



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER
RETIREMENT SYSTEMS DIVISION

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DRAFT as of 1/8/2014
Retirement Technical Corrections Act of 2014

Based upon existing statutory authority, the Department of State Treasurer aims to provide public employees and retirees, including teachers, police officers, firefighters, and public servants from all over the state with secure pensions and retirement. In some instances, the Retirement Systems Division must provide necessary corrections to already existing statutes and laws in order to continually provide this service to its' members.

SECTION ONE: Clarify & Update Consumer Price Index Reference in Statute

This section clarifies that the proposer usage of the Consumer Price Index for calculation of the earnable allowance and allows the retirement system to use the replacement measure being provided by the U.S. Department of Labor.

SECTION TWO: Clarify Definitions of Compensation for CJRS and LRS

As recommended by Buck Consultants, the retirement systems' actuary, this section clarifies the CJRS and LRS definitions of compensation for retirement purposes. It does not change the policy it only changes language to enhance clarity.

SECTION THREE: Clarify Meaning of Pre-1973 Version of Benefits Statute

Rewrites old statute to clarify which members to whom it applies so that it doesn't get misconstrued by future members.

SECTION FOUR: Typographical Error in Disability Statute

Correction to 135-103(b)(2) to correct name of the Retirement System

SECTION FIVE: Clarifications to 2013 rewrite FRSWPF

The General Assembly rewrote the FRSWPF statute in 2013. This section provides for necessary additional clarifications identified by the Department of State Treasurer while implementing the new statute

SECTION SIX: Clarify Funding Policy Statute

This section would restate and clarify the TSERS and LGERS funding policy statutes to increase transparency under new GASB accounting standards. This does not change the funding policy of either system.

SECTION ELEVEN: Effective Date

The act becomes effective 7/1/2014, meaning all provisions become effective on that date unless otherwise specified.

Prepared by the Retirement Systems Division staff, 1/8/2014