

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE DRS55605-LL-310 (05/19)

Short Title: State Retirement Age and Service Change. (Public)

Sponsors: Senator Garrou.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A NORMAL RETIREMENT AGE FOR MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM WHO BEGIN SERVICE ON OR AFTER JANUARY 1, 2011, TO ELIMINATE LONGEVITY PAY FOR STATE EMPLOYEES AND OFFICERS WHO BEGIN SERVICE ON OR AFTER JANUARY 1, 2011, TO MAKE CHANGES IN THE STATE HEALTH PLAN FOR NEW EMPLOYEES, AND TO CHANGE THE DEFINITION OF "LAW ENFORCEMENT OFFICER" FOR PURPOSES OF BENEFITS FOR NEW EMPLOYEES.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 135-1 is amended by adding a new subdivision to read:

"(14a) Normal retirement age' means age 60."

**SECTION 1.(b)** G.S. 135-5(a) reads as rewritten:

"(a) Service Retirement Benefits. –

(1) Any member as of December 31, 2010, may retire upon electronic submission or written application to the Board of Trustees setting forth at what time, as of the first day of a calendar month, not less than one day nor more than 120 days subsequent to the execution of and filing thereof, he desires to be retired: Provided, that the said member at the time so specified for his retirement shall have attained the age of 60 years and have at least five years of membership service or shall have completed 30 years of creditable service.

(1a) Any member whose current membership begins on or after January 1, 2011, may retire upon electronic submission or written application to the Board of Trustees setting forth at what time, as of the first day of a calendar month, not less than one day nor more than 120 days subsequent to the execution of and filing thereof, the member desires to be retired. At the time specified for retirement the member shall have attained normal retirement age and have at least five years of membership service.

(2) Repealed by Session Laws 1983 (Regular Session, 1984), c. 1019, s. 1.

(3) Any member who was in service October 8, 1981, who had attained 60 years of age, may retire upon electronic submission or written application to the Board of Trustees setting forth at what time, as of the first day of a calendar month, not less than one day nor more than 120 days subsequent to the execution and filing thereof, he desires to be retired.



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1 (4) Any member as of December 31, 2010, who is a law-enforcement officer,  
2 and who attains age 50 and completes 15 or more years of creditable service  
3 in this capacity or who attains age 55 and completes five or more years of  
4 creditable service in this capacity, may retire upon electronic submission or  
5 written application to the Board of Trustees setting forth at what time, as of  
6 the first day of a calendar month, not less than one day nor more than 120  
7 days subsequent to the execution and filing thereof, he desires to be retired;  
8 Provided, also, any member who has met the conditions herein required but  
9 does not retire, and later becomes a teacher or an employee other than as a  
10 law-enforcement officer shall continue to have the right to commence  
11 retirement.

12 (4a) Any member whose current membership begins on or after January 1, 2011,  
13 who is a law enforcement officer and who attains age 60 and completes five  
14 or more years of creditable service in this capacity may retire upon  
15 electronic submission or written application to the Board of Trustees setting  
16 forth at what time, as of the first day of a calendar month, not less than one  
17 day nor more than 120 days subsequent to the execution and filing thereof,  
18 the member desires to be retired; provided, also, any member who has met  
19 the conditions herein required but does not retire and later becomes a teacher  
20 or an employee other than as a law enforcement officer shall continue to  
21 have the right to commence retirement.

22 (5) Any member who is eligible for and is being paid a benefit under the  
23 Disability Income Plan as provided in G.S. 135-105 or G.S. 135-106 shall be  
24 deemed a member in service and may not retire under the provisions of this  
25 section. Any member who has made electronic submission or written  
26 application for long-term or extended short-term benefits under the  
27 Disability Income Plan as provided in G.S. 135-105 or G.S. 135-106, and  
28 who has been rejected by the Plan's Medical Board for a long-term or  
29 extended short-term benefit shall have 90 days from the date of notification  
30 of the rejection to convert his application to an early or service retirement  
31 application, provided that the member meets the eligibility requirements,  
32 effective the first day of the month following the month in which short-term  
33 disability benefits ended or the first day of the month following the month in  
34 which any salary continuation as may be provided in G.S. 135-104 ended,  
35 whichever is later."

36 **SECTION 1.(c)** G.S. 135-5(a1) reads as rewritten:

37 "(a1) Early Service Retirement Benefits. – Any member as of December 31, 2010, may  
38 retire and receive a reduced retirement allowance upon electronic submission or written  
39 application to the Board of Trustees setting forth at what time, as of the first day of a calendar  
40 month, not less than one day nor more than 120 days subsequent to the execution of and filing  
41 thereof, he desires to be retired: Provided, that the said member at the time so specified for his  
42 retirement shall have attained the age of 50 years and have at least 20 years of creditable  
43 service."

44 **SECTION 1.(d)** G.S. 135-5 is amended by adding a new subsection to read:

45 "(a2) Early Service Retirement Benefits. – Any member whose current membership  
46 begins on or after January 1, 2011, may retire and receive a reduced retirement allowance upon  
47 electronic submission or written application to the Board of Trustees setting forth at what time,  
48 as of the first day of a calendar month, not less than one day nor more than 120 days  
49 subsequent to the execution of and filing thereof, the member desires to be retired: Provided,  
50 that the said member at the time so specified for the member's retirement shall have attained the  
51 age of 55 years and have at least 20 years of creditable service."

1           **SECTION 1.(e)** G.S. 135-5(b19) reads as rewritten:

2           "(b19) Service Retirement Allowance of Members as of December 31, 2010, Retiring on or  
3 After July 1, 2002. – Upon retirement from service in accordance with subsection (a) or (a1)  
4 above, on or after July 1, 2002, a member shall receive the following service retirement  
5 allowance:

6           (1) A member who is a law enforcement officer or an eligible former law  
7 enforcement officer shall receive a service retirement allowance computed  
8 as follows:

9           a. If the member's service retirement date occurs on or after his 55th  
10 birthday, and completion of five years of creditable service as a law  
11 enforcement officer, or after the completion of 30 years of creditable  
12 service, the allowance shall be equal to one and eighty-two  
13 hundredths percent (1.82%) of his average final compensation,  
14 multiplied by the number of years of his creditable service.

15           b. If the member's service retirement date occurs on or after his 50th  
16 birthday and before his 55th birthday with 15 or more years of  
17 creditable service as a law enforcement officer and prior to the  
18 completion of 30 years of creditable service, his retirement allowance  
19 shall be equal to the greater of:

20           1. The service retirement allowance payable under  
21 G.S. 135-5(b19)(1)a. reduced by one-third of one percent (1/3  
22 of 1%) thereof for each month by which his retirement date  
23 precedes the first day of the month coincident with or next  
24 following the month the member would have attained his  
25 55th birthday; or

26           2. The service retirement allowance as computed under  
27 G.S. 135-5(b19)(1)a. reduced by five percent (5%) times the  
28 difference between 30 years and his creditable service at  
29 retirement.

30           (2) A member who is not a law enforcement officer or an eligible former law  
31 enforcement officer shall receive a service retirement allowance computed  
32 as follows:

33           a. If the member's service retirement date occurs on or after his 65th  
34 birthday upon the completion of five years of membership service or  
35 after the completion of 30 years of creditable service or on or after  
36 his 60th birthday upon the completion of 25 years of creditable  
37 service, the allowance shall be equal to one and eighty-two  
38 hundredths percent (1.82%) of his average final compensation,  
39 multiplied by the number of years of creditable service.

40           b. If the member's service retirement date occurs after his 60th birthday  
41 and before his 65th birthday and prior to his completion of 25 years  
42 or more of creditable service, his retirement allowance shall be  
43 computed as in G.S. 135-5(b19)(2)a. but shall be reduced by  
44 one-quarter of one percent (1/4 of 1%) thereof for each month by  
45 which his retirement date precedes the first day of the month  
46 coincident with or next following his 65th birthday.

47           c. If the member's early service retirement date occurs on or after his  
48 50th birthday and before his 60th birthday and after completion of 20  
49 years of creditable service but prior to the completion of 30 years of  
50 creditable service, his early service retirement allowance shall be  
51 equal to the greater of:

- 1                   1.     The service retirement allowance as computed under  
2                   G.S. 135-5(b19)(2)a. but reduced by the sum of five-twelfths  
3                   of one percent (5/12 of 1%) thereof for each month by which  
4                   his retirement date precedes the first day of the month  
5                   coincident with or next following the month the member  
6                   would have attained his 60th birthday, plus one-quarter of one  
7                   percent (1/4 of 1%) thereof for each month by which his 60th  
8                   birthday precedes the first day of the month coincident with  
9                   or next following his 65th birthday; or
- 10                  2.     The service retirement allowance as computed under  
11                  G.S. 135-5(b19)(2)a. reduced by five percent (5%) times the  
12                  difference between 30 years and his creditable service at  
13                  retirement; or
- 14                  3.     If the member's creditable service commenced prior to July 1,  
15                  1994, the service retirement allowance equal to the actuarial  
16                  equivalent of the allowance payable at the age of 60 years as  
17                  computed in G.S. 135-5(b19)(2)b.
- 18                  d.     Notwithstanding the foregoing provisions, any member whose  
19                  creditable service commenced prior to July 1, 1963, shall not receive  
20                  less than the benefit provided by G.S. 135-5(b)."

21                   **SECTION 1.(f)** G.S. 135-5 is amended by adding a new subsection to read:

22                   "(b20) Service Retirement Allowance of Members whose current membership begins on  
23                   or after January 1, 2011. – Upon retirement from service in accordance with subsection (a1) or  
24                   (a2) above, a member shall receive the following service retirement allowance:

- 25                   (1)     A member who is a law enforcement officer or an eligible former law  
26                   enforcement officer shall receive a service retirement allowance computed  
27                   as follows:
  - 28                   a.     If the member's service retirement date occurs on or after the  
29                   member's 55th birthday and completion of 25 years of creditable  
30                   service as a law enforcement officer, or after age 60 with five years  
31                   of creditable service, the allowance shall be equal to one and  
32                   eighty-two hundredths percent (1.82%) of the member's average final  
33                   compensation, multiplied by the number of years of the member's  
34                   creditable service.
  - 35                   b.     If the member's service retirement date occurs on or after the  
36                   member's 55th birthday and before his 60th birthday with 20 but less  
37                   than 25 years of creditable service as a law enforcement officer, the  
38                   retirement allowance payable shall be the actuarial equivalent of the  
39                   allowance payable at age 60.
- 40                   (2)     A member who is not a law enforcement officer or an eligible former law  
41                   enforcement officer shall receive a service retirement allowance computed  
42                   as follows:
  - 43                   a.     If the member's service retirement date occurs on or after the  
44                   member's 65th birthday upon the completion of five years of  
45                   membership service or after the member's 60th birthday upon the  
46                   completion of 25 years of creditable service, the allowance shall be  
47                   equal to one and eighty-two hundredths percent (1.82%) of the  
48                   member's average final compensation, multiplied by the number of  
49                   years of creditable service.
  - 50                   b.     If the member's service retirement date occurs after the member's  
51                   60th birthday and before the member's 65th birthday and prior to the

1 his completion of 25 years or more of creditable service, the  
2 member's retirement allowance shall be computed as in  
3 G.S. 135-5(b20)(2)a. but shall be reduced by five percent (5%) per  
4 year or prorated by the month for each year by which the member's  
5 retirement date precedes the first day of the month coincident with or  
6 next following the member's 65th birthday.

7 c. If the member's early service retirement date occurs on or after the  
8 member's 55th birthday and before the member's 60th birthday and  
9 after completion of 20 years of creditable service, the member's early  
10 service retirement allowance shall be computed as in  
11 G.S. 135-5(b20)(2)a. but shall be the actuarial equivalent of the  
12 allowance payable at age 65."

13 **SECTION 1.(g)** G.S. 135-5(m) reads as rewritten:

14 "(m) Survivor's Alternate Benefit. – Upon the death of a member in service, who was a  
15 member as of December 31, 2010, the principal beneficiary designated to receive a return of  
16 accumulated contributions shall have the right to elect to receive in lieu thereof the reduced  
17 retirement allowance provided by Option 2 of subsection (g) above computed by assuming that  
18 the member had retired on the first day of the month following the date of his death, provided  
19 that the following conditions apply:

- 20 (1) a. The member had attained such age and/or creditable service to be  
21 eligible to commence retirement with an early or service retirement  
22 allowance,  
23 b. The member had obtained 20 years of creditable service in which  
24 case the retirement allowance shall be computed in accordance with  
25 G.S. 135-5(b19)(1)b. or G.S. 135-5(b19)(2)c., notwithstanding the  
26 requirement of obtaining age 50,  
27 b1. The member was a law enforcement officer who had obtained 15  
28 years of service as a law enforcement officer and was killed in the  
29 line of duty, in which case the retirement allowance shall be  
30 computed in accordance with G.S. 135-5(b19)(1)b., notwithstanding  
31 the requirement of obtaining age 50, or  
32 c. The member had not commenced to receive a retirement allowance  
33 as provided under this Chapter.  
34 (2) The member had designated as the principal beneficiary to receive a return  
35 of his accumulated contributions one and only one person who was living at  
36 the time of his death.  
37 (3) The member had not instructed the Board of Trustees in writing that he did  
38 not wish the provisions of this subsection to apply.

39 For the purpose of this benefit, a member is considered to be in service at  
40 the date of his death if his death occurs within 180 days from the last day of  
41 his actual service. The last day of actual service shall be determined as  
42 provided in subsection (l) of this section. Upon the death of a member in  
43 service, the surviving spouse may make all purchases for creditable service  
44 as provided for under this Chapter for which the member had made  
45 application in writing prior to the date of death, provided that the date of  
46 death occurred prior to or within 60 days after notification of the cost to  
47 make the purchase. The term "in service" as used in this subsection includes  
48 a member in receipt of a benefit under the Disability Income Plan as  
49 provided in Article 6 of this Chapter.

50 Notwithstanding the foregoing, a member who is in receipt of Workers'  
51 Compensation during the period for which the member would have

1 otherwise been eligible to receive short-term benefits, as provided in  
2 G.S. 135-105, and who dies on or after 181 days from the last day of the  
3 member's actual service but on or before the date the benefits as provided in  
4 G.S. 135-105 would have ended, shall be considered in service at the time of  
5 the member's death for the purpose of this benefit.

6 For the purpose of calculating this benefit any terminal payouts made  
7 after the date of death that meet the definition of compensation shall be  
8 credited to the month prior to the month of death. These terminal payouts do  
9 not include salary or wages paid for work performed during the month of  
10 death."

