

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0101

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Is it necessary to have both (2) and (3)? It seems you could combine them and simply say in (2) that "The mailing address and physical address is...."*

*If you decide to keep them separate, I would note that in the equivalent rule in 02B, you omitted "the Longleaf Building" in (3).*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0101 is amended as published in 36:23 NCR, page 1851, as follows:

2

3

**SECTION .0100 - GENERAL PROVISIONS**

4

**20 NCAC 02C .0101 GENERAL INFORMATION**

6 General information about the Local Governmental Employees' Retirement System includes the following:

- 7 (1) The ~~Director~~chief officer is the Director of the Retirement ~~Systems~~Systems Division;
- 8 (2) The mailing address is 3200 Atlantic Avenue, Raleigh, North Carolina 27604;
- 9 (3) The office is located in the Longleaf Building, 3200 Atlantic Avenue, Raleigh, North Carolina.

10

11 *History Note: Authority G.S. 128-28(g);*  
12 *Eff. February 1, 1976;*  
13 *Readopted Eff. September 21, 1977;*  
14 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 21,*  
15 *2018;*  
16 *Amended Eff. September 1, ~~2019~~2019;*  
17 *Amended Eff. January 1, 2023.*

18

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0201

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*In (a), line 7, please change "will" to "shall".*

*In (b) and both instances in (c), include an Oxford comma after "rates".*

*In (b), what does it mean for the "file" to be "open" as well as "readily available" for the public?*

*In (b), what are "regular office hours"?*

*In the new paragraph (c), when deleting the lettering of a paragraph, strikethrough the entire parenthetical and insert the new one. It should look like: ~~(c)(d)~~*

*In the History Note, I suggest a citation to G.S. 150B-1(d)(30).*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0201 is readopted as published in 36:23 NCR, page 1851, as follows:

2  
3 **SECTION .0200 - ADMINISTRATION**

4  
5  
6 **20 NCAC 02C .0201 ACTUARIAL TABLES: RATES AND ASSUMPTIONS**

7 (a) Actuarial tables and assumptions will be adopted by the ~~board~~Board of ~~trustees~~Trustees after the presentation of  
8 the recommendations of the actuary ~~by including the tables, rates, etc. in the minutes of the board with the resolution~~  
9 ~~adopting said tables, rates or assumptions.~~ As provided by G.S. 150B-1(d), these actions of the Board of Trustees are  
10 not subject to rule-making requirements.

11 (b) The ~~director~~Director of the retirement systems shall maintain a file of copies of all resolutions adopting tables,  
12 rates or assumptions and the current version of all tables as amended by the ~~board~~Board of ~~trustees~~Trustees. The file  
13 shall be open and readily available to the public during regular office hours.

14 (c) ~~This Rule includes but is not limited to the following actuarial tables and assumptions:~~

- 15 (1) ~~interest rate assumptions;~~  
16 (2) ~~salary increase assumptions;~~  
17 (3) ~~required contribution rates;~~  
18 (4) ~~mortality assumptions;~~  
19 (5) ~~separation and retirement assumptions;~~  
20 (6) ~~joint and survivor tables;~~  
21 (7) ~~reserve transfer tables.~~

22 (c~~d~~) Tables, rates and assumptions shall become effective on the first day of the month following adoption, unless a  
23 specific effective date is included in the adopting resolution. If the specific date is included, the tables, rates or  
24 assumptions shall be effective as provided in the adopting resolution.

25  
26 *History Note: Authority G.S. 128-27(m); 128-28(g);*  
27 *Eff. February 1, 1976;*  
28 *Readopted Eff. September 21, 1977;*  
29 *Amended Eff. August 1, ~~1981~~.1981;*  
30 *Readopted Eff. January 1, 2023.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0204

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*What is the "local system" in line 4?*

*Can you explain how LGERS is "authorized by G.S. 128-28(g)" to adopt law that isn't applicable to it? Moreover, if you are indeed authorized to do this, I don't think you need to say it here. Just citing to G.S. 128-28(g) in the History Note would be sufficient.*

*Is this Rule necessary in light of Rule .0303?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0204 is readopted as published in 36:23 NCR page 1852, as follows:

2

3 **20 NCAC 02C .0204 FACILITY OF PAYMENT**

4 The provisions of G.S. 135-17, Facility of Payment, are adopted as applicable policy under the local system, as  
5 authorized by G.S. 128-28(g).

