

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 818

Short Title: Retirement Incentive.

(Public)

Sponsors: Senator Warren.

Referred to: Pensions and Retirement.

April 24, 1991

A BILL TO BE ENTITLED

AN ACT TO ALLOW A LIMITED WINDOW RETIREMENT INCENTIVE FOR SOME MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM WHO ARE ELIGIBLE FOR UNREDUCED SERVICE RETIREMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-5 is amended by adding a new subsection to read:

"(b13) Limited Window Retirement for Members Retiring July 1, August 1, September 1, or October 1, 1991. – Any member, except law enforcement officers, who has completed 30 years of creditable service in order to qualify for an unreduced service retirement allowance, may elect to begin retirement effective July 1, August 1, September 1, or October 1, 1991, with an unreduced retirement allowance calculated on the total of the member's creditable service plus an incentive of ten percent (10%) additional creditable service. In addition to the retirement benefits as provided by subsection (b12) of this section, any member electing to retire under the limited window retirement created by this section may render no service, whether full-time, part-time, temporary, interim, or on a fee-for-service basis, whether contractual or otherwise, for a period of two years after the date of retirement. If any member electing to retire under the incentive is employed in any of the foregoing classifications, any additional service credits as a result of this limited window will be forfeited."

Sec. 2. The Retirement System shall provide the Director of the Budget with the name and State employment affiliation of every member who retires pursuant to Section 1 of this act. For every member, except certified classroom teachers, who retires pursuant to Section 1 of this act, the Director of the Budget shall reduce the

1 amount appropriated in whole or in part from the General Fund or the Highway Fund to  
2 the employing State agency, for that person's position, by fifty percent (50%) of the sum  
3 appropriated, and shall notify the agency of the reduction. If the funding for the retiring  
4 person's position was appropriated in part from the General Fund, the Highway Fund,  
5 and some other source, or any combination thereof, the Director of the Budget shall  
6 allocate the General Fund and Highway Fund reductions pro rata. If a position cannot  
7 be filled because of reductions made under this section, then the position is abolished.

8           Sec. 3. This act becomes effective July 1, 1991, and Section 1 of this act  
9 expires October 2, 1991.