11 **SECTION 1.(h)** G.S. 135-5 is amended by adding a new subsection to read:

12 "(m2) Survivor's Alternate Benefit. – Upon the death of a member in service whose current  
13 membership began on or after January 1, 2011, the principal beneficiary designated to receive a  
14 return of accumulated contributions shall have the right to elect to receive in lieu thereof the  
15 reduced retirement allowance provided by Option 2 of subsection (g) of this section computed  
16 by assuming that the member had retired on the first day of the month following the date of the  
17 member's death, provided that the following conditions apply:

18 (1) a. The member had attained such age and/or creditable service to be  
19 eligible to commence retirement with an early or service retirement  
20 allowance.

21 b. The member had not commenced to receive a retirement allowance  
22 as provided under this Chapter.

23 (2) At the time of the member's death, one and only one person is eligible to  
24 receive a return of the member's contributions.

25 (3) The member had not instructed the Board of Trustees in writing that the  
26 member did not wish the provisions of this subsection to apply.

27 For the purpose of this benefit, a member is considered to be in service at  
28 the date of the member's death if the member's death occurs within 180 days  
29 from the last day of his actual service. The last day of actual service shall be  
30 determined as provided in subdivision (1) of this subsection. Upon the death  
31 of a member in service, the surviving spouse may make all purchases for  
32 creditable service as provided for under this Chapter for which the member  
33 had made application in writing prior to the date of death, provided that the  
34 date of death occurred prior to or within 60 days after notification of the cost  
35 to make the purchase. The term "in service" as used in this subsection  
36 includes a member in receipt of a benefit under the Disability Income Plan  
37 as provided in Article 6 of this Chapter.

38 Notwithstanding the foregoing, a member who is in receipt of Workers'  
39 Compensation during the period for which the member would have  
40 otherwise been eligible to receive short-term benefits, as provided in  
41 G.S. 135-105, and who dies on or after 181 days from the last day of the  
42 member's actual service but on or before the date the benefits as provided in  
43 G.S. 135-105 would have ended, shall be considered in service at the time of  
44 the member's death for the purpose of this benefit.

45 For the purpose of calculating this benefit, any terminal payouts made  
46 after the date of death that meet the definition of compensation shall be  
47 credited to the month prior to the month of death. These terminal payouts do  
48 not include salary or wages paid for work performed during the month of  
49 death."

50 **SECTION 1.(i)** G.S. 135-3(8)b1. reads as rewritten:

1 "b1. In lieu of the benefits provided in paragraphs a and b of this  
2 subdivision, any member as of December 31, 2010, who is a  
3 law-enforcement officer at the time of separation from service prior  
4 to the attainment of the age of 50 years, for any reason other than  
5 death or disability as provided in this Article, after completing 15 or  
6 more years of creditable service in this capacity immediately prior to  
7 separation from service, and who leaves his total accumulated  
8 contributions in this System may elect to retire on a deferred early  
9 retirement allowance upon attaining the age of 50 years or at any  
10 time thereafter; provided, that the member may commence retirement  
11 only upon electronic submission or written application to the Board  
12 of Trustees setting forth at what time, as of the first day of a calendar  
13 month, not less than one day nor more than ~~90~~ 120 days subsequent  
14 to the execution and filing thereof, he desires to commence  
15 retirement. The deferred early retirement allowance shall be  
16 computed in accordance with the service retirement provisions of this  
17 Article pertaining to law-enforcement officers."

18 **SECTION 1.(j)** G.S. 135-3(8)b2. reads as rewritten:

19 "b2. In lieu of the benefits provided in paragraphs a and b of this  
20 subdivision, any member as of December 31, 2010, who is a  
21 law-enforcement officer at the time of separation from service prior  
22 to the attainment of the age of 55 years, for any reason other than  
23 death or disability as provided in this Article, after completing five or  
24 more years of creditable service in this capacity immediately prior to  
25 separation from service, and who leaves his total accumulated  
26 contributions in this System may elect to retire on a deferred early  
27 retirement allowance upon attaining the age of 55 years or at any  
28 time thereafter; provided, that the member may commence retirement  
29 only upon electronic submission or written application to the Board  
30 of Trustees setting forth at what time, as of the first day of a calendar  
31 month not less than one day nor more than ~~90~~ 120 days subsequent  
32 to the execution and filing thereof, he desires to commence retirement.  
33 The deferred early retirement allowance shall be computed in  
34 accordance with the service retirement provisions of this Article  
35 pertaining to law-enforcement officers."

36 **SECTION 1.(k)** G.S. 135-3(8)b3. reads as rewritten:

37 "b3. Vested deferred retirement allowance of members retiring on or after  
38 July 1, 1994. – In lieu of the benefits provided in paragraphs a. and b.  
39 of this subdivision, any member as of December 31, 2010, who  
40 separates from service prior to attainment of age 60 years, after  
41 completing 20 or more years of creditable service, and who leaves  
42 his total accumulated contributions in said System, may elect to retire  
43 on a deferred retirement allowance upon attaining the age of 50 years  
44 or any time thereafter; provided that such member may so retire only  
45 upon electronic submission or written application to the Board of  
46 Trustees setting forth at what time, not less than one day nor more  
47 than ~~90~~ 120 days subsequent to the execution and filing thereof, he  
48 desires to be retired. Such deferred retirement allowance shall be  
49 computed in accordance with the service retirement provisions of this  
50 Article pertaining to a member who is not a law enforcement officer  
51 or an eligible former law enforcement officer."

1           **SECTION 2.(a)** Article 2 of Chapter 126 of the General Statutes is amended by  
2 adding a new section to read:

3 **"§ 126-8.6. Prospective elimination of longevity pay.**

4           (a) Any State employee who is subject to the provisions of this Chapter and who is  
5 employed on December 31, 2010, and continuously thereafter, shall be eligible:

6           (1) To receive, or as they become eligible shall begin to receive, longevity pay  
7 according to longevity pay schedules in effect on that date.

8           (2) For any future increases in longevity pay according to the longevity pay  
9 schedules in effect on that date.

10 Any State employee who is (i) subject to the provisions of this Chapter, (ii) not employed on  
11 December 31, 2010, and (iii) hired on or after January 1, 2011, shall not be eligible to  
12 participate in the State's longevity pay program.

13           (b) Any State officer, official, or employee who is exempt from the provisions of this  
14 Chapter and who is employed on December 31, 2010 and continuously thereafter, shall be  
15 eligible:

16           (1) To receive, or as they become eligible shall begin to receive, longevity pay  
17 according to longevity pay schedules in effect on that date.

18           (2) For any future increases in longevity pay according to the longevity pay  
19 schedules in effect on that date.

20 Any State officer, official, or employee who is (i) exempt from the provisions of this Chapter,  
21 (ii) not employed on December 31, 2010, and (iii) hired, appointed, or elected on or after  
22 January 1, 2011, shall not be eligible to participate in the State's longevity pay program."

23           **SECTION 2.(b)** G.S. 126-5 is amended by adding a new subsection to read:

24           "(c12) Notwithstanding any other provision of this section, the provisions of G.S. 126-8.6  
25 shall apply to all exempt and nonexempt employees in the executive, legislative, and judicial  
26 branches of State government; to public school employees; to community college employees;  
27 and to employees of The University of North Carolina."