6

7 *History Note: Authority G.S. 128-28(g);*

8

*Eff. February 1, 1976;*

9

*Readopted Eff. September 21, ~~1977-1977~~;*

10

*Readopted Eff. January 1, 2023.*

11

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0205

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*On line 5, add a comma after "(l)", and on line 7 add a comma following "physicians".*

*With respect to the quorum requirement, is this consistent with the Public Meetings Act?*

*On line 7, delete "being" following "three".*

*On lines 7-8, is the quorum applicable only to meetings approving applications for disability retirement? Is there a different quorum for other meetings of the Medical Board?*

*In History Note, reinsert "1977" from the line "Readopted Eff. September 21, ~~1977~~" followed by a semi-colon. It should appear as: "...September 21, ~~1977~~; 1977;"*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0205 is readopted as published in 36:23 NCR, page 1852, as follows:

2

3

4 **20 NCAC 02C .0205 MEDICAL BOARD**

5 In accordance with the authority contained in G.S. 128-28(1) membership of the Medical Board consists of ~~The~~  
6 ~~Director of the Retirement Systems and the chairman of the board of trustees are authorized to increase the~~  
7 ~~membership of the medical board from three to five~~ physicians with a quorum of three being required at meetings  
8 approving applications for disability retirement.

9

10 *History Note: Authority G.S. 128-28(1);*

11 *Eff. February 1, 1976;*

12 *Readopted Eff. September 21, ~~1977~~1977;*

13 *Readopted Eff. January 1, 2023.*

14



REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0301

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*For clarity, consider making "beneficiaries" and "living persons" singular.*

*In line 9, what is the "form"? Are the contents or substantive requirements of the form prescribed by rule or statute?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0301 is readopted as published in 36:23 NCR page, 1852, as follows:

2

3

**SECTION .0300 - BENEFICIARIES**

4

5

6 **20 NCAC 02C .0301 DESIGNATION**

7 Any beneficiaries designated, other than the estate of the member or a trustee named by and acting for the member,  
8 must be living persons at the time the designation is made. If it is desired that the estate be beneficiary, this should be  
9 indicated on the form.

10

11 *History Note: Authority G.S. 128-27; 128-28(g);*

12

*Eff. February 1, 1976;*

13

*Readopted Eff. September 21, ~~1977~~1977;*

14

*Readopted Eff. January 1, 2023.*

15

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0302

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Is this Rule necessary? It essentially repeats the content of the statutes cited in the History Note.*

*In (a), the wording of the added language in the second sentence is confusing. To avoid any confusion, would it be better to replace "so designated for the return of accumulated contributions" with "principal beneficiary"?*

*In (a), line 6, it's unclear to me to whom "those surviving" refers.*

*In (b) and (c), remove parentheticals and use appropriate identifiers. For example, say "beneficiary or beneficiaries" or simply "beneficiaries" if appropriate.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0302 is readopted as published in 36:23 NCR, page 1852, as follows:

2  
3  
4 **20 NCAC 02C .0302 PRINCIPAL BENEFICIARY**

5 (a) More than one principal beneficiary may be ~~named~~ designated for the return of accumulated contributions under  
6 the provisions of G.S. 128-27(f) to share equally. In the event of the death of any so ~~named~~ designated for the return  
7 of accumulated contributions, those surviving shall share equally in the total benefits. ~~However, if there is only one~~  
8 living designated principal beneficiary for the return of accumulated contributions at the member's death and the  
9 member has met all other requirements under the provisions of G.S. 128-27(m), the designated principal beneficiary  
10 may elect to receive the alternative benefit under the provisions of G.S. 128-27(m).

11 (b) More than one principal beneficiary may be designated for the death benefit of an active member or a retired  
12 member under the provisions of G.S. 128-27(l), 128-27(l1), or 128-27(l6) to share equally. In the event of the death  
13 of any so designated principal beneficiary(ies) for the death benefit of an active member or retired member, those  
14 surviving principal beneficiary(ies) shall share equally in the total benefits.

15 (c) More than one principal beneficiary may be designated for the guaranteed refund under the provisions of G.S.  
16 128-27(g1) to share equally. In the event of the death of any so designated principal beneficiary(ies) for the guaranteed  
17 refund, those surviving principal beneficiary(ies) shall share equally in the total benefits.~~A principal beneficiary may~~  
18 ~~be named with the stipulation that should he predecease the member, payment of the amount due, if any, will be made~~  
19 ~~to a designated contingent beneficiary. It is permissible to name more than one contingent beneficiary. In the event~~  
20 ~~of the death of any so named, those surviving shall share equally in the total benefits. If more than one principal~~  
21 ~~beneficiary is named, the naming of a contingent beneficiary or beneficiaries will not be permitted.~~

22  
23 *History Note: Authority G.S. 128-27(f); ~~128-27(g); 128-27(g1); 128-27(l); 128-27(l1); 128-27(l6); 128-28(g);~~*  
24 *Eff. February 1, 1976;*  
25 *Readopted Eff. September 21, ~~1977-1977;~~*  
26 *Readopted Eff. January 1, 2023.*  
27

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0303

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Is this Rule necessary in light of R. 0204?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0303 is readopted with changes, as published in 36:23 NCR, page 1852, as follows:

2

3

4 **20 NCAC 02C .0303 NO LIVING BENEFICIARY**

5 If no ~~named~~-designated beneficiary, whether principal or contingent, is living at the time of the member's death,  
6 payment of the amount due, if any, will be made to the ~~estate~~-legal representative of the member.

