

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

FILED SENATE  
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S.B. 816  
PRINCIPAL CLERK

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SENATE BILL DRS35382-MGp-174

Short Title: Ret. Svc. Purchase/Company Police Officers. (Public)

Sponsors: Senator Alexander (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT ALLOWING FOR THE PURCHASE AT FULL COST OF UP TO FIVE YEARS'  
3 CREDITABLE SERVICE IN THE TEACHERS' AND STATE EMPLOYEES'  
4 RETIREMENT SYSTEM OR THE LOCAL GOVERNMENTAL EMPLOYEES'  
5 RETIREMENT SYSTEM FOR SERVICE AS A COMPANY POLICE OFFICER.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 135-4 is amended by adding a new subsection to read:

8 "(k2) Credit at Full Cost for Service as a Company Police Officer. – Notwithstanding any  
9 other provision of this Article to the contrary, a member who has completed at least five years of  
10 service may purchase up to a total of five years' creditable service as a company police officer  
11 commissioned by the Attorney General pursuant to the provisions of Chapter 74E of the General  
12 Statutes. The member shall purchase this service by making a lump sum payment to the Annuity  
13 Savings Fund equal to the full liability of the service credits calculated on the basis of the  
14 assumptions used for purposes of the actuarial valuation of the liabilities of the retirement system.  
15 The calculation of the amount payable shall take into account the retirement allowance arising  
16 on account of the additional service credit commencing at the earliest age at which the member  
17 could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon  
18 the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees.  
19 Creditable service purchased under this subsection shall not exceed a total of five years.  
20 Notwithstanding the foregoing provisions of this subsection that provide for the purchase of  
21 service credits, the terms "full cost," "full liability," and "full actuarial cost" include assumed  
22 annual postretirement allowance increases, as determined by the Board of Trustees, from the  
23 earliest age at which a member could retire on an unreduced service allowance."

24 **SECTION 2.** G.S. 128-26 is amended by adding a new subsection to read:

25 "(z) Credit at Full Cost for Service as a Company Police Officer. – Notwithstanding any  
26 other provision of this Article to the contrary, a member who has completed at least five years of  
27 service may purchase up to a total of five years' creditable service as a company police officer  
28 commissioned by the Attorney General pursuant to the provisions of Chapter 74E of the General  
29 Statutes. The member shall purchase this service by making a lump sum payment to the Annuity  
30 Savings Fund equal to the full liability of the service credits calculated on the basis of the  
31 assumptions used for purposes of the actuarial valuation of the liabilities of the retirement system.  
32 The calculation of the amount payable shall take into account the retirement allowance arising  
33 on account of the additional service credit commencing at the earliest age at which the member  
34 could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon  
35 the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees.  
36 Creditable service purchased under this subsection shall not exceed a total of five years.



1 Notwithstanding the foregoing provisions of this subsection that provide for the purchase of  
2 service credits, the terms "full cost," "full liability," and "full actuarial cost" include assumed  
3 annual postretirement allowance increases, as determined by the Board of Trustees, from the  
4 earliest age at which a member could retire on an unreduced service allowance."

5 **SECTION 3.** This act becomes effective July 1, 2022.