28           **SECTION 2.(c)** G.S. 7A-10(c) reads as rewritten:

29           (c) In lieu of merit and other increment raises paid to regular State employees, the Chief  
30 Justice and each of the Associate Justices shall receive as longevity pay in accordance with  
31 G.S. 126-8.6 an annual amount equal to four and eight-tenths percent (4.8%) of the annual  
32 salary set forth in the Current Operations Appropriations Act payable monthly after five years  
33 of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths  
34 percent (14.4%) after 15 years of service, nineteen and two-tenths percent (19.2%) after 20  
35 years of service, and twenty-four percent (24%) after 25 years of service."Service" means  
36 service as a justice or judge of the General Court of Justice or as a member of the Utilities  
37 Commission. Service shall also mean service as a district attorney or as a clerk of superior  
38 court."

39           **SECTION 2.(d)** G.S. 7A-18(b) reads as rewritten:

40           (b) In lieu of merit and other increment raises paid to regular State employees, a judge  
41 of the Court of Appeals shall receive as longevity pay in accordance with G.S. 126-8.6 an  
42 annual amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the  
43 Current Operations Appropriations Act payable monthly after five years of service, nine and  
44 six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%)  
45 after 15 years of service, nineteen and two-tenths percent (19.2%) after 20 years of service, and  
46 twenty-four percent (24%) after 25 years of service. "Service" means service as a justice or  
47 judge of the General Court of Justice or as a member of the Utilities Commission. Service shall  
48 also mean service as a district attorney or as a clerk of superior court."

49           **SECTION 2.(e)** G.S. 7A-39.2 reads as rewritten:

50 **"§ 7A-39.2. Age and service requirements for retirement of justices of the Supreme Court**  
51 **and judges of the Court of Appeals.**



1 (a) Any justice of the Supreme Court or judge of the Court of Appeals who has attained  
2 the age of 65 years, and who has served for a total of 15 years, whether consecutive or not, on  
3 the Supreme Court, the Court of Appeals, or the superior court, or as Administrative Officer of  
4 the Courts, or in any combination of these offices, may retire from his present office and  
5 receive for life compensation equal to two thirds of the total annual compensation, including  
6 ~~longevity~~, longevity pay in accordance with G.S. 126-8.6, but excluding any payments in the  
7 nature of reimbursement for expenses, from time to time received by the occupant or occupants  
8 of the office from which he retired.

9 (b) Any justice of the Supreme Court or judge of the Court of Appeals who has attained  
10 the age of 65 years, and who has served as justice or judge, or both, in the Appellate Division  
11 for 12 consecutive years may retire and receive for life compensation equal to two thirds of the  
12 total annual compensation, including ~~longevity~~, longevity pay in accordance with G.S. 126-8.6,  
13 but excluding any payments in the nature of reimbursement for expenses, from time to time  
14 received by the occupant or occupants of the office from which he retired.

15 (c) Any justice or judge of the Appellate Division, who has served for a total of 24  
16 years, whether continuously or not, as justice of the Supreme Court, judge of the Court of  
17 Appeals, judge of the superior court, or Administrative Officer of the Courts, or in any  
18 combination of these offices, may retire, regardless of age, and receive for life compensation  
19 equal to two thirds of the total annual compensation, including ~~longevity~~, longevity pay in  
20 accordance with G.S. 126-8.6, but excluding any payments in the nature of reimbursement for  
21 expenses, from time to time received by the occupant or occupants of the office from which he  
22 retired. In determining eligibility for retirement under this subsection, time served as a district  
23 solicitor of the superior court prior to January 1, 1971, may be included, provided the person  
24 has served at least eight years as a justice, judge, or Administrative Officer of the Courts, or in  
25 any combination of these offices.

26 (d) For purposes of this section, the "occupant or occupants of the office from which"  
27 the retired judge retired will be deemed to be a judge or justice of the Appellate Division  
28 holding the same office and with the same service as the retired judge had immediately prior to  
29 retirement."

30 **SECTION 2.(f)** G.S. 7A-44(b) reads as rewritten:

31 "(b) In lieu of merit and other increment raises paid to regular State employees, a judge  
32 of the superior court, regular or special, shall receive as longevity pay in accordance with  
33 G.S. 126-8.6 an annual amount equal to four and eight-tenths percent (4.8%) of the annual  
34 salary set forth in the Current Operations Appropriations Act payable monthly after five years  
35 of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths  
36 percent (14.4%) after 15 years of service, nineteen and two-tenths percent (19.2%) after 20  
37 years of service, and twenty-four percent (24%) after 25 years of service. "Service" means  
38 service as a justice or judge of the General Court of Justice or as a member of the Utilities  
39 Commission or as director or assistant director of the Administrative Office of the Courts.  
40 Service shall also mean service as a district attorney or as a clerk of superior court."

41 **SECTION 2.(g)** G.S. 7A-51 reads as rewritten:

42 **"§ 7A-51. Age and service requirements for retirement of judges of the superior court**  
43 **and of the Administrative Officer of the Courts.**

44 (a) Any judge of the superior court, or Administrative Officer of the Courts, who has  
45 attained the age of sixty-five years, and who has served for a total of fifteen years, whether  
46 consecutive or not, as a judge of the superior court, or as Administrative Officer of the Courts,  
47 or as judge of the superior court and as Administrative Officer of the Courts combined, may  
48 retire and receive for life compensation equal to two thirds of the total annual compensation,  
49 including longevity pay in accordance with G.S. 126-8.6 and additional payment for service as  
50 senior resident superior court judge, but excluding any payments in the nature of

1 reimbursement for expenses or subsistence allowances, from time to time received by the  
2 occupant of the office from which he retired.

3 (b) Any judge of the superior court, or Administrative Officer of the Courts, who has  
4 served for twelve years, whether consecutive or not, as a judge of the superior court, or as  
5 Administrative Officer of the Courts, or as judge of the superior court and as Administrative  
6 Officer of the Courts combined may, at age sixty-eight, retire and receive for life compensation  
7 equal to two thirds of the total annual compensation, including longevity pay in accordance  
8 with G.S. 126-8.6 and additional payment for service as senior resident superior court judge,  
9 but excluding any payments in the nature of reimbursement for expenses or subsistence  
10 allowances, from time to time received by the occupant of the office from which he retired.

11 (c) Any person who has served for a total of twenty-four years, whether continuously or  
12 not, as a judge of the superior court, or as Administrative Officer of the Courts, or as judge of  
13 the superior court and as Administrative Officer of the Courts combined, may retire, regardless  
14 of age, and receive for life compensation equal to two thirds of the total annual compensation,  
15 including longevity pay in accordance with G.S. 126-8.6 and additional payment for service as  
16 senior resident superior court judge, but excluding any payments in the nature of  
17 reimbursement for expenses or subsistence allowances, from time to time received by the  
18 occupant of the office from which he retired. In determining whether a person meets the  
19 requirements of this subsection, time served as district attorney of the superior court prior to  
20 January 1, 1971, may be included, so long as the person has served at least eight years as a  
21 judge of the superior court, or as Administrative Officer of the Courts, or as judge of the  
22 superior court and Administrative Officer of the Courts combined.

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

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

27 **SECTION 2.(h)** G.S. 7A-65 reads as rewritten:

28 "**§ 7A-65. Compensation and allowances of district attorneys and assistant district**  
29 **attorneys.**

30 (a) The annual salary of:

- 31 (1) District attorneys shall be as provided in the Current Operations  
32 Appropriations Act.  
33 (2) Full-time assistant district attorneys shall be as provided in the Current  
34 Operations Appropriations Act.

