

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 832

Short Title: Increase/Adjust Retire. Formula.

(Public)

Sponsors: Senator Sherron.

Referred to: Pensions and Retirement.

April 25, 1991

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE RETIREMENT FORMULA AND TO PROVIDE AN
ADJUSTING INCREASE TO RETIREES OF THE TEACHERS' AND STATE
EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5(b12) reads as rewritten:

"(b12) Service Retirement Allowance of Members Retiring on or after July 1,
~~1990~~1990, but before July 1, 1991. – Upon retirement from service in accordance with
subsection (a) above, on or after July 1, 1990, but before July 1, 1991, a member shall
receive the following service retirement allowance:

(1) A member who is a law enforcement officer or an eligible former law
enforcement officer shall receive a service retirement allowance
computed as follows:

a. If the member's service retirement date occurs on or after his
55th birthday, and completion of five years of creditable service
as a law enforcement officer, or after the completion of 30 years
of creditable service, the allowance shall be equal to one and
sixty-four hundredths percent (1.64%) of his average final
compensation, multiplied by the number of years of his
creditable service.

b. This allowance shall also be governed by the provisions of G.S.
135-5(b9)(1)b.

1 (2) A member who is not a law enforcement officer or an eligible former
2 law enforcement officer shall receive a service retirement allowance
3 computed as follows:

4 a. If the member's service retirement date occurs on or after his
5 65th birthday upon the completion of five years of creditable
6 service or after the completion of 30 years of creditable service
7 or on or after his 60th birthday upon the completion of 25 years
8 of creditable service, the allowance shall be equal to one and
9 sixty-four hundredths percent (1.64%) of his average final
10 compensation, multiplied by the number of years of creditable
11 service.

12 b. This allowance shall also be governed by the provisions of G.S.
13 135-5(b9)(2)b. c. and d."

14 Sec. 2. G.S. 135-5 is amended by adding a new subsection to read:

15 "(b13) Service Retirement Allowance of Members Retiring on or after July 1,
16 1991. – Upon retirement from service in accordance with subsection (a) above, on or
17 after July 1, 1991, a member shall receive the following service retirement allowance:

18 (1) A member who is a law enforcement officer or an eligible former law
19 enforcement officer shall receive a service retirement allowance
20 computed as follows:

21 a. If the member's service retirement date occurs on or after his
22 55th birthday, and completion of five years of creditable service
23 as a law enforcement officer, or after the completion of 30 years
24 of creditable service, the allowance shall be equal to one and
25 seventy-two hundredths percent (1.72%) of his average final
26 compensation, multiplied by the number of years of his
27 creditable service.

28 b. This allowance shall also be governed by the provisions of G.S.
29 135-5(b9)(1)b.

30 (2) A member who is not a law enforcement officer or an eligible former
31 law enforcement officer shall receive a service retirement allowance
32 computed as follows:

33 a. If the member's service retirement date occurs on or after his
34 65th birthday upon the completion of five years of creditable
35 service or after the completion of 30 years of creditable service
36 or on or after his 60th birthday upon the completion of 25 years
37 of creditable service, the allowance shall be equal to one and
38 seventy-two hundredths percent (1.72%) of his average final
39 compensation, multiplied by the number of years of creditable
40 service.

41 b. This allowance shall also be governed by the provisions of G.S.
42 135-5(b9)(2)b. c. and d."

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

1 "(tt) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1991. –
2 From and after July 1, 1991, the retirement allowance to or on account of beneficiaries
3 on the retirement rolls as of June 1, 1991, shall be increased by four and eight-tenths of
4 one percent (4.8%) of the allowance payable on June 1, 1991. This allowance shall be
5 calculated on the allowance payable and in effect on June 30, 1991, so as not to be
6 compounded on any other increase granted by act of the 1991 Session of the General
7 Assembly."

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