7

8 *History Note: Authority G.S. 128-27(g); 128-28(g);*

9

*Eff. February 1, 1976;*

10

*Readopted Eff. September 21, ~~1977~~.1977;*

11

*Readopted Eff. January 1, 2023.*

12

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0304

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*In (a), line 4, please define or delete "duly".*

*In (a), line 5, please change "they" to "the beneficiary" or "the guardian" to clarify which county you're referring to. As written, it's not clear whether you mean the county the minor lives in, or the county the guardian lives in. See also (b) line 6.*

*In (a), line 5, what is meant by "may be authorized by law"?*

*In (b), line 7, remove the parentheticals around "payment" and "beneficiary".*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0304 is readopted as published in 36:23 NCR, page 1852, as follows:

2

3 **20 NCAC 02C .0304 PAYMENTS TO BENEFICIARIES**

4 (a) Payments to beneficiaries who are minors will be made to a duly appointed guardian or to the clerk of the  
5 superior court in the county which they reside to the extent that such payment may be authorized by law.

6 (b) In the event that the duly appointed guardian or the clerk of superior court in the county in which they reside  
7 is unwilling or unable to accept payment(s) on behalf of the minor beneficiary(ies), payment may be made  
8 to a custodian in accordance with Chapter 33A of the North Carolina General Statutes, entitled North Carolina  
9 Uniform Transfers to Minors Act.

10

11 *History Note: Authority G.S. 128-27(g); 128-28(g);*

12 *Eff. February 1, 1976;*

13 *Readopted Eff. September 21, ~~1977~~1977;*

14 *Readopted Eff. January 1, 2023.*

15



REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0306

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*At the end of Item (1), line 10, delete "or".*

*In (2), please move the text on line 12 over 1 tab so it lines up with the text on line 11.*

*In (2), lines 11-12, I don't understand the phrase "until such time as the retired member's last day of active service is greater than 180 days prior to the change". Does this just mean the member has to wait at least 180 days from the last day of active service to make a change? Please revise for clarity.*

*Change "must" to "shall" in line 14.*

*Also on line 14, please use the active voice and state who must submit the change.*

*Additionally, how shall members submit such a change in beneficiary to the Board of Trustees?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0306 is readopted as published in 36:23 NCR, page 1852, as follows:

2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20

**20 NCAC 02C .0306 BENEFICIARY CHANGE**

Prior to retirement, the member ~~may, has the right~~ at any time, ~~and from time to time, to~~ change any beneficiaries designated for the return of accumulated contributions under the provisions of G.S. 128-27(f) or the death benefit for ~~active members under the provisions of G.S. 128-27(l) or 128-27(11) without the knowledge or consent of the beneficiaries.~~ A retired member may, at any time, change any beneficiaries designated for:

- (1) The guaranteed refund under the provisions of G.S. 128-27(g1) until such time as the funds have been depleted; or
- (2) The death benefit for active members under the provisions of G.S. 128-27(l) or 128-27(11) until such time as the retired member’s last day of active service is greater than 180 days prior to the change; or
- (3) The death benefit for retired members under the provisions of G.S. 128-27(16).

Any such change must be submitted to the ~~board~~Board of ~~trustees,~~Trustees, ~~using the appropriate form.~~

*History Note: Authority G.S. 128-27(g); ~~128-27(g1); 128-27(l); 128-27(11); 128-27(16); 128-28(g);~~  
Eff. February 1, 1976;  
Readopted Eff. September 21, ~~1977.~~1977;  
Readopted Eff. January 1, 2023.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0307

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Paragraphs (a), (b), and (c) should be framed to lead and follow into the subparagraphs, such as "the following apply to designating a contingent beneficiary..."*

*Remove all parentheticals and use appropriate identifiers. Each subparagraph has at least one. For example, say "beneficiary or beneficiaries" or simply "beneficiaries" if appropriate.*

*At the end of each subparagraph (2), consider adding language to clarify contingent beneficiaries only receive in the event all principal beneficiaries predecease the member, similar to (3).*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0307 is adopted as published in 36:23 NCR, page 1853, as follows:

2  
3 **20 NCAC 02C .0307 CONTINGENT BENEFICIARY**  
4

5 (a) Designating a contingent beneficiary for the return of accumulated contributions under the provisions of G.S.  
6 128-27(f):

7 (1) A principal beneficiary may be designated for the return of accumulated contributions with the  
8 stipulation that should the principal beneficiary(ies) predecease the member, payment of the amount  
9 due, if any, shall be made to the designated contingent beneficiary(ies) for the return of accumulated  
10 contributions.

