

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2001**

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**HOUSE BILL 1107**

Short Title: Remove Cap on Sick Leave. (Public)

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Sponsors: Representatives Pope, Gibson, Russell (Primary Sponsors); Hensley, Blue, and Shubert.

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Referred to: Pensions and Retirement.

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April 11, 2001

A BILL TO BE ENTITLED

1  
2 AN ACT TO REMOVE THE CAP ON SICK LEAVE CREDITABLE TO  
3 RETIREMENT FOR MEMBERS OF THE TEACHERS' AND STATE  
4 EMPLOYEES' RETIREMENT SYSTEM.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 135-4(e) reads as rewritten:

7 "(e) Creditable service at retirement on which the retirement allowance of a  
8 member shall be based shall consist of the membership service rendered by him since he  
9 last became a member, and also if he has a prior service certificate which is in full force  
10 and effect, the amount of service certified on his prior service certificate; and if he has  
11 sick leave standing to his credit upon retirement on or after July 1, 1971, one month of  
12 credit for each 20 days or portion thereof ~~thereof not to exceed 12 days of credit for each year~~  
13 ~~of membership service or fraction thereof~~, but sick leave shall not be counted in  
14 computing creditable service for the purpose of determining eligibility for disability  
15 retirement or for a vested deferred allowance.

16 On and after July 1, 1971, a member whose account was closed on account of  
17 absence from service under the provisions of G.S. 135-3(3) and who subsequently  
18 returns to service for a period of five years, may thereafter repay in a lump sum the  
19 amount withdrawn plus regular interest thereon from the date of withdrawal through the  
20 year of repayment and thereby increase his creditable service by the amount of  
21 creditable service lost when his account was closed.

22 On and after July 1, 1973, a member whose account in the North Carolina Local  
23 Governmental Employees' Retirement System was closed on account of absence from  
24 service under the provisions of G.S. 128-24(1a) and who subsequently became or  
25 becomes a member of this System with credit for five years of service, may thereafter  
26 repay in a lump sum the amount withdrawn from the North Carolina Local  
27 Governmental Employees' Retirement System plus regular interest thereon from the

1 date of withdrawal through the year of repayment and thereby increase his creditable  
2 service in this System by the amount of creditable service lost when his account was  
3 closed.

4 On or after July 1, 1979, a member who has obtained 60 months of aggregate  
5 service, or five years of membership service, as an employee of the North Carolina  
6 General Assembly, except legislators, participants in the Legislative Intern Program and  
7 pages, may make a lump sum payment together with interest, and an administrative fee  
8 for such service, to the Teachers' and State Employees' Retirement System of an amount  
9 equal to what he would have contributed had he been a member on his first day of  
10 employment.

11 On and after January 1, 1985, the creditable service of a member who was a member  
12 of the Law-Enforcement Officers' Retirement System at the time of the transfer of  
13 law-enforcement officers employed by the State from that System to this Retirement  
14 System and whose accumulated contributions are transferred from that System to this  
15 Retirement System, shall include service that was creditable in the Law-Enforcement  
16 Officers' Retirement System; and membership service with that System shall be  
17 membership service with this Retirement System; provided, notwithstanding any  
18 provision of this Article to the contrary, any inchoate or accrued rights of such a  
19 member to purchase creditable service for military service, withdrawn service and prior  
20 service under the rules and regulations of the Law-Enforcement Officers' Retirement  
21 System shall not be diminished and may be purchased as creditable service with this  
22 Retirement System under the same conditions which would have otherwise applied."

23 **SECTION 2.** This act becomes effective July 1, 2001, and applies to persons  
24 retiring on or after that date.