

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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HOUSE BILL 1516  
Committee Substitute Favorable 6/2/04

Short Title: Security of State Retirement System.

(Public)

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Sponsors:

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Referred to:

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May 19, 2004

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE FOR THE CONTINUED FINANCIAL SECURITY OF THE  
3 TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM.

4 Whereas, the 2002-2003 State budget did not include any employer  
5 contribution to the Teachers' and State Employees' Retirement System; and

6 Whereas, it is critical to the security of the Teachers' and State Employees'  
7 Retirement System and the retirees, both present and future, who depend upon it for  
8 their livelihood, that the Retirement System be provided with a reliable and consistent  
9 employer contribution rate; Now, therefore,

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.** Chapter 135 of the General Statutes is amended by adding a  
12 new section to read:

13 "**§ 135-8.1. Continued stability of Retirement System.**

14 In order to provide for the continued stability of the Retirement System, each  
15 biennial budget enacted by the General Assembly shall appropriate funds to the  
16 Retirement System in an amount sufficient to cover the sum of the following, as  
17 determined annually by the Board of Trustees:

18 (1) The normal employer contribution rate; and

19 (2) The accrued liability contribution rate, if any.

20 The appropriation shall be paid monthly as a percentage of compensation of members  
21 and shall be credited to the pension accumulation fund established in G.S. 135-8(d)."

22 **SECTION 2.** This act becomes effective July 1, 2004.