



North Carolina
Total Retirement Plans

NORTH CAROLINA
DEPARTMENT OF STATE TREASURER



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Digest of 2017 Legislative Action Affecting Members of the Consolidated Judicial Retirement System (CJRS)

Employer Contributions to the Retirement System for the 2017-2018 Fiscal Year

Included in Section 35.19 and of the 2017 Appropriations Act - Senate Bill 257 (Session Law 2017-57)

State employer contribution rate for CJRS members from July 1, 2017, to June 30, 2018 = 37.10%

Retirement System Pension Fund 31.05%

Retiree Health Benefit Fund 6.05%

Total 37.10% from July 1, 2017, to June 30, 2018

Repeal Retiree Medical Benefit for Employees First Hired January 1, 2021

Included in 35.21 (c) & (d) of the 2017 Appropriations Act - Senate Bill 257 (Session Law 2017-57)

If a member leaves employment with a CJRS employer and receives a refund on retirement contributions (withdraws service) before January 1, 2021, and then is hired back after January 1, 2021, they will not be eligible for retiree medical benefits.

Full description:

Amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in the Teachers' and State Employees' Retirement System (or in an allowed local system unit), the CJRS, and the Legislative Retirement System prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. *Consequently, members first hired on and after January 1, 2021, will not be eligible to receive retiree medical benefits.*

Special Annual Leave Bonus

Included in Section 35.18 of the 2017 Appropriations Act - Senate Bill 257 (Session Law 2017-57)

Bonus leave granted July 1, 2017 will not be paid out at retirement, or used in retirement calculations.

Full description:

Any person who is (1) a full-time, permanent employee of the state, a community college, or a local board of education on July 1, 2017, and (2) eligible to earn annual leave will have a one-time additional three days of annual leave credited on July 1, 2017. The additional leave granted in this act must be accounted for separately with the leave provided by:

- Section 28.3A of S.L. 2002-126,
- Section 30.12B(a) of S.L. 2003-284,
- Section 29.14A of S.L. 2005-276, and
- Section 35.10A of S.L. 2014-100.

The leave will remain available during the length of the employee's employment, notwithstanding any other limitation on the total number of days of annual leave that may be carried forward. Part-time, permanent employees will receive a prorated amount of the three days. The additional leave awarded under this section has no cash value, is not eligible for cash in, and will not be included in the calculation of a member's benefit at retirement. If not used prior to the time of separation or retirement, the bonus leave cannot be paid out and will not be included in the calculation of a member's benefits at retirement.

Electronic Change for Beneficiaries/Ten Years

Included in Retirement Administrative Changes Act-AB (House Bill 183 Session Law 2017-129)

All employees are now able to name beneficiaries online in ORBIT.

Full description:

Amends G.S.135-5(f); 135-5(l); 135-63; 128-27(f); 128-27(l); and 120-4.25 to remove statutory prohibitions against current state and local employees changing named beneficiaries online for death benefits only if they have more than ten years of service. Current law requires beneficiary changes be made using paper forms if the member has more than 10 years of service. This change will simplify administration of death benefits for the Retirement System and will facilitate the ability of employees to keep their beneficiary designation up to date.

This section is effective January 1, 2018.

Enable Additional Public Employer Contributions to NC 457 Plan

Included in Retirement Administrative Changes Act-AB (House Bill 183 Session Law 2017-129)

All system employers may make contributions to their employees' NC 457 plans.

Full description:

Amends G.S. 147-9.4 to allow all public employers to make additional employer contributions to employee 457 retirement accounts. This change provides parity for all public agencies to participate in this supplemental retirement program.