

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 305

Short Title: GPAC/Longevity Eliminated.

(Public)

Sponsors: Senator Martin of Guilford.

Referred to: Government Performance Audit.

February 22, 1993

A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT A RECOMMENDATION OF THE GOVERNMENT PERFORMANCE AUDIT COMMITTEE TO DISCONTINUE LONGEVITY PAY SCHEDULES, EXCEPT AS LIMITED BY THE NORTH CAROLINA CONSTITUTION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 7A-10(c) reads as rewritten:

"(c) ~~In lieu of merit and other increment raises paid to regular State employees, the Chief Justice and each of the Associate Justices shall receive as longevity pay an annual amount equal to four and eight tenths percent (4.8%) of the annual salary set forth in the Current Operations Appropriations Act payable monthly after five years of service, nine and six tenths percent (9.6%) after 10 years of service, fourteen and four tenths percent (14.4%) after 15 years of service, and nineteen and two tenths percent (19.2%) after 20 years of service. 'Service' means service as a justice or judge of the General Court of Justice or as a member of the Utilities Commission. Service shall also mean service as a district attorney or as a clerk of superior court. If the Chief Justice or an Associate Justice was receiving longevity pay on June 30, 1993, that officer shall continue receiving longevity pay during that officer's continuance in that office at the rate applicable on June 30, 1993, as required by Article IV, Section 21 of the Constitution. No increase in salary granted to such officer subsequent to June 30, 1993, shall apply to a person receiving longevity pay during that officer's continuance in office until the total amount of salary increases subsequent to June 30, 1993, exceeds the amount of longevity pay, in which case the officer shall receive the excess.~~

1 Longevity pay shall be considered part of total annual compensation for the purpose of
2 G.S. 7A-39.2."

3 Sec. 2. G.S. 7A-18(b) reads as rewritten:

4 "(b) ~~In lieu of merit and other increment raises paid to regular State employees, a~~
5 ~~judge of the Court of Appeals shall receive as longevity pay an annual amount equal to~~
6 ~~four and eight tenths percent (4.8%) of the annual salary set forth in the Current~~
7 ~~Operations Appropriations Act payable monthly after five years of service, nine and six~~
8 ~~tenths percent (9.6%) after 10 years of service, fourteen and four tenths percent (14.4%)~~
9 ~~after 15 years of service, and nineteen and two tenths percent (19.2%) after 20 years of~~
10 ~~service. 'Service' means service as a justice or judge of the General Court of Justice or~~
11 ~~as a member of the Utilities Commission. Service shall also mean service as a district~~
12 ~~attorney or as a clerk of superior court. If the judge was receiving longevity pay on~~
13 ~~June 30, 1993, that officer shall continue receiving longevity pay during that officer's~~
14 ~~continuance in that office at the rate applicable on June 30, 1993, as required by Article~~
15 ~~IV, Section 21 of the Constitution. No increase in salary granted to such officer~~
16 ~~subsequent to June 30, 1993, shall apply to a person receiving longevity pay during that~~
17 ~~officer's continuance in office until the total amount of salary increases subsequent to~~
18 ~~June 30, 1993, exceeds the amount of longevity pay, in which case the officer shall~~
19 ~~receive the excess. Longevity pay shall be considered part of total annual compensation~~
20 ~~for the purpose of G.S. 7A-39.2."~~

21 Sec. 3. G.S. 7A-39.2 reads as rewritten:

22 "**§ 7A-39.2. Age and service requirements for retirement of justices of the**
23 **Supreme Court and judges of the Court of Appeals.**

24 (a) Any justice of the Supreme Court or judge of the Court of Appeals who has
25 attained the age of 65 years, and who has served for a total of 15 years, whether
26 consecutive or not, on the Supreme Court, the Court of Appeals, or the superior court,
27 or as Administrative Officer of the Courts, or in any combination of these offices, may
28 retire from his present office and receive for life compensation equal to two thirds of the
29 total annual compensation, ~~including longevity,~~ but excluding any payments in the nature
30 of reimbursement for expenses, from time to time received by the occupant or occupants
31 of the office from which he retired.

