

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1991

CHAPTER 1029
HOUSE BILL 999

AN ACT TO PROVIDE FOR A MEMBER OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE TIME LOST DUE TO INTERRUPTED SERVICE FOR MATERNITY AND PARENTAL LEAVE OR INVOLUNTARY ADMINISTRATIVE FURLOUGH.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-4 is amended by adding a new subsection to read:

"(aa) Credit at Full Cost for Maternity Leave. Notwithstanding other provisions of this Chapter, any member in service with five or more years of credited membership service may purchase creditable service for periods of service which were interrupted due to parental leave, pregnancy or childbirth, or involuntary administrative furlough due to a lack of funds to support the position 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 system's liabilities; 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. Creditable service purchased under this subsection may not exceed six months per parental leave, pregnancy or childbirth, or involuntary administrative furlough due to a lack of funds to support the position. Notwithstanding the foregoing provisions of this subsection that provide for the purchase of service credits, the term 'full liability' includes assumed annual postretirement allowance increases, as determined by the Board of Trustees, from the earliest age at which a member could retire on an unreduced service allowance."

Sec. 2. There is appropriated from the trust fund of the Teachers' and State Employees' Retirement System to the Department of State Treasurer the sum of two hundred seventy-one thousand dollars (\$271,000) for the 1992-93 fiscal year to administer the provisions of this act.

Sec. 3. This act becomes effective October 1, 1992.

In the General Assembly read three times and ratified this the 24th day of July, 1992.

Henson P. Barnes
President Pro Tempore of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives