

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 999
Second Edition Engrossed 5/8/91

Short Title: Purchase Maternity Leave.

(Public)

Sponsors: Representatives Holt; Anderson, Colton, Fitch, Judy Hunt, Justus, Kerr, McLawhorn, Russell, and Wainwright.

Referred to: Pensions and Retirement.

April 19, 1991

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE FOR A MEMBER OF THE TEACHERS' AND STATE
2 EMPLOYEES' RETIREMENT SYSTEM TO PURCHASE TIME LOST DUE TO
3 INTERRUPTED SERVICE FOR MATERNITY LEAVE.
4

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 135-4 is amended by adding a new subsection to read:

7 "(aa) Credit at Full Cost for Maternity Leave. Notwithstanding other provisions of
8 this Chapter, any female member in service with five or more years of credited
9 membership service may purchase creditable service for periods of service which were
10 interrupted due to pregnancy and childbirth by making a lump sum amount payable to
11 the Annuity Savings Fund equal to the full liability of the service credits calculated on
12 the basis of the assumptions used for purposes of the actuarial valuation of the system's
13 liabilities; and the calculation of the amount payable shall take into account the
14 retirement allowance arising on account of the additional service credit commencing at
15 the earliest age at which the member could retire on an unreduced retirement allowance,
16 as determined by the Board of Trustees upon the advice of the consulting actuary, plus
17 an administrative fee to be set by the Board of Trustees. Creditable service purchased
18 under this subsection may not exceed six months per pregnancy. Notwithstanding the
19 foregoing provisions of this subsection that provide for the purchase of service credits,
20 the term 'full liability' includes assumed annual postretirement allowance increases, as
21 determined by the Board of Trustees, from the earliest age at which a member could
22 retire on an unreduced service allowance."

1 Sec. 2. There is hereby appropriated for the fiscal year 1991-92 the sum of
2 two hundred seventy-one thousand dollars (\$271,000) and for the fiscal year 1991-92
3 the sum of two hundred sixty-four thousand dollars (\$264,000) from the trust fund of
4 the Teachers' and State Employees' Retirement System for the purpose of administering
5 the provisions of this Act.

6 Sec. 3. This act becomes effective July 1, 1991.