

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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SENATE BILL 610

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

Sponsors: Senator Alexander (Primary Sponsor).

Referred to: Rules and Operations of the Senate

April 6, 2023

A BILL TO BE ENTITLED

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

The General Assembly of North Carolina enacts:

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

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

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

"(z) Credit at Full Cost for Service as a Company Police Officer. – Notwithstanding any other provision of this Article to the contrary, a member who has completed at least five years of service may purchase up to a total of five years' creditable service as a company police officer commissioned by the Attorney General pursuant to the provisions of Chapter 74E of the General Statutes. The member shall purchase this service by making a lump sum payment to the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the liabilities of the retirement system. The calculation of the amount payable shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, as determined by the Board of Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the Board of Trustees. 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, 2023.