

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

H.B. 862  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30142-MRp-74

Short Title: Purchase Option/Advanced Law Enforcement Cert. (Public)

Sponsors: Representatives Lambeth, K. Hall, and Wray (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ALLOW FOR THE PURCHASE OF UP TO FOUR YEARS' CREDITABLE SERVICE IN THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM OR THE LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM AT FULL COST BY LAW ENFORCEMENT OFFICERS HOLDING AN ADVANCED LAW ENFORCEMENT CERTIFICATE ISSUED BY THE NORTH CAROLINA CRIMINAL JUSTICE EDUCATION AND TRAINING STANDARDS COMMISSION OR THE NORTH CAROLINA SHERIFFS' EDUCATION AND TRAINING STANDARDS COMMISSION.

The General Assembly of North Carolina enacts:

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

"(k1) Credit at Full Cost for Law Enforcement Officers Holding an Advanced Law Enforcement Certificate. – Notwithstanding any other provisions of this Chapter, a member who has completed at least five years of membership service and who has been awarded the Advanced Law Enforcement Certificate issued by the North Carolina Criminal Justice Education and Training Standards Commission under the authority granted in Chapter 17C of the General Statutes or the North Carolina Sheriffs' Education and Training Standards Commission under the authority granted in Chapter 17E of the General Statutes may purchase up to a total of four years' creditable service at any time on or after receipt of the Advanced Law Enforcement Certificate. Purchases of service under this subsection shall not be subject to subsection (b) of this section. Purchases of service under this subsection shall not be associated with any specific compensation or period of time. The member shall purchase this service by making a lump sum amount payable 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. Notwithstanding the foregoing provisions of this subsection that provide for the purchase of service credits, the terms "full cost" and "full liability" 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 1.(b)** G.S. 128-26 is amended by adding a new subsection to read:

"(z) Credit at Full Cost for Law Enforcement Officers Holding an Advanced Law Enforcement Certificate. – Notwithstanding any other provisions of this Chapter, a member who has completed at least five years of membership service and who has been awarded the Advanced



1 Law Enforcement Certificate issued by the North Carolina Criminal Justice Education and  
2 Training Standards Commission under the authority granted in Chapter 17C of the General  
3 Statutes or the North Carolina Sheriffs' Education and Training Standards Commission under the  
4 authority granted in Chapter 17E of the General Statutes may purchase up to a total of four years'  
5 creditable service at any time on or after receipt of the Advanced Law Enforcement Certificate.  
6 Purchases of service under this subsection shall not be subject to subsection (b) of this section.  
7 The purchased service shall not be associated with any specific compensation or period of time.  
8 The member shall purchase this service by making a lump sum amount payable to the Annuity  
9 Savings Fund equal to the full liability of the service credits calculated on the basis of the  
10 assumptions used for purposes of the actuarial valuation of the liabilities of the Retirement  
11 System. The calculation of the amount payable shall take into account the retirement allowance  
12 arising on account of the additional service credit commencing at the earliest age at which the  
13 member could retire on an unreduced retirement allowance, as determined by the Board of  
14 Trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the  
15 Board of Trustees. Notwithstanding the foregoing provisions of this subsection that provide for  
16 the purchase of service credits, the terms "full cost" and "full liability" include assumed annual  
17 postretirement allowance increases, as determined by the Board of Trustees, from the earliest age  
18 at which a member could retire on an unreduced service allowance."

19           **SECTION 2.** This act is effective when it becomes law.