

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 306

Short Title: GPAC/Longevity Eliminated/Freeze.

(Public)

Sponsors: Senator Martin of Guilford.

Referred to: Government Performance Audit.

February 22, 1993

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT A RECOMMENDATION OF THE GOVERNMENT
2 PERFORMANCE AUDIT COMMITTEE TO DISCONTINUE LONGEVITY PAY
3 SCHEDULES, BUT TO ALLOW EMPLOYEES AND OFFICERS CURRENTLY
4 RECEIVING LONGEVITY TO CONTINUE TO RECEIVE IT AT A FROZEN
5 LEVEL.

6 The General Assembly of North Carolina enacts:

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

8 "~~(c) In lieu of merit and other increment raises paid to regular State employees,~~
9 ~~the Chief Justice and each of the Associate Justices shall receive as longevity pay an~~
10 ~~annual amount equal to four and eight tenths percent (4.8%) of the annual salary set~~
11 ~~forth in the Current Operations Appropriations Act payable monthly after five years of~~
12 ~~service, nine and six tenths percent (9.6%) after 10 years of service, fourteen and four~~
13 ~~tenths percent (14.4%) after 15 years of service, and nineteen and two tenths percent~~
14 ~~(19.2%) after 20 years of service. 'Service' means service as a justice or judge of the~~
15 ~~General Court of Justice or as a member of the Utilities Commission. Service shall also~~
16 ~~mean service as a district attorney or as a clerk of superior court. If the Chief Justice or~~
17 ~~an Associate Justice was receiving longevity pay on June 30, 1993, that officer shall~~
18 ~~continue receiving longevity pay during their continuance in that office at the rate~~
19 ~~applicable on June 30, 1993, as required by Article IV, Section 21 of the Constitution.~~
20 ~~Longevity pay shall be considered part of total annual compensation for the purpose of~~
21 ~~G.S. 7A-39.2."~~

22 Sec. 2. G.S. 7A-18(b) reads as rewritten:
23

1 "~~(b) In lieu of merit and other increment raises paid to regular State employees, a~~
2 ~~judge of the Court of Appeals shall receive as longevity pay an annual amount equal to~~
3 ~~four and eight tenths percent (4.8%) of the annual salary set forth in the Current~~
4 ~~Operations Appropriations Act payable monthly after five years of service, nine and six-~~
5 ~~tenths percent (9.6%) after 10 years of service, fourteen and four tenths percent (14.4%)~~
6 ~~after 15 years of service, and nineteen and two tenths percent (19.2%) after 20 years of~~
7 ~~service. 'Service' means service as a justice or judge of the General Court of Justice or~~
8 ~~as a member of the Utilities Commission. Service shall also mean service as a district~~
9 ~~attorney or as a clerk of superior court. If the judge was receiving longevity pay on June~~
10 ~~30, 1993, that officer shall continue receiving longevity pay during their continuance in~~
11 ~~that office at the rate applicable on June 30, 1993, as required by Article IV, Section 21~~
12 ~~of the Constitution. Longevity pay shall be considered part of total annual~~
13 ~~compensation for the purpose of G.S. 7A-39.2."~~

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

15 "**§ 7A-39.2. Age and service requirements for retirement of justices of the**
16 **Supreme Court and judges of the Court of Appeals.**

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

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

31 (c) Any justice or judge of the Appellate Division, who has served for a total of
32 24 years, whether continuously or not, as justice of the Supreme Court, judge of the
33 Court of Appeals, judge of the superior court, or Administrative Officer of the Courts,
34 or in any combination of these offices, may retire, regardless of age, 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. In
38 determining eligibility for retirement under this subsection, time served as a district
39 solicitor of the superior court prior to January 1, 1971, may be included, provided the
40 person has served at least eight years as a justice, judge, or Administrative Officer of the
41 Courts, or in any combination of these offices.

42 (d) For purposes of this section, the 'occupant or occupants of the office from
43 which' the retired judge retired will be deemed to be a judge or justice of the Appellate

1 Division holding the same office and with the same service as the retired judge had
2 immediately prior to retirement."