11 (2) If more than one principal beneficiary is designated for the return of accumulated contributions,  
12 payment of the amount due, if any, shall be paid to any surviving principal beneficiary(ies)  
13 designated for the return of accumulated contributions, sharing equally in the total benefits payable,  
14 and shall not be paid to any contingent beneficiary.

15 (3) It is permissible to designate more than one contingent beneficiary for the return of accumulated  
16 contributions. Payment of the amount due, if any, shall be paid to the surviving contingent  
17 beneficiary(ies) designated for the return of accumulated contributions, sharing equally in the total  
18 benefits, only in the event that there is no surviving principal beneficiary designated for the return  
19 of accumulated contributions.

20 (b) Designating a contingent beneficiary for the death benefit under the provisions of G.S. 128-27(l), 128-27(11), or  
21 128-27(16):

22 (1) A principal beneficiary may be designated for the death benefit of an active member or retired  
23 member with the stipulation that should the principal beneficiary(ies) predecease the member,  
24 payment of the amount due, if any, shall be made to the designated contingent beneficiary(ies) for  
25 the death benefit.

26 (2) If more than one principal beneficiary is designated for the death benefit, payment of the amount  
27 due, if any, shall be paid to any surviving principal beneficiary(ies) designated for the death benefit,  
28 sharing equally in the total benefits payable, and shall not be paid to any contingent beneficiary.

29 (3) It is permissible to designate more than one contingent beneficiary for the death benefit. Payment  
30 of the amount due, if any, shall be paid to the surviving contingent beneficiary(ies) designated for  
31 the death benefit, sharing equally in the total benefits, only in the event that there is no surviving  
32 principal beneficiary designated for the death benefit.

33 (c) Designating a contingent beneficiary for the guaranteed refund under the provisions of G.S. 128-27(g1):

34 (1) A principal beneficiary may be designated for the guaranteed refund with the stipulation that should  
35 the principal beneficiary(ies) predecease the member, payment of the amount due, if any, shall be  
36 made to the designated contingent beneficiary(ies) for the guaranteed refund.

1           (2)     If more than one principal beneficiary is designated for the guaranteed refund, payment of the  
2                     amount due, if any, shall be paid to any surviving principal beneficiary(ies) designated for the  
3                     guaranteed refund, sharing equally in the total benefits payable, and shall not be paid to any  
4                     contingent beneficiary.

5           (3)     It is permissible to designate more than one contingent beneficiary for the guaranteed refund.  
6                     Payment of the amount due, if any, shall be paid to the surviving contingent beneficiary(ies)  
7                     designated for the guaranteed refund, sharing equally in the total benefits, only in the event that  
8                     there is no surviving principal beneficiary designated for the guaranteed refund.

9  
10     History Note: Authority G.S. 128-27(f); 128-27(g1); 128-27(l); 128-27(l1); 128-27(l6); 128-28(g);  
11                     Eff. January 1, 2023.

12

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0402

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*On line 5, what is a "unit"?*

*On line 5, please change "should" to "shall".*

*In History Note, statutes should be listed sequentially from lowest to highest. Swap G.S. 128-28(g) and 128-30(g)(1).*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0402 is readopted with changes as published in 36:23 NCR, page 1853, as follows:

2

3

4 **20 NCAC 02C .0402 EMPLOYER'S CONTRIBUTIONS**

5 All units should forward to the ~~retirement~~Retirement system~~System~~ the employer's contributions monthly at the same  
6 time the employee's contributions are forwarded.

7

8 *History Note: Authority G.S. 128-30(g)(1); 128-28(g);*

9

*Eff. February 1, 1976;*

10

*Readopted Eff. September 21, ~~1977~~.1977;*

11

*Readoption Eff. January 1, 2023.*

12

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0403

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*In (a), line 5, I believe "pension accumulation fund" must be capitalized, as it is in the statute.*

*In (a), line 6, what are "erroneous employee deductions"?*

*In (a), line 6, is an "employing unit" defined? Is this different than "the employer"?*

*In (b), remove the parentheses around the phrase "and... contributions" and consider inserting commas.*

*In (c), line 14, remove the comma to avoid an unnecessary clause.*

*In (c), line 15, delete the last set of parentheses around "(b.)".*

*In your History Note, please place the statutes in numerical order.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22



1 20 NCAC 02C .0403 is readopted as published in 36:23 NCR, page 1853, as follows:

2

3 **20 NCAC 02C .0403 REFUNDS**

4 ~~(a) The retirement~~Retirement system~~System~~ will make no refunds of employer ~~contributions~~contributions, paid into  
5 the pension accumulation fund by the employer in the amount equal to a percentage of the actual compensation of  
6 each member, in cases of erroneous employee deductions except those which are corrected by the employing unit on  
7 a subsequent payroll within the calendar year in which the errors occur. ~~The only exception to this Rule is that an~~  
8 error occurring in December may be corrected (without loss of the employer contribution) by submission of a revised  
9 payroll with checks for the correct amount before January 31, of the following year.

