



Digest of 2017 Legislative Actions Affecting Members of the Consolidated Legislative Retirement System (LRS)

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

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

Employer contribution rate for LRS members from July 1, 2017, to June 30, 2018 = 25.09%	
Retirement System Pension Fund	19.04%
Retiree Health Benefit Fund	<u>6.05%</u>
Total	25.09% 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 an eligible LRS member leaves employment 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 Consolidated Judicial Retirement System, and the LRS 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.*

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.