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

4 "(b) ~~In lieu of merit and other increment raises paid to regular State employees, a~~
5 ~~judge of the superior court, regular or special, shall receive as longevity pay an annual~~
6 ~~amount equal to four and eight tenths percent (4.8%) of the annual salary set forth in the~~
7 ~~Current Operations Appropriations Act payable monthly after five years of service, nine~~
8 ~~and six tenths percent (9.6%) after 10 years of service, fourteen and four tenths percent~~
9 ~~(14.4%) after 15 years of service, and nineteen and two tenths percent (19.2%) after 20~~
10 ~~years of service. 'Service' means service as a justice or judge of the General Court of~~
11 ~~Justice or as a member of the Utilities Commission or as director or assistant director of~~
12 ~~the Administrative Office of the Courts. Service shall also mean service as a district~~
13 ~~attorney or as a clerk of superior court. If the judge was receiving longevity pay on June~~
14 ~~30, 1993, that officer shall continue receiving longevity pay during their continuance in~~
15 ~~office at the rate applicable on June 30, 1993, as required by Article IV, Section 21 of~~
16 ~~the Constitution. Longevity pay shall be considered part of total annual compensation~~
17 ~~for the purpose of G.S. 7A-51.~~"

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

19 "**§ 7A-51. Age and service requirements for retirement of judges of the superior**
20 **court and of the Administrative Officer of the Courts.**

21 (a) Any judge of the superior court, or Administrative Officer of the Courts, who
22 has attained the age of sixty-five years, and who has served for a total of fifteen years,
23 whether consecutive or not, as a judge of the superior court, or as Administrative
24 Officer of the Courts, or as judge of the superior court and as Administrative Officer of
25 the Courts combined, may retire and receive for life compensation equal to two thirds of
26 the total annual compensation, ~~including longevity~~ and additional payment for service as
27 senior resident superior court judge, but excluding any payments in the nature of
28 reimbursement for expenses or subsistence allowances, from time to time received by
29 the occupant of the office from which he retired.

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

39 (c) Any person who has served for a total of twenty-four years, whether
40 continuously or not, as a judge of the superior court, or as Administrative Officer of the
41 Courts, or as judge of the superior court and as Administrative Officer of the Courts
42 combined, may retire, regardless of age, and receive for life compensation equal to two
43 thirds of the total annual compensation, ~~including longevity~~ and additional payment for
44 service as senior resident superior court judge, but excluding any payments in the nature

1 of reimbursement for expenses or subsistence allowances, from time to time received by
2 the occupant of the office from which he retired. In determining whether a person
3 meets the requirements of this subsection, time served as district attorney of the superior
4 court prior to January 1, 1971, may be included, so long as the person has served at least
5 eight years as a judge of the superior court, or as Administrative Officer of the Courts,
6 or as judge of the superior court and Administrative Officer of the Courts combined.

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

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

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

13 **"§ 7A-65. Compensation and allowances of district attorneys and assistant district**
14 **attorneys.**

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

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

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

31 ~~(d) In lieu of merit and other increment raises paid to regular State employees, an~~
32 ~~assistant district attorney shall receive as longevity pay an amount equal to four and~~
33 ~~eight tenths percent (4.8%) of the annual salary set forth in the Current Operations~~
34 ~~Appropriations Act payable monthly after five years of service, nine and six tenths~~
35 ~~percent (9.6%) after 10 years of service, and fourteen and four tenths percent (14.4%)~~
36 ~~after 15 years of service. 'Service' means service as an assistant district attorney."~~

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

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

39 "(b) ~~Notwithstanding merit, longevity and other increment raises paid to regular~~
40 ~~State employees, a judge of the district court shall receive as longevity pay an annual~~
41 ~~amount equal to four and eight tenths percent (4.8%) of the annual salary set forth in the~~
42 ~~Current Operations Appropriations Act payable monthly after five years of service, nine~~
43 ~~and six tenths percent (9.6%) after 10 years of service, fourteen and four tenths percent~~
44 ~~(14.4%) after 15 years of service, and nineteen and two tenths percent (19.2%) after 20~~