32 (b) Any justice of the Supreme Court or judge of the Court of Appeals who has
33 attained the age of 65 years, and who has served as justice or judge, or both, in the
34 Appellate Division for 12 consecutive years may retire and receive for life
35 compensation equal to two thirds of the total annual compensation, ~~including longevity,~~
36 but excluding any payments in the nature of reimbursement for expenses, from time to
37 time received by the occupant or occupants of the office from which he retired.

38 (c) Any justice or judge of the Appellate Division, who has served for a total of
39 24 years, whether continuously or not, as justice of the Supreme Court, judge of the
40 Court of Appeals, judge of the superior court, or Administrative Officer of the Courts,
41 or in any combination of these offices, may retire, regardless of age, and receive for life
42 compensation equal to two thirds of the total annual compensation, ~~including longevity,~~
43 but excluding any payments in the nature of reimbursement for expenses, from time to
44 time received by the occupant or occupants of the office from which he retired. In

1 determining eligibility for retirement under this subsection, time served as a district
2 solicitor of the superior court prior to January 1, 1971, may be included, provided the
3 person has served at least eight years as a justice, judge, or Administrative Officer of the
4 Courts, or in any combination of these offices.

5 (d) For purposes of this section, the 'occupant or occupants of the office from
6 which' the retired judge retired will be deemed to be a judge or justice of the Appellate
7 Division holding the same office and with the same service as the retired judge had
8 immediately prior to retirement."

9 Sec. 4. G.S. 7A-44(b) reads as rewritten:

10 "(b) ~~In lieu of merit and other increment raises paid to regular State employees, a~~
11 ~~judge of the superior court, regular or special, shall receive as longevity pay an annual~~
12 ~~amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the~~
13 ~~Current Operations Appropriations Act payable monthly after five years of service, nine~~
14 ~~and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent~~
15 ~~(14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20~~
16 ~~years of service. 'Service' means service as a justice or judge of the General Court of~~
17 ~~Justice or as a member of the Utilities Commission or as director or assistant director of~~
18 ~~the Administrative Office of the Courts. Service shall also mean service as a district~~
19 ~~attorney or as a clerk of superior court. If the judge was receiving longevity pay on~~
20 ~~June 30, 1993, that officer shall continue receiving longevity pay during that officer's~~
21 ~~continuance in office at the rate applicable on June 30, 1993, as required by Article IV,~~
22 ~~Section 21 of the Constitution. No increase in salary granted to such officer subsequent~~
23 ~~to June 30, 1993, shall apply to a person receiving longevity pay during that officer's~~
24 ~~continuance in office until the total amount of salary increases subsequent to June 30,~~
25 ~~1993, exceeds the amount of longevity pay, in which case the officer shall receive the~~
26 ~~excess. Longevity pay shall be considered part of total annual compensation for the~~
27 ~~purpose of G.S. 7A-51.~~"

28 Sec. 5. G.S. 7A-51 reads as rewritten:

29 **"§ 7A-51. Age and service requirements for retirement of judges of the superior**
30 **court and of the Administrative Officer of the Courts.**

31 (a) Any judge of the superior court, or Administrative Officer of the Courts, who
32 has attained the age of sixty-five years, and who has served for a total of fifteen years,
33 whether consecutive or not, as a judge of the superior court, or as Administrative
34 Officer of the Courts, or as judge of the superior court and as Administrative Officer of
35 the Courts combined, may retire and receive for life compensation equal to two thirds of
36 the total annual compensation, ~~including longevity~~ and additional payment for service as
37 senior resident superior court judge, but excluding any payments in the nature of
38 reimbursement for expenses or subsistence allowances, from time to time received by
39 the occupant of the office from which he retired.

40 (b) Any judge of the superior court, or Administrative Officer of the Courts, who
41 has served for twelve years, whether consecutive or not, as a judge of the superior court,
42 or as Administrative Officer of the Courts, or as judge of the superior court and as
43 Administrative Officer of the Courts combined may, at age sixty-eight, retire and
44 receive for life compensation equal to two thirds of the total annual compensation,

1 ~~including longevity~~ and additional payment for service as senior resident superior court
2 judge, but excluding any payments in the nature of reimbursement for expenses or
3 subsistence allowances, from time to time received by the occupant of the office from
4 which he retired.