10 (b) Notwithstanding Paragraph (a) of this Rule, an error occurring in December may be corrected (and the associated  
11 employer contribution be refunded in the form of a credit toward future required employer contributions) by the  
12 employer's submission of a revised payroll report for the correct amount before January 31 of the following year.

13 (c) If an employer makes an additional contribution to the pension accumulation fund as a result of the contribution-  
14 based benefit cap, and the Retirement System receives information which alters the calculation of the retirement  
15 benefit used to determine the contribution under the provisions of G.S. 128-30(g)(2)(b.), any contribution not required  
16 based on the new information will be refunded to the employer in the form of a credit toward future required employer  
17 contributions.

18

19 *History Note: Authority G.S. 128-22; 128-30(g); 128-28(g);*

20 *Eff. February 1, 1976;*

21 *Readopted Eff. September 21, ~~1977~~.1977;*

22 *Readopted Eff. January 1, 2023.*

23

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0404

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*The rule states "Raleigh **offices**" (emphasis added). Are there multiple offices which the contributions need to be sent to?*

*Alternatively, are you referring to the address specified in Rule .0101?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0404 is readopted as published in 36:23 NCR, page 1854, as follows:

2

3

4 **20 NCAC 02C .0404 DUE DATE OF CONTRIBUTIONS**

5 Both the employee and employer contributions are due in the Raleigh offices of the Retirement System no later than  
6 the fifth State government working day of the month succeeding the month for which the contributions are required.

7 Contributions received after the fifth State government working day of the month are delinquent.

8

9 *History Note: Authority G.S. 128-28(g); 128-30(g);*

10 *Eff. March 1, ~~1992~~1992;*

11 *Readopted Eff. January 1, 2023.*

12

13

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0501

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Where is your statutory authority for this Rule? G.S. 128-27(c) and (e) give the Medical Board the power to examine and re-examine disability beneficiaries, but I don't see anything giving that power to the Director.*

*What is the standard for whether a case is "doubtful"? To whom?*

*On lines 7-8, what does "condition of the disability" mean?*

*On line 7, what are the parameters of such "examination" by the Director? What details can be gathered and by what means?*

*Where is your statutory authority to allow payment for these examinations through the pension accumulation fund?*

*On line 8, I believe "pension accumulation fund" should be capitalized.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0501 is readopted with changes as published in 36:23 NCR, page 1854, as follows:

2

3

**SECTION .0500 - DISABILITY RETIREMENT**

4

5

6 **20 NCAC 02C .0501      DISABILITY EXAMINATION**

7 The ~~director~~Director is authorized to conduct an ~~examination~~examination in doubtful cases of disability to determine  
8 the condition of the disability, paying the expense of the same from the pension accumulation fund.

9

10 *History Note:      Authority G.S. 128-27(c); 128-28(g);*

11 *Eff. February 1, 1976;*

12 *Readopted Eff. September 21, ~~1977~~.1977;*

13 *Readopted Eff. January 1, 2023.*

14

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0502

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Remove the comma after "engaged in" on line 6.*

*Capitalize "state" in line 7.*

*Also, remove the semi-colon in line 7.*

*For clarity, remove the portion "relate back so as to".*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0502 is readopted with changes as published in 36:23 NCR, page 1854, as follows:

2

3

4 **20 NCAC 02C .0502      DISABILITY RETIREMENT REPORTS**

5 When the ~~medical~~Medical board, Board, subsequent to a disability retirement, reports that the retired member is  
6 engaged in, or is able to engage in, a gainful occupation, any adjustment required by G.S. 128-27(e)(1) will be made  
7 prospectively only; and will not relate back so as to require any refund to the state of payments made during the period  
8 before a report is made indicating changed status.