35 When traveling on official business, each district attorney and assistant district attorney is  
36 entitled to reimbursement for his or her subsistence expenses to the same extent as State  
37 employees generally. When traveling on official business outside his or her county of  
38 residence, each district attorney and assistant district attorney is entitled to reimbursement for  
39 travel expenses to the same extent as State employees generally. For purposes of this  
40 subsection, the term "official business" does not include regular, daily commuting between a  
41 person's home and the district attorney's office. Travel distances, for purposes of  
42 reimbursement for mileage, shall be determined according to the travel policy of the  
43 Administrative Office of the Courts.

44 (b) Repealed by Session Laws 1985, c. 689, s. 2.

45 (c) In lieu of merit and other increment raises paid to regular State employees, a district  
46 attorney shall receive as longevity pay in accordance with G.S. 126-8.6 an amount equal to four  
47 and eight-tenths percent (4.8%) of the annual salary set forth in the Current Operations  
48 Appropriations Act payable monthly after five years of service, and nine and six-tenths percent  
49 (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%) after 15 years of  
50 service, nineteen and two-tenths percent (19.2%) after 20 years of service, and twenty-four  
51 percent (24%) after 25 years of service. Service shall mean service in the elective position of a

1 district attorney and shall not include service as a deputy or acting district attorney. Service  
2 shall also mean service as a justice or judge of the General Court of Justice, clerk of superior  
3 court, assistant district attorney, public defender, appellate defender, or assistant public or  
4 appellate defender.

5 (d) In lieu of merit and other increment raises paid to regular State employees, an  
6 assistant district attorney shall receive as longevity pay in accordance with G.S. 126-8.6 an  
7 amount equal to four and eight-tenths percent (4.8%) of the annual salary set forth in the  
8 Current Operations Appropriations Act payable monthly after five years of service, nine and  
9 six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent (14.4%)  
10 after 15 years of service, nineteen and two-tenths percent (19.2%) after 20 years of service, and  
11 twenty-four percent (24%) after 25 years of service. "Service" means service as an assistant  
12 district attorney, district attorney, resource prosecutor, public defender, appellate defender,  
13 assistant public or appellate defender, justice or judge of the General Court of Justice, or clerk  
14 of superior court. For purposes of this subsection, "resource prosecutor" means a former  
15 assistant district attorney who has left the employment of the district attorney's office to serve  
16 in a specific, time-limited position with the Conference of District Attorneys."

17 **SECTION 2.(i)** G.S. 7A-101(c) reads as rewritten:

18 "(c) In lieu of merit and other increment raises paid to regular State employees, a clerk  
19 of superior court shall receive as longevity pay in accordance with G.S. 126-8.6 an amount  
20 equal to four and eight-tenths percent (4.8%) of the clerk's annual salary payable monthly after  
21 five years of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and  
22 four-tenths percent (14.4%) after 15 years of service, nineteen and two-tenths percent (19.2%)  
23 after 20 years of service, and twenty-four percent (24%) after 25 years of service. Service shall  
24 mean service in the elective position of clerk of superior court, as an assistant clerk of court and  
25 as a supervisor of clerks of superior court with the Administrative Office of the Courts and  
26 shall not include service as a deputy or acting clerk. Service shall also mean service as a justice,  
27 judge, or magistrate of the General Court of Justice or as a district attorney. "

28 **SECTION 2.(j)** G.S.7A-144(b) reads as rewritten:

29 "(b) Notwithstanding merit, longevity and other increment raises paid to regular State  
30 employees, a judge of the district court shall receive as longevity pay in accordance with  
31 G.S. 126-8.6 an annual amount equal to four and eight-tenths percent (4.8%) of the annual  
32 salary set forth in the Current Operations Appropriations Act payable monthly after five years  
33 of service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths  
34 percent (14.4%) after 15 years of service, nineteen and two-tenths percent (19.2%) after 20  
35 years of service, and twenty-four percent (24%) after 25 years of service. "Service" means  
36 service as a justice or judge of the General Court of Justice or as a member of the Utilities  
37 Commission or as director or assistant director of the Administrative Office of the Courts.  
38 Service shall also mean service as a district attorney or as a clerk of superior court."

39 **SECTION 2.(k)** G.S. 7A-171.1(a2) reads as rewritten:

40 "(a2) The Administrative Officer of the Courts shall provide magistrates with longevity  
41 pay in accordance with G.S. 126-8.6 at the same rates as are provided by the State to its  
42 employees subject to the State Personnel Act."

43 **SECTION 2.(l)** G.S. 7A-341 reads as rewritten:

44 **"§ 7A-341. Appointment and compensation of Director.**

45 The Director shall be appointed by the Chief Justice of the Supreme Court, to serve at his  
46 pleasure. He shall receive the annual salary provided in the Current Operations Appropriations  
47 Act, payable monthly, and reimbursement for travel and subsistence expenses at the same rate  
48 as State employees generally and longevity pay in accordance with G.S. 126-8.6 at the rates  
49 and for the service designated in G.S. 7A-44(b) for a judge of the superior court. Service as  
50 Director shall be equivalent to service as a superior court judge for the purposes of entitlement  
51 to retirement pay or to retirement for disability."

1           **SECTION 2.(m)** G.S. 7A-342 reads as rewritten:

2   "**§ 7A-342. Appointment and compensation of assistant director and other employees.**

3       The assistant director shall also be appointed by the Chief Justice, to serve at his pleasure.  
4   The assistant director shall receive the annual salary provided in the Current Operations  
5   Appropriations Act, payable monthly, and reimbursement for travel and subsistence expenses  
6   at the same rate as State employees generally and longevity pay in accordance with  
7   G.S. 126-8.6 at the rates and for the service designated in G.S. 7A-144(b) for a judge of the  
8   district court.

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

11           **SECTION 2.(n)** G.S. 7A-498.6(c) reads as rewritten:

12       "(c) In lieu of merit and other increment raises paid to regular State employees, the  
13   Director of Indigent Defense Services shall receive as longevity pay in accordance with  
14   G.S. 126-8.6 an amount equal to four and eight-tenths percent (4.8%) of the annual salary set  
15   forth in the Current Operations Appropriations Act payable monthly after five years of service,  
16   nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths percent  
17   (14.4%) after 15 years of service, nineteen and two-tenths percent (19.2%) after 20 years of  
18   service, and twenty-four percent (24%) after 25 years of service. "Service" means service as  
19   Director of Indigent Defense Services, a public defender, appellate defender, assistant public or  
20   appellate defender, district attorney, assistant district attorney, justice or judge of the General  
21   Court of Justice, or clerk of superior court."

22           **SECTION 2.(o)** G.S. 7A-498.7(c) reads as rewritten:

23       "(c) A public defender shall be an attorney licensed to practice law in North Carolina  
24   and shall devote full time to the duties of the office. In lieu of merit and other increment raises  
25   paid to regular State employees, a public defender shall receive as longevity pay in accordance  
26   with G.S. 126-8.6 an amount equal to four and eight-tenths percent (4.8%) of the annual salary  
27   set forth in the Current Operations Appropriations Act payable monthly after five years of  
28   service, nine and six-tenths percent (9.6%) after 10 years of service, fourteen and four-tenths  
29   percent (14.4%) after 15 years of service, nineteen and two-tenths percent (19.2%) after 20  
30   years of service, and twenty-four percent (24%) after 25 years of service. "Service" means  
31   service as a public defender, appellate defender, assistant public or appellate defender, district  
32   attorney, assistant district attorney, justice or judge of the General Court of Justice, or clerk of  
33   superior court."

34           **SECTION 2.(p)** G.S. 7A-751 reads as rewritten:

35   "**§ 7A-751. Agency head; powers and duties; salaries of Chief Administrative Law Judge**  
36   **and other administrative law judges.**

37       (a) The head of the Office of Administrative Hearings is the Chief Administrative Law  
38   Judge, who shall serve as Director of the Office. The Chief Administrative Law Judge has the  
39   powers and duties conferred on that position by this Chapter and the Constitution and laws of  
40   this State and may adopt rules to implement the conferred powers and duties.

41       The salary of the Chief Administrative Law Judge shall be the same as that fixed from time  
42   to time for district court judges. The salary of a Senior Administrative Law Judge shall be  
43   ninety-five percent (95%) of the salary of the Chief Administrative Law Judge.

44       In lieu of merit and other increment raises, the Chief Administrative Law Judge and any  
45   Senior Administrative Law Judge shall receive longevity pay in accordance with G.S. 126-8.6  
46   on the same basis as is provided to employees of the State who are subject to the State  
47   Personnel Act.

48       (b) The salary of other administrative law judges shall be ninety percent (90%) of the  
49   salary of the Chief Administrative Law Judge."

1 In lieu of merit and other increment raises, an administrative law judge shall receive  
2 longevity pay in accordance with G.S. 126-8.6 on the same basis as is provided to employees  
3 who are subject to the State Personnel Act."

4 **SECTION 2.(q)** G.S. 58-2-10 reads as rewritten:

5 **"§ 58-2-10. Salary of Commissioner.**

6 The salary of the Commissioner shall be set by the General Assembly in the Current  
7 Operations Appropriations Act. In addition to the salary set by the General Assembly in the  
8 Current Operations Appropriations Act, longevity pay in accordance with G.S. 126-8.6 shall be  
9 paid on the same basis as is provided to employees of the State who are subject to the State  
10 Personnel Act."

11 **SECTION 2.(r)** G.S. 62-10(h) reads as rewritten:

12 "(h) The salary of each commissioner and that of the commissioner designated as  
13 chairman shall be set by the General Assembly in the Current Operations Appropriations Act.  
14 In lieu of merit and other increment raises paid to regular State employees, each commissioner,  
15 including the commissioner designated as chairman, shall receive as longevity pay in  
16 accordance with G.S. 126-8.6 an amount equal to four and eight-tenths percent (4.8%) of the  
17 annual salary set forth in the Current Operations Appropriations Act payable monthly after five  
18 years of service, and nine and six-tenths percent (9.6%) after 10 years of service. "Service"  
19 means service as a member of the Utilities Commission."

20 **SECTION 2.(s)** G.S. 62-15(a) reads as rewritten:

21 "(a) There is established in the Commission the office of executive director, whose  
22 salary and longevity pay in accordance with G.S. 126-8.6 shall be the same as that fixed for  
23 members of the Commission. "Service" for purposes of longevity pay means service as  
24 executive director of the public staff. The executive director shall be appointed by the Governor  
25 subject to confirmation by the General Assembly by joint resolution. The name of the executive  
26 director appointed by the Governor shall be submitted to the General Assembly on or before  
27 May 1 of the year in which the term of his office begins. The term of office for the executive  
28 director shall be six years, and the initial term shall begin July 1, 1977. The executive director  
29 may be removed from office by the Governor in the event of his incapacity to serve; and the  
30 executive director shall be removed from office by the Governor upon the affirmative  
31 recommendation of a majority of the Commission, after consultation with the Joint Legislative  
32 Utility Review Committee of the General Assembly. In case of a vacancy in the office of  
33 executive director for any reason prior to the expiration of his term of office, the name of his  
34 successor shall be submitted by the Governor to the General Assembly, not later than four  
35 weeks after the vacancy arises. If a vacancy arises in the office when the General Assembly is  
36 not in session, the executive director shall be appointed by the Governor to serve on an interim  
37 basis pending confirmation by the General Assembly."

38 **SECTION 2.(t)** 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 Commissioner of  
42 Labor shall be four years, and the salary of the Commissioner of Labor shall be set by the  
43 General Assembly in the Current Operations Appropriations Act. Any vacancy in the office  
44 shall be filled by the Governor, until the next general election. The office of the Department of  
45 Labor shall be kept in the City of Raleigh and shall be provided for as are other public offices  
46 of the State. In addition to the salary set by the General Assembly in the Current Operations  
47 Appropriations Act, longevity pay in accordance with G.S. 126-8.6 shall be paid on the same  
48 basis as is provided to employees of the State who are subject to the State Personnel Act."

49 **SECTION 2.(u)** G.S. 97-78(b4) reads as rewritten:

50 "(b4) In lieu of merit and other incremental raises, the administrator, executive secretary,  
51 chief deputy commissioner, and deputy commissioners shall receive longevity pay in

1 accordance with G.S. 126-8.6 on the same basis as is provided to other employees subject to  
2 the State Personnel Act."

3 **SECTION 2.(v)** G.S. 106-11 reads as rewritten:

4 **"§ 106-11. Salary of Commissioner of Agriculture.**

5 The salary of the Commissioner of Agriculture shall be set by the General Assembly in the  
6 Current Operations Appropriations Act. In addition to the salary set by the General Assembly  
7 in the Current Operations Appropriations Act, longevity pay in accordance with G.S. 126-8.6  
8 shall be paid on the same basis as is provided to employees of the State who are subject to the  
9 State Personnel Act."

10 **SECTION 2.(w)** G.S. 114-7 reads as rewritten:

11 **"§ 114-7. Salary of the Attorney General.**

12 The salary of the Attorney General shall be set by the General Assembly in the Current  
13 Operations Appropriations Act. In addition to the salary set by the General Assembly in the  
14 Current Operations Appropriations Act, longevity pay in accordance with G.S. 126-8.6 shall be  
15 paid on the same basis as is provided to employees of the State who are subject to the State  
16 Personnel Act."

17 **SECTION 2.(x)** G.S. 115C-20 reads as rewritten:

18 **"§ 115C-20. Office and salary.**

19 The Superintendent of Public Instruction shall keep his office in the Education Building in  
20 Raleigh, and his salary shall be set by the General Assembly in the Current Operations  
21 Appropriations Act. In addition to the salary set by the General Assembly in the Current  
22 Operations Appropriations Act, longevity pay in accordance with G.S. 126-8.6 shall be paid on  
23 the same basis as is provided to employees of the State who are subject to the State Personnel  
24 Act."

25 **SECTION 2.(y)** G.S. 115C-302.1(e) reads as rewritten:

26 "(e) Teachers in Year-Round Schools. – Compensation for teachers employed in  
27 year-round schools shall be the same as teachers paid for a 10-month term, but those days may  
28 be scheduled over 12 calendar months. Annual leave, sick leave, workdays, holidays, salary,  
29 and longevity pay in accordance with G.S. 126-8.6 for teachers who are employed at  
30 year-round schools shall be equivalent to those of other teachers employed for the same number  
31 of months, respectively. Teachers paid for a term of 10 months in year-round schools shall  
32 receive their salary in 12 equal installments."

33 **SECTION 2.(z)** G.S. 115C-302.1(i) reads as rewritten:

34 "(i) Longevity Pay. – Longevity pay in accordance with G.S. 126-8.6 shall be based on  
35 the annual salary on the employee's anniversary date."

36 **SECTION 2.(aa)** G.S. 115C-316(c) reads as rewritten:

37 "(c) Longevity pay in accordance with G.S. 126-8.6 for 10-month employees is based on  
38 their annual salary and the longevity percentage may not be reduced by prorating the longevity  
39 pay for 10-month employees over a 12-month period."

40 **SECTION 2.(bb)** G.S. 126-7(b1) reads as rewritten:

41 "(b1) The Comprehensive Compensation System shall consist of the following  
42 components: (i) the career growth recognition award, (ii) the cost-of-living adjustment, and (iii)  
43 the performance bonus. The career growth recognition award shall be the primary method by  
44 which an employee progresses through his or her salary range and shall be awarded annually to  
45 employees who qualify for the award. An employee may receive, within a 12-month period, the  
46 career growth recognition award, the cost-of-living adjustment, and the performance bonus, if  
47 the employee's job performance equals or exceeds the level of performance set forth in  
48 subdivisions (4), (4a), and (4b) of subsection (c) of this section. No employee shall be eligible  
49 to receive during a 12-month period a performance bonus greater than the maximum amount or  
50 less than the minimum amount established by the Commission. Nothing in this section shall

1 ~~affect the system of longevity payments established by the Commission pursuant to~~  
2 ~~G.S. 126-8.6."~~

3 **SECTION 2.(cc)** G.S. 138-4 reads as rewritten:

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

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

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

19 Officials whose salaries are covered by the provisions of this section shall be eligible for  
20 longevity pay in accordance with G.S. 126-8.6 on the same basis as is provided to employees of  
21 the State who are subject to the State Personnel Act."

22 **SECTION 2.(dd)** G.S. 143C-6-6(b) reads as rewritten:

23 "(b) Payments on behalf of employees for hospital-medical insurance, longevity  
24 payments in accordance with G.S. 126-8.6, salary increments, and legislative salary increases,  
25 required employer salary-related contributions for retirement benefits, death benefits, the  
26 Disability Income Plan and social security for employees shall be paid from the General Fund  
27 or the Highway Fund, only to the extent of the proportionate part paid from the General Fund  
28 or Highway Fund, in support of the salary of the employee, and the remainder of the employer's  
29 contribution requirements shall be paid from the same source that supplies the remainder of the  
30 employee's salary."

31 **SECTION 2.(ee)** G.S. 147-33 reads as rewritten:

32 "**§ 147-33. Compensation and expenses of Lieutenant Governor.**

33 The salary of the Lieutenant Governor shall be set by the General Assembly in the Current  
34 Operations Appropriations Act. In addition to this salary, the Lieutenant Governor shall be paid  
35 an annual expense allowance in the sum of eleven thousand five hundred dollars (\$11,500). In  
36 addition to the salary set by the General Assembly in the Current Operations Appropriations  
37 Act, longevity pay in accordance with G.S. 126-8.6 shall be paid on the same basis as is  
38 provided to employees of the State who are subject to the State Personnel Act."

39 **SECTION 2.(ff)** G.S. 147-33.76(c) reads as rewritten:

40 "(c) The salary of the State Chief Information Officer shall be set by the General  
41 Assembly in the Current Operations Appropriations Act. The State Chief Information Officer  
42 shall receive longevity pay in accordance with G.S. 126-8.6 on the same basis as is provided to  
43 employees of the State who are subject to the State Personnel Act."

44 **SECTION 2.(gg)** G.S. 147-35 reads as rewritten:

45 "**§ 147-35. Salary of Secretary of State.**

46 The salary of the Secretary of State shall be set by the General Assembly in the Current  
47 Operations Appropriations Act. In addition to the salary set by the General Assembly in the  
48 Current Operations Appropriations Act, longevity pay in accordance with G.S. 126-8.6 shall be  
49 paid on the same basis as is provided to employees of the State who are subject to the State  
50 Personnel Act."

51 **SECTION 2.(hh)** G.S. 147-64.1(b) reads as rewritten:

1       "(b) In addition to the salary set by the General Assembly in the Current Operations  
2 Appropriations Act, longevity pay in accordance with G.S. 126-8.6 shall be paid on the same  
3 basis as is provided to employees of the State who are subject to the State Personnel Act."

4               **SECTION 2.(ii)** G.S. 147-65 reads as rewritten:

5       "**§ 147-65. Salary of State Treasurer.**

6       The salary of the State Treasurer shall be as established in the Current Operations  
7 Appropriations Act. In addition to the salary set by the General Assembly in the Current  
8 Operations Appropriations Act, longevity pay in accordance with G.S. 126-8.6 shall be paid on  
9 the same basis as is provided to employees of the State who are subject to the State Personnel  
10 Act."

11               **SECTION 3.(a)** G.S. 135-45.2(a) and (b) read as rewritten:

12       "**§ 135-45.2. Eligibility.**

13       (a) Noncontributory Coverage. – The following persons are eligible for coverage under  
14 the Plan, on a noncontributory basis, subject to the provisions of ~~G.S. 135-45.4~~: G.S. 135-45.4  
15 and provided that they are not eligible for coverage under subdivision (b)(3) of this section:

16               (1) All permanent full-time employees of an employing unit who meet the  
17 following conditions:

- 18               a. Paid from general or special State funds, or  
19               b. Paid from non-State funds and in a group for which his or her  
20 employing unit has agreed to provide coverage.

21       Employees of State agencies, departments, institutions, boards, and  
22 commissions not otherwise covered by the Plan who are employed in  
23 permanent job positions on a recurring basis and who work 30 or more hours  
24 per week for nine or more months per calendar year are covered by the  
25 provisions of this subdivision.

26               (2) Permanent hourly employees ~~as defined in G.S. 126-5(c4)~~ who work at least  
27 one-half of the workdays of each pay period.

28               (3) Retired teachers, State employees, members of the General Assembly, and  
29 retired State law enforcement officers who retired under the Law  
30 Enforcement Officers' Retirement System prior to January 1, 1985. Except  
31 as otherwise provided in this subdivision, on and after January 1, 1988, a  
32 retiring employee or retiree must have completed at least five years of  
33 contributory retirement service with an employing unit prior to retirement  
34 from any State-supported retirement system in order to be eligible for group  
35 benefits under this Part as a retired employee or retiree. For employees first  
36 hired on and after October 1, 2006, and members of the General Assembly  
37 first taking office on and after February 1, 2007, future coverage as retired  
38 employees and retired members of the General Assembly is subject to a  
39 requirement that the future retiree have 20 or more years of retirement  
40 service credit in order to be covered by the provisions of this subdivision.

41               (4) Surviving spouses of:

- 42               a. Deceased retired employees, provided the death of the former plan  
43 member occurred prior to October 1, 1986; and  
44               b. Deceased teachers, State employees, and members of the General  
45 Assembly who are receiving a survivor's alternate benefit under any  
46 of the State-supported retirement programs, provided the death of the  
47 former plan member occurred prior to October 1, 1986.

48               (5) Employees of the General Assembly, not otherwise covered by this section,  
49 as determined by the Legislative Services Commission, except for legislative  
50 interns and pages.

51               (6) Members of the General Assembly.



- 1 (7) Notwithstanding the provisions of subsection (e) of this section, employees  
2 on official leave of absence while completing a full-time program in school  
3 administration in an approved program as a Principal Fellow in accordance  
4 with Article 5C of Chapter 116 of the General Statutes.
- 5 (8) Notwithstanding the provisions of ~~G.S. G.S. 135-45.12~~ G.S. 135-45.12,  
6 employees formerly covered by the provisions of this section, other than  
7 retired employees, who have been employed for 12 or more months by an  
8 employing unit and whose jobs are eliminated because of a reduction, in  
9 total or in part, in the funds used to support the job or its responsibilities,  
10 provided the employees were covered by the Plan at the time of separation  
11 from service resulting from a job elimination. Employees covered by this  
12 subsection shall be covered for a period of up to 12 months following a  
13 separation from service because of a job elimination.
- 14 (9) Any member enrolled pursuant to subdivision (1) or (2) of this subsection  
15 who is on approved leave of absence with pay or receiving workers'  
16 compensation.
- 17 (10) Employees on approved Family and Medical Leave.
- 18 (b) Partially Contributory. – The following persons are eligible for coverage under the  
19 Plan on a partially contributory basis subject to the provisions of G.S. 135-45.4:
- 20 (1) A school employee in a job-sharing position as ~~defined in G.S. 135-45.4~~,  
21 described under G.S. 115C-326.5. If these employees elect to participate in  
22 the Plan, the employing unit shall pay fifty percent (50%) of the Plan's total  
23 noncontributory premiums. Individual employees shall pay the balance of  
24 the total noncontributory premiums not paid by the employing unit.
- 25 (2) ~~Subject to the provisions of G.S. 135-45.4, employees~~ Employees and  
26 members of the General Assembly with 10 but less than 20 years of  
27 retirement service credit provided the employees were first hired on or after  
28 October 1, 2006, and the members first took office on or after February 1,  
29 2007. For such future retirees, the State shall pay fifty percent (50%) of the  
30 Plan's total noncontributory premiums. Individual retirees shall pay the  
31 balance of the total noncontributory premiums not paid by the State.
- 32 (3) The following persons hired or taking office on or after January 1, 2011, are  
33 eligible for coverage under the Plan, on a partially contributory basis:
- 34 a. All permanent full-time employees of an employing unit who meet  
35 the following conditions:
- 36 1. Paid from general or special State funds, or  
37 2. Paid from non-State funds and in a group for which his or her  
38 employing unit has agreed to provide coverage.
- 39 Employees of State agencies, departments, institutions, boards, and  
40 commissions not otherwise covered by the Plan who are employed in  
41 permanent job positions on a recurring basis and who work 30 or  
42 more hours per week for nine or more months per calendar year are  
43 covered by the provisions of this subdivision.
- 44 b. Permanent hourly employees who work at least one-half of the  
45 workdays of each pay period.
- 46 c. Employees of the General Assembly, not otherwise covered by this  
47 section, as determined by the Legislative Services Commission,  
48 except for legislative interns and pages.
- 49 d. Members of the General Assembly.
- 50 e. Notwithstanding the provisions of subsection (e) of this section,  
51 employees on official leave of absence while completing a full-time

1                    program in school administration in an approved program as a  
2                    Principal Fellow in accordance with Article 5C of Chapter 116 of the  
3                    General Statutes.

4                    f. Notwithstanding the provisions of G.S. 135-45.12, employees  
5                    formerly covered by the provisions of this section, other than retired  
6                    employees, who have been employed for 12 or more months by an  
7                    employing unit and whose jobs are eliminated because of a  
8                    reduction, in total or in part, in the funds used to support the job or its  
9                    responsibilities, provided the employees were covered by the Plan at  
10                   the time of separation from service resulting from a job elimination.  
11                   Employees covered by this subsection shall be covered for a period  
12                   of up to 12 months following a separation from service because of a  
13                   job elimination.

14                   g. Any member enrolled pursuant to sub-subdivision a. or b. of this  
15                   subdivision who is on approved leave of absence with pay or  
16                   receiving workers' compensation.

17                   h. Employees on approved Family and Medical Leave.

18                   The amount of the contribution required by this subdivision shall be set  
19                   periodically by the General Assembly."

20                   **SECTION 3.(b)** Persons covered under G.S. 135-45.2(b)(3), as enacted by this  
21 section, shall contribute to their health benefit coverage under the State Health Plan for  
22 Teachers and State Employees by paying a premium of ten dollars (\$10.00) per month until  
23 otherwise prescribed by an act of the General Assembly.

24                   **SECTION 4.(a)** G.S. 135-1(11b) reads as rewritten:

25                   "(1b) "Law-Enforcement Officer" Officer," as the term applies to persons whose  
26                   current membership began on or before December 31, 2010, means a  
27                   full-time paid employee of an employer who is actively serving in a position  
28                   with assigned primary duties and responsibilities for prevention and  
29                   detection of crime or the general enforcement of the criminal laws of the  
30                   State of North Carolina or serving civil processes, and who possesses the  
31                   power of arrest by virtue of an oath administered under the authority of the  
32                   State. As it applies to persons whose current membership began on or after  
33                   January 1, 2011, the term "law enforcement officer" means a full-time paid  
34                   employee of the State Bureau of Investigation, the State Highway Patrol, or  
35                   the Alcohol Law Enforcement Division who is actively serving in a position  
36                   with assigned primary duties and responsibilities for prevention and  
37                   detection of crime or the general enforcement of the criminal laws of the  
38                   State of North Carolina or serving civil processes, and who possesses the  
39                   power of arrest by virtue of an oath administered under the authority of the  
40                   State."

41                   **SECTION 4.(b)** G.S. 143-166.30(a)(4) reads as rewritten:

42                   "(4) "Law-enforcement officer" officer," as the term applies to persons whose  
43                   current membership began on or before December 31, 2010, means a  
44                   full-time paid employee of an employer who is actively serving in a position  
45                   with assigned primary duties and responsibilities for prevention and  
46                   detection of crime or the general enforcement of the criminal laws of the  
47                   State or serving civil processes, and who possesses the power of arrest by  
48                   virtue of an oath administered under the authority of the State. As it applies  
49                   to persons whose current membership began on or after January 1, 2011, the  
50                   term "law enforcement officer" means a full-time paid employee of the State  
51                   Bureau of Investigation, the State Highway Patrol, or the Alcohol Law

1                   Enforcement Division who is actively serving in a position with assigned  
2                   primary duties and responsibilities for prevention and detection of crime or  
3                   the general enforcement of the criminal laws of the State or serving civil  
4                   processes, and who possesses the power of arrest by virtue of an oath  
5                   administered under the authority of the State."

6                   **SECTION 4.(c)** G.S. 143-166.30(e) reads as rewritten:

7                   "(e) State Contributions to the Supplemental Retirement Income Plan. – Under all other  
8 restrictions as are herein provided, the State shall contribute monthly to the individual accounts  
9 of participants who are employed by the ~~State~~ State Bureau of Investigation, the State Highway  
10 Patrol, or the Alcohol Law Enforcement Division an amount equal to five percent (5%) of the  
11 compensation of each participant. The contributions so paid shall be in addition to the  
12 contributions on account of court cost assessments as hereinafter provided.

13                   Contributions shall be made to the individual accounts of all participants in the Plan on a  
14 per capita basis in equal shares, equal to the sum of the one-half dollar (\$0.50) for each cost of  
15 court assessed and collected under G.S. 7A-304."

16                   **SECTION 5.** This act becomes effective January 1, 2011, and applies to persons  
17 hired on or after that date.