
14 System, the Consolidated Judicial Retirement System, and the Legislative Retirement  
15 System. This open enrollment period shall begin October 1, 2007, and end January 31,  
16 2008. The Retirement Systems Division shall send notice by U.S. Mail of the open  
17 enrollment period to all retirees who elected not to be covered under this benefit or who  
18 failed to make any election at the time of their retirement and shall send a second notice  
19 by U.S. Mail to any such retiree who fails to make an election within 60 days of the  
20 notification of the open enrollment period. Notice, at minimum, shall consist of  
21 notification of the open enrollment period and the consequences of failure to respond  
22 within the specified time frames, informational materials explaining the benefit program  
23 and the associated costs, and a preprinted personalized enrollment application to  
24 facilitate the enrollment process indicating each individual retiree's contribution rate.  
25 For retirees electing coverage during this open enrollment period, coverage shall  
26 become effective the first of the month following the month in which the election of

1 coverage is received by the Retirement Systems Division but not before October 1,  
2 2007. Contribution rates for coverage shall be based upon the retiree's nearest age as of  
3 the effective date of coverage and shall begin by deduction from the retiree's net  
4 monthly retirement allowance in the month in which coverage becomes effective.  
5 Coverage elected by retirees during this open enrollment period shall be subject to all  
6 other laws and rules and regulations adopted by the Board of Trustees governing the  
7 Contributory Death Benefit for Retired Members.

8           **SECTION 2.** This act is effective when it becomes law.