9

10 *History Note:      Authority G.S. 128-27(e)(1); 128-28(g);*

11 *Eff. February 1, 1976;*

12 *Readopted Eff. September 21, ~~1977~~.1977;*

13 *Readopted Eff. January 1, 2023.*

14

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0504

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Where is the authority to disallow interest on the current year? G.S. 128-29(b) permits the Board to set interest rates annually and different interest rates from time to time, while G.S. 128-28(g) covers the administration of funds. Moreover, G.S. 128-30(b)(2) suggests that "regular interest" shall be paid on all accounts.*

*In the event a member on disability retirement is reinstated in the middle of the year, does interest accrue during the period for which the member was not on active service?*

*In the History Note, citations to the General Statutes should be sequential. Swap G.S. 128-28(g) and 128-29(b).*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22



1 20 NCAC 02C .0504 is readopted as published in 36:23 NCR, page 1854, as follows:

2

3 **20 NCAC 02C .0504 REINSTATEMENT TO ACTIVE SERVICE**

4 When members on disability retirement are reinstated to active service, no interest shall be allowed on their accounts  
5 during the year of reinstatement.

6

7 *History Note: Authority G.S. 128-29(b); 128-28(g);*

8

*Eff. February 1, 1976;*

9

*Readopted Eff. September 21, ~~1977-1977~~;*

10

*Readopted Eff. January 1, 2023.*

11

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0704

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Throughout this Rule, what are the "requirements of law and the rules of the Board" or similar language meant to impose? Please be specific about what law and what rules you are enforcing here.*

*How is the regulated public meant to know the rules established prior to July 1, 1983? Are these rules published anywhere? If so incorporate by reference pursuant to G.S. 150B-21.6.*

*Why is (a) necessary? It seems to be stating the obvious, that those seeking to purchase creditable service have to comply with the law and these Rules.*

*In (a), lines 5-6, please delete the commas around the clause "who request... rules of the Board".*

*In (b), line 9, I do not think you need "Section". The reference to .1500 is sufficient.*

*Based on the language "in a manner prescribed by law", is (c) reiterating already existing law? Is this stating said law verbatim or adding any new requirements?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0704 is readopted as published in 36:23 NCR, page 1854, as follows:

2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30

**20 NCAC 02C .0704 WORKERS' COMPENSATION LEAVES OF ABSENCE**

(a) All members, who request approval to purchase creditable service and who fulfill all of the requirements of law and the rules of the ~~board,~~Board, shall be allowed to purchase the service in accordance with the law and rules of the ~~board.~~Board.

(b) Purchases of creditable service for leaves of absence prior to July 1, 1983 shall be made in the same manner as prescribed in Section 20 NCAC 2C .1500~~1500, as then effective.~~ ~~DELAYED PURCHASE OF SERVICE CREDITS.~~ ~~A fee in the amount of twenty five dollars (\$25.00) for each payment will be assessed members at the time of purchase as provided by law.~~

(c) Purchases of creditable service for leaves of absence on and after July 1, 1983 shall be paid in the manner prescribed in law equal to the sum of the total employer and employee percentage rates of contribution in effect at the time of purchase multiplied by the annual rate of compensation of the member immediately prior to the leave of absence applied to the period of the leave commencing on the first day and ending on the last day before return to service.

(d) Members who had leaves of absence which otherwise met all requirements of law for purchase as creditable service except that the leaves of absence interrupted membership in the Teachers' and State Employees' Retirement System or the Law Enforcement Officers' Retirement System and whose membership service before and after the leaves of absence has become membership service in the Local Governmental Employees' Retirement System, may purchase creditable service as in Paragraph (b) of this Rule.

(e) Members may purchase creditable service for leaves of absence only when they have membership service credits immediately prior to and immediately after the leaves of absence and such membership service is creditable service at the time of purchase.

*History Note: Authority G.S. 128-26(1); 128-28(g);  
Eff. December 1, 1983;  
Amended Eff. August 1, ~~1988.~~1988;  
Readopted Eff. January 1, 2023.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0901

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*This rule seems to be in contradiction to G.S. 128-26 which state that the employer "may" allow credit and places conditions on the purchase of credit.*

*One line 7, change "will" to "shall".*

*Insert an Oxford comma after "membership" in line 8.*

*Are there statutes or rules covering the procedures for paying back the amount withdrawn, restoring membership, and receipt of credit?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0901 is readopted with changes as published in 36:23 NCR, page 1854, as follows:

2

3

**SECTION .0900 - MILITARY SERVICE (INCHOATE RIGHTS ONLY)**

4

5

**20 NCAC 02C .0901 LEAVE**

7 When a member on military leave has withdrawn all of the member's ~~his~~ contributions, the member ~~he~~ will be  
8 permitted to pay back the amount withdrawn, restore ~~his~~ membership and receive credit for the period of ~~his~~ military  
9 leave.

