

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 638

Pensions & Retirement and Aging Committee Substitute Adopted 4/28/99

Short Title: Local Gov't Retirement Definition.

(Public)

Sponsors:

Referred to:

March 30, 1999

A BILL TO BE ENTITLED

AN ACT TO REDEFINE "EMPLOYEE" AND "EMPLOYER" IN THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 128-21(10) reads as rewritten:

"(10) "Employee" shall mean any person who is regularly employed in the service of and whose salary or compensation is paid by the employer as defined in subdivision (11) of this section, whether employed or appointed for stated terms or otherwise, except teachers in the public schools and except such employees who hold office by popular election as are not required to devote a major portion of their time to the duties of their office. "Employee" also means all full-time, paid firemen who are employed by any fire department that serves a city or county or any part of a city or county and that is supported in whole or in part by municipal or county funds. In all cases of doubt the Board of Trustees shall decide who is an employee."

Section 2. G.S. 128-21(11) reads as rewritten:

"(11) "Employer" shall mean any county, incorporated city or town, the board of alcoholic control of any county or incorporated city or

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1 town, the North Carolina League of Municipalities, and the State
2 Association of County Commissioners. ~~"Employer" shall also mean any~~
3 ~~separate, juristic political subdivision of the State as may be approved by~~
4 ~~the Board of Trustees upon the advice of the Attorney General.~~
5 "Employer" also means any fire department that serves a city or
6 county or any part of a city or county and that is supported in whole
7 or in part by municipal or county funds."

8 Section 3. The Board of Trustees of the North Carolina Local Governmental
9 Employees' Retirement System through the Office of the Attorney General shall request a
10 letter of determination or ruling from the Internal Revenue Service, United States
11 Department of Treasury, as to whether the status of the North Carolina Local
12 Governmental Employees' Retirement System as a governmental plan would be
13 adversely affected by the participation of employees affected by this legislation. The
14 request shall be made to the Internal Revenue Service no later than 30 days after the
15 effective date of this act. Fire departments affected by this legislation are eligible for
16 participation in the North Carolina Local Governmental Employees' Retirement System
17 upon the first day of the calendar quarter following receipt of a favorable letter of
18 determination or ruling.

19 Section 4. This act is effective when it becomes law.