

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 105
Transportation Committee Substitute Adopted 4/18/13
House Committee Substitute Favorable 6/26/14
House Committee Substitute #2 Favorable 7/1/14

Short Title: Add Towns to SHP.

(Public)

Sponsors:

Referred to:

February 20, 2013

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE TOWN OF ELIZABETHTOWN AND THE TOWN OF MATTHEWS TO ENROLL ITS EMPLOYEES AND DEPENDENTS IN THE STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 135-48.1(11) reads as rewritten:

"(11) Employing Unit. – A North Carolina School System; Community College; State Department, Agency, or Institution; Administrative Office of the Courts; or Association or Examining Board whose employees are eligible for membership in a State-Supported Retirement System. An employing unit also shall mean (i) a charter school in accordance with Part 6A of Chapter 115C of the General Statutes whose board of directors elects to become a participating employer in the Plan under ~~G.S. 135-48.54.~~ G.S. 135-48.54 or (ii) a local government unit that participates in the Plan under G.S. 135-48.47 or under any other law. Bona fide fire departments, rescue or emergency medical service squads, and National Guard units are deemed to be employing units for the purpose of providing benefits under this Article."

SECTION 2. G.S. 135-48.8 reads as rewritten:

§ 135-48.8. Statements of public interest.

(a) The State of North Carolina deems it to be in the public interest for North Carolina firefighters, rescue squad workers, and members of the National Guard, and certain of their dependents, who are not eligible for any other type of comprehensive group health insurance or other comprehensive group health benefits, and who have been without any form of group health insurance or other comprehensive group health benefit coverage for at least six consecutive months, to be given the opportunity to participate in the benefits provided by the State Health Plan for Teachers and State Employees. Coverage under the Plan shall be voluntary for eligible firefighters, rescue squad workers, and members of the National Guard who elect participation in the Plan for themselves and their eligible dependents.

(b) The State of North Carolina deems it to be in the public interest for certain local government units to be allowed to join the State Health Plan for Teachers and State Employees and to participate in the Plan.

SECTION 3. Part 4 of Article 3B of Chapter 135 of the General Statutes is amended by adding a new section to read as follows:



1 **"§ 135-48.47. Participation in State Health Plan by certain local government employees**
2 **and dependents.**

3 (a) Eligibility. – The employees and dependents of employees of the following local
4 government units are eligible to participate in the State Health Plan:

5 (1) Town of Elizabethtown.

6 (2) Town of Matthews.

7 Employees and dependents participating under this section are not guaranteed participation in
8 the Plan, and participation is contingent on their respective local government units complying
9 with the provisions of this section and this Article, as well as any policies adopted by the Plan.

10 (b) Participation Requirements. – The participation of a local government unit listed in
11 subsection (a) of this section in the State Health Plan shall be governed by the following:

12 (1) The local government unit must, at least 60 days prior to joining the Plan,
13 enter into a memorandum of understanding with the Plan that acknowledges
14 the conditions of this section and this Article.

15 (2) The local government unit and its employees must meet the federal
16 requirements to participate in a governmental plan. The Plan may refuse
17 participation to persons who would jeopardize the Plan's qualification as a
18 governmental plan under federal law.

19 (3) The local government unit shall determine the eligibility of its employees
20 and employees' dependents and what portion of the premiums employees
21 will pay to the local government unit.

22 (4) Premiums for coverage and Plan options shall be the same as those offered
23 to State employees and dependents on a fully contributory basis.

24 (5) The local government unit shall pay all premiums for all covered individuals
25 directly to the Plan or the Plan's designee."

26 **SECTION 4.** G.S. 135-48.55 reads as rewritten:

27 **"§ 135-48.55. Interest charged to charter schools and local government units on late**
28 **premiums.**

29 The total amount of premiums due the Plan from charter schools and local government
30 units as employing units, including amounts withheld from the compensation of Plan members,
31 that is not remitted to the Plan by the fifteenth day of the month following the due date of
32 remittance shall be assessed interest of one and one-half percent (1 ½%) of the amount due the
33 Plan, per month or fraction thereof, beginning with the sixteenth day of the month following
34 the due date of the remittance. The interest authorized by this section shall be assessed until the
35 premium payment plus the accrued interest amount is remitted to the Plan. The remittance of
36 premium payments under this section shall be presumed to have been made if the remittance is
37 postmarked in the United States mail on a date not later than the fifteenth day of the month
38 following the due date of the remittance."

39 **SECTION 5.** This act is effective when it becomes law.