1 years of service. 'Service' means service as a justice or judge of the General Court of
2 Justice or as a member of the Utilities Commission or as director or assistant director of
3 the Administrative Office of the Courts. Service shall also mean service as a district
4 attorney or as a clerk of superior court. If the judge was receiving longevity pay on June
5 30, 1993, that officer shall continue receiving longevity pay during their continuance in
6 office at the rate applicable on June 30, 1993, as required by Article IV, Section 21 of
7 the Constitution."

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

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

10 **"§ 7A-341. Appointment and compensation of Director.**

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

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

19 **"§ 7A-342. Appointment and compensation of assistant director and other**
20 **employees.**

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

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

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

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

31 ~~In lieu of merit and other increment raises paid to regular State employees, a public~~
32 ~~defender shall receive as longevity pay an amount equal to four and eight tenths percent~~
33 ~~(4.8%) of the annual salary set forth in the Current Operations Appropriations Act~~
34 ~~payable monthly after five years of service, nine and six tenths percent (9.6%) after 10~~
35 ~~years of service, fourteen and four tenths percent (14.4%) after 15 years of service, and~~
36 ~~nineteen and two tenths percent (19.2%) after 20 years of service. 'Service' means~~
37 ~~service as a public defender."~~

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

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

40 **"§ 7A-751. Agency head; powers and duties.**

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

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

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

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

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

19 **"§ 58-2-10. Salary of Commissioner.**

20 The salary of the Commissioner shall be set by the General Assembly in the Current
21 Operations Appropriations Act. ~~In addition to the salary set by the General Assembly in~~
22 ~~the Current Operations Appropriations Act, longevity pay shall be paid on the same~~
23 ~~basis as is provided to employees of the State who are subject to the State Personnel~~
24 ~~Act. If the Commissioner was receiving longevity pay on June 30, 1993, that officer~~
25 shall continue receiving longevity pay until December 31, 1996, during continuance in
26 office at the rate applicable on June 30, 1993, as required by Article III, Section 9 of the
27 Constitution."

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

29 "(h) The salary of each commissioner shall be the same as that fixed from time to
30 time for judges of the superior court except that the commissioner designated as
31 chairman shall receive one thousand dollars (\$1,000) additional per annum. ~~In lieu of~~
32 ~~merit and other increment raises paid to regular State employees, each commissioner, including~~
33 ~~the commissioner designated as chairman, shall receive as longevity pay an amount equal to~~
34 ~~four and eight tenths percent (4.8%) of the annual salary set forth in the Current Operations~~
35 ~~Appropriations Act payable monthly after five years of service, and nine and six tenths percent~~
36 ~~(9.6%) after 10 years of service. 'Service' means service as a member of the Utilities~~
37 ~~Commission.~~"

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

39 **"§ 95-2. Election of Commissioner; term; salary; vacancy.**

40 The Commissioner of Labor shall be elected by the people in the same manner as is
41 provided for the election of the Secretary of State. The term of office of the
42 Commissioner of Labor shall be four years, and the salary of the Commissioner of
43 Labor shall be set by the General Assembly in the Current Operations Appropriations
44 Act. Any vacancy in the office shall be filled by the Governor, until the next general

1 election. The office of the Department of Labor shall be kept in the City of Raleigh and
2 shall be provided for as are other public offices of the State. ~~In addition to the salary set by~~
3 ~~the General Assembly in the Current Operations Appropriations Act, longevity pay shall be~~
4 ~~paid on the same basis as is provided to employees of the State who are subject to the State~~
5 ~~Personnel Act. If the Commissioner was receiving longevity pay on June 30, 1993, that~~
6 ~~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."~~

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

10 **"§ 106-11. Salary of Commissioner of Agriculture.**

11 The salary of the Commissioner of Agriculture shall be set by the General Assembly
12 in the Current Operations Appropriations Act. ~~In addition to the salary set by the General~~
13 ~~Assembly in the Current Operations Appropriations Act, longevity pay shall be paid on the~~
14 ~~same basis as is provided to employees of the State who are subject to the State Personnel Act.~~
15 If the Commissioner was receiving longevity pay on June 30, 1993, that officer shall
16 continue receiving longevity pay until December 31, 1996, during continuance in office
17 at the rate applicable on June 30, 1993, as required by Article III, Section 9 of the
18 Constitution."

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

20 **"§ 114-7. Salary of the Attorney General.**

21 The salary of the Attorney General shall be set by the General Assembly in the
22 Current Operations Appropriations Act. ~~In addition to the salary set by the General~~
23 ~~Assembly in the Current Operations Appropriations Act, longevity pay shall be paid on~~
24 ~~the same basis as is provided to employees of the State who are subject to the State~~
25 ~~Personnel Act. If the Attorney General was receiving longevity pay on June 30, 1993,~~
26 ~~that officer shall continue receiving longevity pay until December 31, 1996, during~~
27 ~~continuance in office at the rate applicable on June 30, 1993, as required by Article III,~~
28 ~~Section 9 of the Constitution."~~

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

30 **"§ 115C-20. Office and salary.**

31 The Superintendent of Public Instruction shall keep his office in the Education
32 Building in Raleigh, and his salary shall be set by the General Assembly in the Current
33 Operations Appropriations Act. ~~In addition to the salary set by the General Assembly in the~~
34 ~~Current Operations Appropriations Act, longevity pay shall be paid on the same basis as is~~
35 ~~provided to employees of the State who are subject to the State Personnel Act. If the~~
36 ~~Superintendent was receiving longevity pay on June 30, 1993, that officer shall continue~~
37 ~~receiving longevity pay until December 31, 1996, during continuance in office at the~~
38 ~~rate applicable on June 30, 1993, as required by Article III, Section 9 of the~~
39 ~~Constitution."~~

40 Sec. 21. G.S. 138-4 reads as rewritten:

41 **"§ 138-4. Governor to set salaries of administrative officers; exceptions; longevity**
42 **pay.**

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

1 Whenever by law it is provided that a salary shall be fixed or set by the General
2 Assembly in the Current Operations Appropriations Act, and that office or position is
3 filled by appointment of the Governor, or the appointment is subject to the approval of
4 the Governor, or is made by a commission a majority of whose members are appointed
5 by the Governor, then the Governor may, increase or decrease the salary of a new
6 appointee by a maximum of ten percent (10%) over or under the salary of that position
7 as provided in the Current Operations Appropriations Act, such increased or decreased
8 salary to remain in effect until changed by the General Assembly or until the end of the
9 fiscal year, whichever occurs first. The Governor under this paragraph may not increase
10 the salary of any nonelected official above the level set in the Current Operations
11 Appropriations Act for any member of the Council of State. This section does not apply
12 to any office filled by election by the people, and does not apply to any office in the
13 legislative or judicial branches.

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

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

19 Sec. 22. G.S. 143-23(a1) reads as rewritten:

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

- 24 (1) In a purpose or program for which funds were appropriated for that
25 fiscal period and the total amount spent for the purpose or program is
26 no more than was appropriated for the purpose or program for the
27 fiscal period;
- 28 (2) Required to continue a purpose or program because of unforeseen
29 events, so long as the scope of the purpose or program is not increased;
- 30 (3) Required by a court, Industrial Commission, or administrative hearing
31 officer's order or award or to match unanticipated federal funds;
- 32 (4) Required to respond to an unanticipated disaster such as a fire,
33 hurricane, or tornado; or
- 34 (5) Required to call out the National Guard.