5 (c) Any person who has served for a total of twenty-four years, whether
6 continuously or not, as a judge of the superior court, or as Administrative Officer of the
7 Courts, or as judge of the superior court and as Administrative Officer of the Courts
8 combined, may retire, regardless of age, and receive for life compensation equal to two
9 thirds of the total annual compensation, ~~including longevity~~ and additional payment for
10 service as senior resident superior court judge, but excluding any payments in the nature
11 of reimbursement for expenses or subsistence allowances, from time to time received by
12 the occupant of the office from which he retired. In determining whether a person
13 meets the requirements of this subsection, time served as district attorney of the superior
14 court prior to January 1, 1971, may be included, so long as the person has served at least
15 eight years as a judge of the superior court, or as Administrative Officer of the Courts,
16 or as judge of the superior court and Administrative Officer of the Courts combined.

17 (d) Repealed by Session Laws 1971, c. 508, s. 3.

18 (e) For purposes of this section, the 'occupant or occupants of the office from
19 which' the retired judge retired will be deemed to be a superior court judge holding the
20 same office and with the same service as the retired judge had immediately prior to
21 retirement."

22 Sec. 6. G.S. 7A-65 reads as rewritten:

23 **"§ 7A-65. Compensation and allowances of district attorneys and assistant district**
24 **attorneys.**

25 (a) The annual salary of district attorneys and full-time assistant district attorneys
26 shall be as provided in the Current Operations Appropriations Act. When traveling on
27 official business, each district attorney and assistant district attorney is entitled to
28 reimbursement for his subsistence and travel expenses to the same extent as State
29 employees generally.

30 (b) Repealed by Session Laws 1985, c. 689, s. 2, effective July 11, 1985.

31 (c) ~~In lieu of merit and other increment raises paid to regular State employees, a~~
32 ~~district attorney shall receive as longevity pay an amount equal to four and eight tenths~~
33 ~~percent (4.8%) of the annual salary set forth in the Current Operations Appropriations~~
34 ~~Act payable monthly after five years of service, and nine and six tenths percent (9.6%)~~
35 ~~after 10 years of service, fourteen and four tenths percent (14.4%) after 15 years of~~
36 ~~service, and nineteen and two tenths percent (19.2%) after 20 years of service. Service~~
37 ~~shall mean service in the elective position of a district attorney and shall not include~~
38 ~~service as a deputy or acting district attorney. Service shall also mean service as a~~
39 ~~justice or judge of the General Court of Justice, as a clerk of superior court, or as an~~
40 ~~assistant district attorney.~~

41 (d) ~~In lieu of merit and other increment raises paid to regular State employees, an~~
42 ~~assistant district attorney shall receive as longevity pay an amount equal to four and~~
43 ~~eight tenths percent (4.8%) of the annual salary set forth in the Current Operations~~
44 ~~Appropriations Act payable monthly after five years of service, nine and six tenths~~

1 percent (9.6%) after 10 years of service, and fourteen and four tenths percent (14.4%)
2 after 15 years of service. 'Service' means service as an assistant district attorney."

3 Sec. 7. G.S. 7A-101(c) is repealed.

4 Sec. 8. G.S. 7A-144(b) reads as rewritten:

5 "(b) ~~Notwithstanding merit, longevity and other increment raises paid to regular~~
6 ~~State employees, a judge of the district court shall receive as longevity pay an annual~~
7 ~~amount equal to four and eight tenths percent (4.8%) of the annual salary set forth in the~~
8 ~~Current Operations Appropriations Act payable monthly after five years of service, nine~~
9 ~~and six tenths percent (9.6%) after 10 years of service, fourteen and four tenths percent~~
10 ~~(14.4%) after 15 years of service, and nineteen and two tenths percent (19.2%) after 20~~
11 ~~years of service. 'Service' means service as a justice or judge of the General Court of~~
12 ~~Justice or as a member of the Utilities Commission or as director or assistant director of~~
13 ~~the Administrative Office of the Courts. Service shall also mean service as a district~~
14 ~~attorney or as a clerk of superior court. If the judge was receiving longevity pay on~~
15 ~~June 30, 1993, that officer shall continue receiving longevity pay during that officer's~~
16 ~~continuance in office at the rate applicable on June 30, 1993, as required by Article IV,~~
17 ~~Section 21 of the Constitution. No increase in salary granted to such officer subsequent~~
18 ~~to June 30, 1993, shall apply to a person receiving longevity pay during that officer's~~
19 ~~continuance in office until the total amount of salary increases subsequent to June 30,~~
20 ~~1993, exceeds the amount of longevity pay, in which case the officer shall receive the~~
21 ~~excess.~~"

