

NORTH CAROLINA GENERAL ASSEMBLY
1979 SESSION

CHAPTER 1058
HOUSE BILL 1259

AN ACT TO ALLOW LAW ENFORCEMENT OFFICERS TO TRANSFER MEMBERSHIP
FROM THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO
THE LAW ENFORCEMENT OFFICERS' BENEFIT AND RETIREMENT FUND.

The General Assembly of North Carolina enacts:

Section 1. Any employer, as the term is defined in G.S. 128-21(11), participating in the North Carolina Local Governmental Employees' Retirement System may, until June 30, 1981, allow law enforcement officers, as the term is defined in G.S. 143-166(m), employed by such employer who are members of the North Carolina Local Governmental Employees' Retirement System to transfer membership from said Retirement System and become members of the Law Enforcement Officers' Benefit and Retirement Fund; Provided, that any employer allowing law enforcement officers to transfer shall pay a lump sum amount to the Law Enforcement Officers' Benefit and Retirement Fund equal to the difference between the full cost, as defined in Section 5 of this act, and the officers' and employer contributions transferred by virtue of Section 2 of this act.

Sec. 2. Upon written request of a law enforcement officer who meets the requirements of Section 1, filed with the Board of Trustees of the Local Governmental Employees' Retirement System stating that he desires to transfer his membership in the Local Governmental Employees' Retirement System and become a member of the Law Enforcement Officers' Benefit and Retirement, and upon the lump sum payment by the employer of the full cost, as defined in Section 5, the Local Governmental Employees' Retirement System is hereby authorized, empowered, and directed to transfer to the Law Enforcement Officers' Benefit and Retirement Fund:

- (1) All of the officer's accumulated contributions that were made on compensation received as a law enforcement officer, together with the accumulated regular interest thereon, standing to the credit of such employee in the Local Governmental Employees' Retirement System; and
- (2) An amount equal to the normal and accrued liability payments that were made because of service rendered as a law enforcement officer which have been made to the Local Governmental Employees' Retirement System by reason of such service to the employer calculated as the result of multiplying the normal and accrued liability percentage in effect at the time of the transfer times the compensation paid for service rendered as a law enforcement officer.

Upon such transfer being made, the officer shall immediately become a member of the Law Enforcement Officers' Benefit and Retirement Fund and the service transferred shall no longer be creditable in the Local Governmental Employees' Retirement System.

Sec. 3. The Board of Commissioners of the Law Enforcement Officers' Benefit and Retirement Fund is hereby authorized, empowered, and directed to receive any funds transferred as provided in this act as follows:

- (1) Upon receipt of a transferring officer's contributions, such contributions shall be deposited in the officer's regular contributions account; and

- (2) Upon receipt of the amount equal to the normal and accrued liability payments that were made by the employer because of service rendered as a law enforcement officer from the Local Governmental Employees' Retirement System and the additional amount required to fund the full cost of benefits as determined in Section 5 of this act, such funds shall be deposited in the Accumulation Account.

Sec. 4. The creditable service of an officer who transfers to the Law Enforcement Officers' Benefit and Retirement Fund shall be the service that was creditable as a law enforcement officer in the Local Governmental Employees' Retirement System.

Sec. 5. The term "full cost" as used in this act shall be calculated on the basis of the assumptions used for purposes of the actuarial valuation of the system's liabilities and shall take into account such transferred service credits providing for a retirement allowance at the earliest age at which such member could retire on an unreduced retirement allowance as determined by the Board of Commissioners upon advice of the consulting actuary.

Sec. 6. The Board of Commissioners of the Law Enforcement Officers' Benefit and Retirement Fund is authorized and empowered to make and promulgate suitable rules and regulations to carry out the provisions of this act.

Sec. 7. This act shall become effective July 1, 1979.

In the General Assembly read three times and ratified, this the 8th day of June, 1979.