

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 677

Short Title: Retirees' Guaranteed Returns.

(Public)

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Sponsors: Senators Speed; Basnight, Block, Conder, Martin of Pitt, Martin of Guilford, Marvin, Parnell, Sherron, and Soles.

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Referred to: Pensions and Retirement.

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April 18, 1991

A BILL TO BE ENTITLED

AN ACT TO PROVIDE CERTAIN MINIMUM RETURNS TO ALL RETIREES OF ALL STATE-ADMINISTERED RETIREMENT SYSTEMS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 120 of the General Statutes is amended by adding a new section to read:

**"§ 120-4.26A. Retirees' guaranteed return.**

In the event of the death of a former member while in receipt of a retirement allowance under the provisions of this Article, if such former member is not survived by a beneficiary to whom a retirement allowance is payable under the provisions of this Article, there shall be paid to such person as the member shall have nominated by written designation duly acknowledged and filed with the Board of Trustees, if such person is living at the time of the member's death, otherwise to the member's legal representatives, a death benefit equal to the excess, if any, of the accumulated contributions of the member at his date of retirement over the total of the retirement allowances paid to him prior to his death. Provided that, in the event that a retirement allowance becomes payable to the beneficiary of a former member under the provisions of this Article before the total of the retirement allowances paid to the former member and his surviving beneficiary combined equals the amount of the member's contributions at his date of retirement, the excess of such contributions over the total of the retirement allowances paid to the former member and his surviving beneficiary combined shall be paid in a lump sum to such person as the member shall have nominated by written designation duly acknowledged and filed with the Board of

1 Trustees, if such person is living at the time such payment falls due, otherwise to the  
2 former member's legal representatives."

3       Sec. 2. G.S. 128-27 is amended by inserting a new subsection to read:

4       "(g1) In the event of the death of a former member while in receipt of a retirement  
5 allowance under the provisions of this Article, if such former member is not survived by  
6 a beneficiary to whom a retirement allowance is payable under the provisions of this  
7 Article, there shall be paid to such person as the member shall have nominated by  
8 written designation duly acknowledged and filed with the Board of Trustees, if such  
9 person is living at the time of the member's death, otherwise to the member's legal  
10 representatives, a death benefit equal to the excess, if any, of the accumulated  
11 contributions of the member at his date of retirement over the total of the retirement  
12 allowances paid to him prior to his death. Provided that, in the event that a retirement  
13 allowance becomes payable to the beneficiary of a former member under the provisions  
14 of this Article before the total of the retirement allowances paid to the former member  
15 and his surviving beneficiary combined equals the amount of the member's  
16 contributions at his date of retirement, the excess of such contributions over the total of  
17 the retirement allowances paid to the former member and his surviving beneficiary  
18 combined shall be paid in a lump sum to such person as the member shall have  
19 nominated by written designation duly acknowledged and filed with the Board of  
20 Trustees, if such person is living at the time such payment falls due, otherwise to the  
21 former member's legal representatives."

22       Sec. 3. G.S. 135-5 is amended by inserting a new subsection to read:

23       "(g1) In the event of the death of a former member while in receipt of a retirement  
24 allowance under the provisions of this Article, if such former member is not survived by  
25 a beneficiary to whom a retirement allowance is payable under the provisions of this  
26 Article, there shall be paid to such person as the member shall have nominated by  
27 written designation duly acknowledged and filed with the Board of Trustees, if such  
28 person is living at the time of the member's death, otherwise to the member's legal  
29 representatives, a death benefit equal to the excess, if any, of the accumulated  
30 contributions of the member at his date of retirement over the total of the retirement  
31 allowances paid to him prior to his death. Provided that, in the event that a retirement  
32 allowance becomes payable to the beneficiary of a former member under the provisions  
33 of this Article before the total of the retirement allowances paid to the former member  
34 and his surviving beneficiary combined equals the amount of the member's  
35 contributions at his date of retirement, the excess of such contributions over the total of  
36 the retirement allowances paid to the former member and his surviving beneficiary  
37 combined shall be paid in a lump sum to such person as the member shall have  
38 nominated by written designation duly acknowledged and filed with the Board of  
39 Trustees, if such person is living at the time such payment falls due, otherwise to the  
40 former member's legal representatives."

41       Sec. 4. This act becomes effective July 1, 1991.