22 Sec. 8.1. G.S. 7A-171.1(a)(5) is repealed.

23 Sec. 9. G.S. 7A-341 reads as rewritten:

24 **"§ 7A-341. Appointment and compensation of Director.**

25 The Director shall be appointed by the Chief Justice of the Supreme Court, to serve
26 at his pleasure. He shall receive the annual salary provided in the Current Operations
27 Appropriations Act, payable monthly, and reimbursement for travel and subsistence
28 expenses at the same rate as State employees generally ~~and longevity pay at the rates and~~
29 ~~for the service designated in G.S. 7A-44(b) for a judge of the superior court.~~ Service as
30 Director shall be equivalent to service as a superior court judge for the purposes of
31 entitlement to retirement pay or to retirement for disability."

32 Sec. 10. G.S. 7A-342 reads as rewritten:

33 **"§ 7A-342. Appointment and compensation of assistant director and other**
34 **employees.**

35 The assistant director shall also be appointed by the Chief Justice, to serve at his
36 pleasure. The assistant director shall receive the annual salary provided in the Current
37 Operations Appropriations Act, payable monthly, and reimbursement for travel and
38 subsistence expenses at the same rate as State employees generally ~~and longevity pay at~~
39 ~~the rates and for the service designated in G.S. 7A-144(b) for a judge of the district court.~~

40 The Director may appoint such other assistant and employees as are necessary to
41 enable him to perform the duties of his office."

42 Sec. 11. G.S. 7A-465(b) reads as rewritten:

43 "(b) The public defender shall be an attorney licensed to practice law in North
44 Carolina, and shall devote his full time to the duties of his office.

1 In lieu of merit and other increment raises paid to regular State employees, a public
2 defender shall receive as longevity pay an amount equal to four and eight tenths percent
3 (4.8%) of the annual salary set forth in the Current Operations Appropriations Act
4 payable monthly after five years of service, nine and six tenths percent (9.6%) after 10
5 years of service, fourteen and four tenths percent (14.4%) after 15 years of service, and
6 nineteen and two tenths percent (19.2%) after 20 years of service. 'Service' means
7 service as a public defender."

8 Sec. 12. G.S. 7A-467(d) is repealed.

9 Sec. 13. G.S. 7A-751 reads as rewritten:

10 **"§ 7A-751. Agency head; powers and duties.**

11 The head of the Office of Administrative Hearings is the Chief Administrative Law
12 Judge. He shall serve as Director and have the powers and duties conferred on him by
13 this Chapter and the Constitution and laws of this State. His salary shall be fixed by the
14 General Assembly in the Current Operations Appropriations Act.

15 In lieu of merit and other increment raises, the Chief Administrative Law Judge shall
16 receive longevity pay on the same basis as is provided to employees of the State who
17 are subject to the State Personnel Act."

18 Sec. 14. G.S. 20-187.3(a) reads as rewritten:

19 "(a) The Secretary of Crime Control and Public Safety shall not make or permit to
20 be made any order, rule, or regulation requiring the issuance of any minimum number of
21 traffic citations, or ticket quotas, by any member or members of the State Highway
22 Patrol. Pay and promotions of members of the Highway Patrol shall be based on their
23 overall job performance and not on the basis of the volume of citations issued or arrests
24 made. The provisions of G.S. 126-7 shall not apply to members of the State Highway
25 Patrol. Members of the Highway Patrol shall, however, be subject to salary classes,
26 ~~ranges and longevity pay~~ and ranges for service as are applicable to other State employees
27 generally. Beginning July 1, 1985, and annually thereafter, each member of the
28 Highway Patrol shall be granted a salary increase in an amount corresponding to the
29 increments between steps within the salary range established for the class to which the
30 member's position is assigned by the State Personnel Commission, not to exceed the
31 maximum of each applicable salary range."

32 Sec. 15. G.S. 58-2-10 reads as rewritten:

33 **"§ 58-2-10. Salary of Commissioner.**

34 The salary of the Commissioner shall be set by the General Assembly in the Current
35 Operations Appropriations Act. ~~In addition to the salary set by the General Assembly in~~
36 ~~the Current Operations Appropriations Act, longevity pay shall be paid on the same~~
37 ~~basis as is provided to employees of the State who are subject to the State Personnel~~
38 ~~Act.~~ If the Commissioner was receiving longevity pay on June 30, 1993, that officer
39 shall continue receiving longevity pay until December 31, 1996, during continuance in
40 office at the rate applicable on June 30, 1993, as required by Article III, Section 9 of the
41 Constitution. No increase in salary granted to such officer subsequent to June 30, 1993,
42 shall apply to a person receiving longevity pay during that officer's continuance in
43 office until the total amount of salary increases subsequent to June 30, 1993, exceeds
44 the amount of longevity pay, in which case the officer shall receive the excess."

1 Sec. 16. G.S. 62-10(h) reads as rewritten:

2 "(h) The salary of each commissioner shall be the same as that fixed from time to
3 time for judges of the superior court except that the commissioner designated as
4 chairman shall receive one thousand dollars (\$1,000) additional per annum. ~~In lieu of~~
5 ~~merit and other increment raises paid to regular State employees, each commissioner, including~~
6 ~~the commissioner designated as chairman, shall receive as longevity pay an amount equal to~~
7 ~~four and eight tenths percent (4.8%) of the annual salary set forth in the Current Operations~~
8 ~~Appropriations Act payable monthly after five years of service, and nine and six tenths percent~~
9 ~~(9.6%) after 10 years of service. 'Service' means service as a member of the Utilities~~
10 ~~Commission."~~

11 Sec. 17. G.S. 95-2 reads as rewritten:

12 **"§ 95-2. Election of Commissioner; term; salary; vacancy.**

13 The Commissioner of Labor shall be elected by the people in the same manner as is
14 provided for the election of the Secretary of State. The term of office of the
15 Commissioner of Labor shall be four years, and the salary of the Commissioner of
16 Labor shall be set by the General Assembly in the Current Operations Appropriations
17 Act. Any vacancy in the office shall be filled by the Governor, until the next general
18 election. The office of the Department of Labor shall be kept in the City of Raleigh and
19 shall be provided for as are other public offices of the State. ~~In addition to the salary set~~
20 ~~by the General Assembly in the Current Operations Appropriations Act, longevity pay shall be~~
21 ~~paid on the same basis as is provided to employees of the State who are subject to the State~~
22 ~~Personnel Act. If the Commissioner was receiving longevity pay on June 30, 1993, that~~
23 ~~officer shall continue receiving longevity pay until December 31, 1996, during~~
24 ~~continuance in office at the rate applicable on June 30, 1993, as required by Article III,~~
25 ~~Section 9 of the Constitution. No increase in salary granted to such officer subsequent~~
26 ~~to June 30, 1993, shall apply to a person receiving longevity pay during that officer's~~
27 ~~continuance in office until the total amount of salary increases subsequent to June 30,~~
28 ~~1993, exceeds the amount of longevity pay, in which case the officer shall receive the~~
29 ~~excess."~~

30 Sec. 18. G.S. 106-11 reads as rewritten:

31 **"§ 106-11. Salary of Commissioner of Agriculture.**

32 The salary of the Commissioner of Agriculture shall be set by the General Assembly
33 in the Current Operations Appropriations Act. ~~In addition to the salary set by the General~~
34 ~~Assembly in the Current Operations Appropriations Act, longevity pay shall be paid on the~~
35 ~~same basis as is provided to employees of the State who are subject to the State Personnel Act.~~
36 ~~If the Commissioner was receiving longevity pay on June 30, 1993, that officer shall~~
37 ~~continue receiving longevity pay until December 31, 1996, during continuance in office~~
38 ~~at the rate applicable on June 30, 1993, as required by Article III, Section 9 of the~~
39 ~~Constitution. No increase in salary granted to such officer subsequent to June 30, 1993,~~
40 ~~shall apply to a person receiving longevity pay during that officer's continuance in~~
41 ~~office until the total amount of salary increases subsequent to June 30, 1993, exceeds~~
42 ~~the amount of longevity pay, in which case the officer shall receive the excess."~~

43 Sec. 19. G.S. 114-7 reads as rewritten:

44 **"§ 114-7. Salary of the Attorney General.**

1 The salary of the Attorney General shall be set by the General Assembly in the
2 Current Operations Appropriations Act. ~~In addition to the salary set by the General~~
3 ~~Assembly in the Current Operations Appropriations Act, longevity pay shall be paid on~~
4 ~~the same basis as is provided to employees of the State who are subject to the State~~
5 ~~Personnel Act. If the Attorney General was receiving longevity pay on June 30, 1993,~~
6 ~~that officer shall continue receiving longevity pay until December 31, 1996, during~~
7 ~~continuance in office at the rate applicable on June 30, 1993, as required by Article III,~~
8 ~~Section 9 of the Constitution. No increase in salary granted to such officer subsequent~~
9 ~~to June 30, 1993, shall apply to a person receiving longevity pay during that officer's~~
10 ~~continuance in office until the total amount of salary increases subsequent to June 30,~~
11 ~~1993, exceeds the amount of longevity pay, in which case the officer shall receive the~~
12 ~~excess."~~

13 Sec. 20. G.S. 115C-20 reads as rewritten:

14 **"§ 115C-20. Office and salary.**

15 The Superintendent of Public Instruction shall keep his office in the Education
16 Building in Raleigh, and his salary shall be set by the General Assembly in the Current
17 Operations Appropriations Act. ~~In addition to the salary set by the General Assembly in the~~
18 ~~Current Operations Appropriations Act, longevity pay shall be paid on the same basis as is~~
19 ~~provided to employees of the State who are subject to the State Personnel Act. If the~~
20 ~~Superintendent was receiving longevity pay on June 30, 1993, that officer shall continue~~
21 ~~receiving longevity pay until December 31, 1996, during continuance in office at the~~
22 ~~rate applicable on June 30, 1993, as required by Article III, Section 9 of the~~
23 ~~Constitution. No increase in salary granted to such officer subsequent to June 30, 1993,~~
24 ~~shall apply to a person receiving longevity pay during that officer's continuance in~~
25 ~~office until the total amount of salary increases subsequent to June 30, 1993, exceeds~~
26 ~~the amount of longevity pay, in which case the officer shall receive the excess."~~

27 Sec. 21. G.S. 115C-302(d) is repealed.

28 Sec. 22. G.S. 115C-316(c) is repealed.

29 Sec. 23. G.S. 126-7(d) is repealed.

30 Sec. 24. G.S. 138-4 reads as rewritten:

31 **"§ 138-4. Governor to set salaries of administrative officers; exceptions; longevity**
32 **pay.**

33 The salaries of all State administrative officers not subject to the State Personnel Act
34 shall be set by the Governor, unless a law provides otherwise.

35 Whenever by law it is provided that a salary shall be fixed or set by the General
36 Assembly in the Current Operations Appropriations Act, and that office or position is
37 filled by appointment of the Governor, or the appointment is subject to the approval of
38 the Governor, or is made by a commission a majority of whose members are appointed
39 by the Governor, then the Governor may, increase or decrease the salary of a new
40 appointee by a maximum of ten percent (10%) over or under the salary of that position
41 as provided in the Current Operations Appropriations Act, such increased or decreased
42 salary to remain in effect until changed by the General Assembly or until the end of the
43 fiscal year, whichever occurs first. The Governor under this paragraph may not increase
44 the salary of any nonelected official above the level set in the Current Operations

1 Appropriations Act for any member of the Council of State. This section does not apply
2 to any office filled by election by the people, and does not apply to any office in the
3 legislative or judicial branches.

4 Prior to taking any action under this section, the Governor may consult with the
5 Advisory Budget Commission.

6 ~~Officials whose salaries are covered by the provisions of this section shall be eligible
7 for longevity pay on the same basis as is provided to employees of the State who are
8 subject to the State Personnel Act."~~

9 Sec. 25. G.S. 143-23(a1) reads as rewritten:

10 "(a1) No transfers may be made between objects or line items in the budget of any
11 department, institution, or other spending agency; however, with the approval of the
12 Director of the Budget, a department, institution, or other spending agency may spend
13 more than was appropriated for an object or line item if the overexpenditure is:

- 14 (1) In a purpose or program for which funds were appropriated for that
15 fiscal period and the total amount spent for the purpose or program is
16 no more than was appropriated for the purpose or program for the
17 fiscal period;
- 18 (2) Required to continue a purpose or program because of unforeseen
19 events, so long as the scope of the purpose or program is not increased;
- 20 (3) Required by a court, Industrial Commission, or administrative hearing
21 officer's order or award or to match unanticipated federal funds;
- 22 (4) Required to respond to an unanticipated disaster such as a fire,
23 hurricane, or tornado; or
- 24 (5) Required to call out the National Guard.

25 The Director of the Budget shall report on a quarterly basis to the Joint Legislative
26 Commission on Governmental Operations and to the Fiscal Research Division of the
27 Legislative Services Office the reason if the amount expended for a purpose or program
28 is more than the amount appropriated for it from all sources. If the overexpenditure was
29 authorized under subdivision (2) of this subsection, the Director of the Budget shall
30 identify in the report the unforeseen event that required the overexpenditure.

31 Funds appropriated for salaries and wages are also subject to the limitation that they
32 may only be used for (i) salaries and wages or for premium pay, overtime pay,
33 longevity to the extent authorized by law for certain elected officials holding office on
34 June 30, 1993, unemployment compensation, workers' compensation, temporary wages,
35 contracted personal services, moving expenses, payment of accumulated annual leave,
36 certain awards to employees, tort claims, and employer's social security, retirement, and
37 hospitalization payments; or (ii) uses for which over expenditures are permitted by
38 subdivisions (3), (4), and (5) of this subsection but the Director of the Budget shall
39 include such use and the reason for it in his quarterly report to the Joint Legislative
40 Commission on Governmental Operations and to the Fiscal Research Division of the
41 Legislative Services Office.

42 Lapsed salary funds that become available from vacant positions are also subject to
43 the limitation that they may not be used for new permanent employee positions or to
44 raise the salary of existing employees.

1 The requirements in this section that the Director of the Budget report to the Joint
2 Legislative Commission on Governmental Operations shall not apply to expenditures of
3 receipts by entities that are wholly receipt supported, except for entities supported by
4 the Wildlife Resources Fund."

5 Sec. 26. G.S. 143-34.1(b) reads as rewritten:

6 "(b) Required employer salary-related contributions for retirement benefits, death
7 benefits, disability salary continuation and Social Security for employees whose salaries
8 are paid from general fund or highway fund revenues, or from department, office,
9 institutional or agency receipts, or from nonstate funds, shall be paid from the same
10 source as the source of the employees' salaries. In those instances in which an
11 employee's salary is paid in part from the general fund, or the highway fund, and in part
12 from the department, office, institutional or agency receipts, or from nonstate funds, the
13 required salary-related contributions shall be paid from the general fund, or the highway
14 fund, only to the extent of the proportionate part paid from the general fund, or highway
15 fund, in support of the salary of such employee, and the remainder of the employer's
16 contribution requirements shall be paid from the same source which supplies the
17 remainder of such employee's salary. The requirements of this section as to the source
18 of payment are also applicable to payments on behalf of the employee for hospital-
19 medical insurance, longevity payments to the extent authorized by law for certain
20 elected officials holding office on June 30, 1993, salary increments, and legislative
21 salary increases. The State Controller shall approve the method of payment by State
22 departments, offices, institutions and agencies for employer salary-related requirements
23 of this section, and determine the applicability of the section to an employer's salary-
24 related contribution or payment in behalf of an employee."