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

41 Funds appropriated for salaries and wages are also subject to the limitation that they
42 may only be used for (i) salaries and wages or for premium pay, overtime pay,
43 longevity to the extent authorized by law for certain persons holding office or
44 employment on June 30, 1993, unemployment compensation, workers' compensation,

1 temporary wages, contracted personal services, moving expenses, payment of
2 accumulated annual leave, certain awards to employees, tort claims, and employer's
3 social security, retirement, and hospitalization payments; or (ii) uses for which over
4 expenditures are permitted by subdivisions (3), (4), and (5) of this subsection but the
5 Director of the Budget shall include such use and the reason for it in his quarterly report
6 to the Joint Legislative Commission on Governmental Operations and to the Fiscal
7 Research Division of the Legislative Services Office.

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

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

15 Sec. 23. G.S. 143-34.1(b) reads as rewritten:

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

35 Sec. 24. G.S. 147-35 reads as rewritten:

36 "**§ 147-35. Salary of Secretary of State.**

37 The salary of the Secretary of State shall be set by the General Assembly in the
38 Current Operations Appropriations Act. ~~In addition to the salary set by the General~~
39 ~~Assembly in the Current Operations Appropriations Act, longevity pay shall be paid on~~
40 ~~the same basis as is provided to employees of the State who are subject to the State~~
41 ~~Personnel Act. If the Secretary of State was receiving longevity pay on June 30, 1993,~~
42 ~~that officer shall continue receiving longevity pay until December 31, 1996, during~~
43 ~~continuance in office at the rate applicable on June 30, 1993, as required by Article III,~~
44 ~~Section 9 of the Constitution.~~"

1 Sec. 25. G.S. 147-64.1(b) reads as rewritten:

2 "~~(b) In addition to the salary set by the General Assembly in the Current~~
3 ~~Operations Appropriations Act, longevity pay shall be paid on the same basis as is~~
4 ~~provided to employees of the State who are subject to the State Personnel Act. If the~~
5 ~~State Auditor was receiving longevity pay on June 30, 1993, that officer shall continue~~
6 ~~receiving longevity pay until December 31, 1996, during continuance in office at the~~
7 ~~rate applicable on June 30, 1993, as required by Article III, Section 9 of the~~
8 ~~Constitution.~~"

9 Sec. 26. G.S. 147-65 reads as rewritten:

10 "**§ 147-65. Salary of State Treasurer.**

11 The salary of the State Treasurer shall be as established in the Current Operations
12 Appropriations Act. ~~In addition to the salary set by the General Assembly in the Current~~
13 ~~Operations Appropriations Act, longevity pay shall be paid on the same basis as is~~
14 ~~provided to employees of the State who are subject to the State Personnel Act. If the~~
15 ~~State Treasurer was receiving longevity pay on June 30, 1993, that officer shall continue~~
16 ~~receiving longevity pay until December 31, 1996, during continuance in office at the~~
17 ~~rate applicable on June 30, 1993, as required by Article III, Section 9 of the~~
18 ~~Constitution.~~"

19 Sec. 27. 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. 28. Chapter 126 of the General Statutes is amended by adding a new
33 section to read:

34 "**§ 126-4.1. No longevity pay, freeze on existing schedules.**

35 (a) Except as otherwise provided by this section, no longevity pay system may
36 apply to any State employee or State-paid teacher after June 30, 1993, notwithstanding
37 whether such employee is otherwise subject to the provisions of this Chapter.

38 (b) Any person who, on June 29, 1993, was entitled to longevity pay under:

- 39 (1) G.S. 7A-65, 7A-101(c), 7A-171.1(a)(5), 7A-341, 7A-342, 7A-465(b),
40 7A-467(d), 7A-751, 20-187.3(a), 62-10(h), G.S. 138-4;
41 (2) Section 72(a) of Chapter 900 of the 1991 Session Laws; or
42 (3) Any policy, which was in effect on November 1, 1992, of the State
43 Personnel Commission or any other State agency,

1 shall continue receiving longevity pay at the rate in effect for that person on June 29,
2 1993, as long as that person continues employment with the same branch of
3 government. For the purpose of this subsection, the branches of government are
4 legislative, executive, judicial, public schools, The University of North Carolina, and
5 the community college system. No person shall receive any increase in longevity rate
6 after June 29, 1993."

7 Sec. 29. This act becomes effective June 30, 1993.