

GENERAL ASSEMBLY OF NORTH CAROLINA
1991 SESSION

CHAPTER 51
HOUSE BILL 368

AN ACT TO CLARIFY THE DEFINITION OF "COMPENSATION" AS USED IN
THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM AND
THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 128-21(7a) reads as rewritten:

"(7a) 'Compensation' shall mean all salaries and ~~wages~~, wages prior to any reduction pursuant to sections 125, 401(k), 403(b), 414(h)(2), and 457 of the Internal Revenue Code, not including any terminal payments for unused sick leave, derived from public funds which are earned by a member of the Retirement System for service as an employee in the unit of the Retirement System for which he is performing full-time work. 'Compensation' shall not include any payment, as determined by the Board of Trustees, for the reimbursement of expenses or payments for housing or any other allowances whether or not classified as salary and wages."

Sec. 2. G.S. 135-1(7a) reads as rewritten:

"(7a) 'Compensation' shall mean all salaries and ~~wages~~, wages prior to any reduction pursuant to sections 125, 401(k), 403(b), 414(h)(2), and 457 of the Internal Revenue Code, not including any terminal payments for unused sick leave, derived from public funds which are earned by a member of the Retirement System for service as an employee or teacher in the unit of the Retirement System for which he is performing full-time work. 'Compensation' shall not include any payment, as determined by the Board of Trustees, for the reimbursement of expenses or payments for housing or any other allowances whether or not classified as salary and wages."

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 23rd day of April, 1991.

James C. Gardner
President of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives