

ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 311

AMENDMENT NO. A1
(to be filled in by
Principal Clerk)

S311-ABC-70 [v.2]

Page 1 of 2

Amends Title [YES]
Fourth Edition

Date _____, 2021

Representative McNeill

1 moves to amend the bill on page 1, lines 2-5, by rewriting the lines to read:

2 " AN ACT PROHIBITING MEMBERSHIP WAITING PERIODS FOR ELIGIBLE
3 EMPLOYEES UNDER THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT
4 SYSTEM, UPDATING THE VOLUNTEER FIRE DEPARTMENT FUND MATCHING
5 REQUIREMENTS, AND GIVING THE BOARD OF TRUSTEES OF THE LOCAL
6 GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM THE DISCRETIONARY
7 AUTHORITY TO PROVIDE ONE-TIME PENSION SUPPLEMENTS TO ITS
8 MEMBERS.";

9
10 and on page 2, line 32, by rewriting the line to read:

11 **SECTION 3.(a)** G.S. 128-27 is amended by adding a new subsection to read:

12 "(k1) Discretionary One-Time Pension Supplements. – As of December 31 of each year
13 after 2020, the ratio (R) of the Consumer Price Index to such index one year earlier shall be
14 determined, and each beneficiary on the retirement rolls as of July 1 of the calendar year of
15 determination shall be entitled to have a one-time pension supplement paid during October of the
16 same calendar year; provided that any such one-time pension supplement shall be contingent
17 upon a determination by the Board of Trustees under subsection (k) of this section that a
18 permanent increase in benefits will not be paid during the same fiscal year as the one-time
19 pension supplement, but the total fund is providing sufficient investment gains to cover the
20 additional actuarial liabilities on account of such one-time pension supplement. The
21 determination of whether there are sufficient investment gains to cover the one-time pension
22 supplement shall reside exclusively within the discretion of the Board of Trustees and shall be
23 informed by the findings within the annual actuarial valuation reports. In considering whether to
24 grant a one-time pension supplement, the Board of Trustees shall take into account both the rate
25 of inflation as determined by the Consumer Price Index and the record of investment gains or
26 losses during the preceding three-year period. The amount of the one-time pension supplement
27 shall be calculated as a percentage of the annual retirement allowance, where the percentage used
28 is the ratio (R) calculated to the nearest tenth of one per centum (1/10 of 1%), but not more than
29 four per centum (4%).

30 A surviving annuitant of a beneficiary shall be provided a one-time pension supplement under
31 this subsection, when and if payable, calculated using the same per centum.



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1 Any supplement granted under this subsection shall be a one-time pension supplement and
2 not a permanent increase in benefits. If the beneficiary dies before payment of the one-time
3 pension supplement is made, then the payment shall be payable to the member's estate or legal
4 representative. No beneficiary shall be deemed to have acquired a vested or contractual right or
5 entitlement to any future one-time pension supplement under this subsection."

6 **SECTION 3.(b)** G.S. 150B-1(d) is amended by adding a new subdivision to read:
7 "(31) The Retirement System Board of Trustees established under G.S. 128-28 with
8 respect to determining if the total fund is providing sufficient investment gains
9 to cover the additional actuarial liabilities on account of a one-time pension
10 supplement authorized under G.S. 128-27(k1)."

11 **SECTION 4.** Sections 1 and 2 of this act become effective December 1, 2021. The
12 remainder of this act is effective when it becomes law."
13
14
15

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

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and vote information, is available in the
House Principal Clerk's Office**