10

11 *History Note: Authority G.S. 128-27(f); 128-28(g);*

12

*Eff. February 1, 1976;*

13

*Readopted Eff. September 21, ~~1977-1977~~;*

14

*Readopted Eff. January 1, 2023.*

15

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0904

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*In (1), line 5 and (2) line 7, what is meant by "when the member first entered membership"? First year?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0904 is amended as published in 36:23 NCR, page 1854, as follows:

2

3 **20 NCAC 02C .0904 COMPUTATION OF COST**

4 The cost of purchasing credit for military service is calculated as follows:

- 5 (1) the monthly compensation the member earned when the member ~~he~~ first entered membership;  
6 multiplied by~~times~~
- 7 (2) the contribution rate at the time ~~the member~~ ~~he~~ first entered membership; multiplied by~~times~~
- 8 (3) the number of months of military service for which credit is to be purchased; plus
- 9 (4) a factor equivalent to interest at the rate of six and one-half percent, compounded annually, from the  
10 initial year of membership to the year of payment.

11

12 *History Note: Authority G.S. 128-26(a); 128-28(g);*

13 *Eff. February 1, 1976;*

14 *Readopted Eff. September 21, ~~1977~~.1977;*

15 *Amended Eff. January 1, 2023.*

16

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0906

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*What is the statutory authority for this rule? G.S. 128-28(g) is the general rulemaking authority, and 128-26(a) references allowing credit for military service, but where is the authority for permitting credit for military service that has already been credited in the Federal Civil Service Program?*

*On line 5, capitalize "state".*

*On line 8, when you say "under civil service" do you mean under the "Federal Civil Service Program" as stated on line 6?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22



1 20 NCAC 02C .0906 is readopted with changes as published in 36:23 NCR, page 1854, as follows:

2  
3

4 **20 NCAC 02C .0906 CIVIL SERVICE PROGRAM**

5 A member of the Local Governmental Employees' Retirement System whose employment in this state requires the  
6 member~~him~~ to participate in the Federal Civil Service Program in lieu of the ~~social~~Social ~~security~~Security program  
7 shall not be barred from receiving military service credit for which the member ~~he~~ is otherwise eligible in the  
8 ~~retirement~~Retirement ~~system~~System despite the fact that the member ~~he~~ may also receive credit under civil service  
9 for the same period of military service, provided that the member ~~he~~ makes the required payment.

10

11 *History Note: Authority G.S. 128-26(a); 128-28(g);*

12 *Eff. February 1, 1976;*

13 *Readopted Eff. September 21, ~~1977~~.1977;*

14 *Readopted Eff. January 1, 2023.*

15

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0907

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*On line 4, it's not clear what the "exclusion" is. Please revise and clarify.*

*What are "service connected disability" and "longevity retirement" referring to? Are these terms defined elsewhere? If so, please incorporate by reference in compliance with G.S. 150B-21.6.*

*Additionally what is the statutory authority for this rule? G.S. 128-28(g) is the general rulemaking authority, and 128-26(a) references allowing credit for military service, but where is the authority for the substance of the Rule?*

*For clarity, remove the commas from lines 4 and 5.*

*"Service connected" should be hyphenated, unless it is not done so by statute.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0907 is readopted as published in 36:23 NCR page 1855, as follows:

2

3 **20 NCAC 02C .0907 EXCLUSION**

4 The exclusion, for purchase of service in the Armed Forces of the United States as it pertains to credit for any other  
5 retirement system, shall not include "service connected disability" benefits received from the Veterans Administration  
6 of the Federal Government except when such benefits are a supplement to a "longevity retirement" benefit.

7

8 *History Note: Authority G.S. 128-26(a); 128-28(g);*

9

*Eff. February 1, 1976;*

10

*Readopted Eff. September 21, ~~1977~~1977;*

11

*Readopted Eff. January 1, 2023.*

12

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .0908

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*This appears to be a run-on sentence. Please consider re-writing for brevity and clarity.*

*How is the regulated public to know what the "law in effect at the time" of retirement?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .0908 is readopted with changes as published in 36:23 NCR page 1855, as follows:

2

3

4 **20 NCAC 02C .0908 RECALCULATION OF BENEFITS**

5 For members already retired who obtain ~~avail themselves of the provisions for obtaining~~ military service credit, any  
6 recalculation of benefits shall be based on the law in effect at the time of the individual's retirement including the  
7 additional service credit and effect shall be given for all benefit increases subsequent to the date of retirement which  
8 shall be a part of the total cost of providing the additional service credit.

9

10 *History Note: Authority G.S. 128-26(a); 128-28(g);*

11 *Eff. February 1, 1976;*

12 *Readopted Eff. September 21, ~~1977~~ 1977;*

13 *Readopted Eff. January 1, 2023.*

14

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .1002

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*G.S. 128-26(j) was "repealed by Session Laws 1987, c. 617, s. 3." What is the authority for this Rule? Is it 128-26(j2)?*

*On line 5, who does "individual" refer to? The "member"?*

*On line 5, the individual must pay for "all or such portion in full years..." Portion of what?*

*If I read this sentence right, it appears that you're saying that in order to qualify, the individual has to pay for the services. Is this any different from G.S. 128-26? Thus, is it necessary?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .1002 is readopted with changes as published in 36:23 NCR, page 1855, as follows:

2

3

4 **20 NCAC 02C .1002 QUALIFYING FOR CREDIT**

5 In order to qualify, each individual must pay for all or such portion in full years as ~~he~~the member desires of out-of-state  
6 service for which the member ~~he~~ is eligible.

