

GENERAL ASSEMBLY OF NORTH CAROLINA  
1987 SESSION

CHAPTER 717  
SENATE BILL 711

AN ACT TO PERMIT MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE CREDITABLE SERVICE FOR FEDERAL EMPLOYMENT AND PUBLIC SERVICE EMPLOYMENT FUNDED BY THE FEDERAL GOVERNMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 128-26 is amended by adding a new subsection to the end designated as (n) to read:

"(n) Credit at Full Cost for Federal Employment. Notwithstanding any other provisions of this Chapter, a member, upon the completion of 10 years of membership service, may purchase creditable service for periods of federal employment, provided that the member is not receiving any retirement benefits resulting for this federal employment, and provided that the member is not vested in the particular federal retirement system to which the member may have belonged while a federal employee. The member shall purchase this service by making a lump sum amount payable to the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the liabilities of the Retirement System; and the calculation of the amount payable shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees. Members may also purchase creditable service for periods of employment with public community service entities within the State funded entirely with federal funds, other than the federal government, that are not covered by the provisions of G.S. 128-21(11) or G.S. 135-1(11), under the same terms and conditions that are applicable to the purchase of creditable service for periods of federal employment in accordance with this subsection. 'Public community service entities' as used in this subdivision shall mean community action, human relations, manpower development, and community development programs as defined in Articles 19 and 21 of Chapter 160A and Article 18 of Chapter 153A of the General Statutes and any other similar programs that the Board of Trustees may adopt."

Sec. 2. G.S. 135-4(w) is amended by adding a sentence to read:

"Members may also purchase creditable service for periods of employment with public community service entities within the State funded entirely with federal funds,

other than the federal government, that are not covered by the provisions of G.S. 128-21(11) or G.S. 135-1(11), under the same terms and conditions that are applicable to the purchase of creditable service for periods of federal employment in accordance with this subsection. 'Public community service entities' as used in this subdivision shall mean community action, human relations, manpower development, and community development programs as defined in Articles 19 and 21 of Chapter 160A and Article 18 of Chapter 153A of the General Statutes and any other similar programs that the Board of Trustees may adopt."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 3rd day of August, 1987.