25 Sec. 27. G.S. 147-35 reads as rewritten:

26 **"§ 147-35. Salary of Secretary of State.**

27 The salary of the Secretary of State shall be set by the General Assembly in the
28 Current Operations Appropriations Act. ~~In addition to the salary set by the General~~
29 ~~Assembly in the Current Operations Appropriations Act, longevity pay shall be paid on~~
30 ~~the same basis as is provided to employees of the State who are subject to the State~~
31 ~~Personnel Act. If the Secretary of State was receiving longevity pay on June 30, 1993,~~
32 ~~that officer shall continue receiving longevity pay until December 31, 1996, during~~
33 ~~continuance in office at the rate applicable on June 30, 1993, as required by Article III,~~
34 ~~Section 9 of the Constitution. No increase in salary granted to such officer subsequent~~
35 ~~to June 30, 1993, shall apply to a person receiving longevity pay during that officer's~~
36 ~~continuance in office until the total amount of salary increases subsequent to June 30,~~
37 ~~1993, exceeds the amount of longevity pay, in which case the officer shall receive the~~
38 ~~excess.~~"

39 Sec. 28. G.S. 147-64.1(b) reads as rewritten:

40 "(b) ~~In addition to the salary set by the General Assembly in the Current~~
41 ~~Operations Appropriations Act, longevity pay shall be paid on the same basis as is~~
42 ~~provided to employees of the State who are subject to the State Personnel Act. If the~~
43 ~~State Auditor was receiving longevity pay on June 30, 1993, that officer shall continue~~
44 ~~receiving longevity pay until December 31, 1996, during continuance in office at the~~

1 rate applicable on June 30, 1993, as required by Article III, Section 9 of the
2 Constitution. No increase in salary granted to such officer subsequent to June 30, 1993,
3 shall apply to a person receiving longevity pay during that officer's continuance in
4 office until the total amount of salary increases subsequent to June 30, 1993, exceeds
5 the amount of longevity pay, in which case the officer shall receive the excess."

6 Sec. 29. G.S. 147-65 reads as rewritten:

7 **"§ 147-65. Salary of State Treasurer.**

8 The salary of the State Treasurer shall be as established in the Current Operations
9 Appropriations Act. ~~In addition to the salary set by the General Assembly in the~~
10 ~~Current Operations Appropriations Act, longevity pay shall be paid on the same basis as~~
11 ~~is provided to employees of the State who are subject to the State Personnel Act. If the~~
12 State Treasurer was receiving longevity pay on June 30, 1993, that officer shall continue
13 receiving longevity pay until December 31, 1996, during continuance in office at the
14 rate applicable on June 30, 1993, as required by Article III, Section 9 of the
15 Constitution. No increase in salary granted to such officer subsequent to June 30, 1993,
16 shall apply to a person receiving longevity pay during that officer's continuance in
17 office until the total amount of salary increases subsequent to June 30, 1993, exceeds
18 the amount of longevity pay, in which case the officer shall receive the excess."

19 Sec. 30. Section 72(a) of Chapter 900 of the 1991 Session Laws reads as
20 rewritten:

21 "(a) The Director of the Budget may transfer from the Reserve for Salary
22 Increases for the 1992-93 fiscal year funds necessary to implement the teacher salary
23 schedule set out in subsection (b) of this section, including funds for the employer's
24 retirement and social security contributions ~~and funds for annual longevity payments at one~~
25 ~~percent (1%) of base salary for 10 to 14 years of State service, one and one half percent (1.5%)~~
26 ~~of base salary for 15 to 19 years of State service, two percent (2%) of base salary for 20 to 24~~
27 ~~years of State service, and two and one half percent (2.5%) of base salary for 25 years of State~~
28 ~~service, commencing July 1, 1992, for all teachers whose salaries are supported from the~~
29 ~~State's General Fund. These funds shall be allocated to individuals according to rules~~
30 ~~adopted by the State Board of Education and the Superintendent of Public Instruction.~~
31 ~~The longevity payment shall be paid in a lump sum once a year."~~

32 Sec. 31. Chapter 126 of the General Statutes is amended by adding a new
33 section to read:

34 **"§ 126-4.1. No longevity pay.**

35 No longevity pay system may apply to any State employee or State-paid teacher
36 after June 30, 1993, notwithstanding whether such employee is otherwise subject to the
37 provisions of this Chapter."

38 Sec. 32. Each agency, institution, or department may use any funds
39 appropriated for longevity pay, the authority for which was repealed by Sections 14, 22,
40 or 23 of this act, to increase the salary of employees of that agency, institution, or
41 department.

42 Sec. 33. This act becomes effective June 30, 1993.