7

8 *History Note: Authority G.S. 128-26(j); 128-28(g);*

9

*Eff. February 1, 1976;*

10

*Readopted Eff. September 21, ~~1977~~.1977;*

11

*Readopted Eff. January 1, 2023.*

12

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .1003

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*Why is the agency referencing "S.L. 1987, C. 617" as authority? If possible, please refer to the location where this portion of the Session Law was codified in the General Statutes.*

*"Other governmental subdivision of the United States" should be formatted as a definition. See previous rules on the proper format.*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22



1 20 NCAC 02C .1003 is readopted as published in 36:23 NCR, page 1855, as follows:

2

3

4 **20 NCAC 02C .1003 OTHER GOVERNMENTAL SUBDIVISION**

5 "Other governmental subdivision of the United States" shall mean a state or territory and its subdivisions but not the  
6 United States Government.

7

8 *History Note: Authority G.S. 128-28(g); S.L. 1987, C. 617;*

9

*Eff. February 1, 1976;*

10

*Readopted Eff. September 21, 1977;*

11

*Amended Eff. August 1, ~~1988-1988~~;*

12

*Readopted Eff. January 1, 2023.*

13

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .1004

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*In (1), line 6, what is meant by "when the member first entered service"? First year?*

*Similarly, in (2), line 8, what does "at that time" mean?*

*G.S. 128-26(j) was "repealed by Session Laws 1987, c. 617, s. 3." What is the authority for this Rule? Is it 128-26(j2)?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .1004 is readopted with changes as published in 36:23 NCR, page 1855, as follows:

2  
3

4 **20 NCAC 02C .1004 COMPUTATION OF COST**

5 The cost of purchasing credit for out-of-state service is calculated as follows:

- 6 (1) the monthly compensation the member earned when the member ~~he~~ first entered membership  
7 service; multiplied by~~times~~  
8 (2) the employee contribution rate at that time; ~~times~~multiplied by  
9 (3) the number of months of out-of-state service for which credit is to be purchased; ~~times~~multiplied by  
10 (4) two; plus  
11 (5) a factor equivalent to interest at the rate of six and one-half percent, compounded annually, from the  
12 year of initial membership to the year of payment.

13  
14  
15  
16  
17  
18

*History Note: Authority G.S. 128-26(j); 128-28(g);  
Eff. February 1, 1976;  
Readopted Eff. September 21, ~~1977~~.1977;  
Readopted Eff. January 1, 2023.*

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .1006

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*G.S. 128-26(j) was "repealed by Session Laws 1987, c. 617, s. 3." What is the authority for this Rule? Is it 128-26(j2)?*

*This appears to be one long run-on sentence. Please consider rewriting for clarity and brevity.*

*Please correct the reference to the repealed statute on line 6.*

*How is the regulated public to know what the "law in effect at the time" of retirement?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .1006 is readopted as published in 36:23 NCR, page 1855, as follows:

2

3

4 **20 NCAC 02C .1006 RECALCULATION OF BENEFITS**

5 For members already retired who ~~avail themselves of the provisions for obtaining credit for out of state~~  
6 ~~service,~~ purchase service under G.S. 128-26(j), any recalculation of benefits shall be based on the law in effect at the  
7 time of the individual's retirement including the additional service credit and effect shall be given for all benefit  
8 increases subsequent to the date of retirement which shall be a part of the total cost of providing the additional service  
9 credit.

10

11 *History Note: Authority G.S. 128-26(j); 128-28(g);*

12 *Eff. February 1, 1976;*

13 *Readopted Eff. September 21, ~~1977~~1977;*

14 *Readopted Eff. January 1, 2023.*

15

REQUEST FOR CHANGES PURSUANT TO G.S. 150B-21.10

AGENCY: Local Governmental Employees' Retirement System Board of Trustees

RULE CITATION: 20 NCAC 02C .1007

**DEADLINE FOR RECEIPT: Friday, December 9, 2022.**

***PLEASE NOTE: This request may extend to several pages. Please be sure you have reached the end of the document.***

The Rules Review Commission staff has completed its review of this Rule prior to the Commission's next meeting. The Commission has not yet reviewed this Rule and therefore there has not been a determination as to whether the Rule will be approved. You may email the reviewing attorney to inquire concerning the staff recommendation.

In reviewing this Rule, the staff recommends the following changes be made:

*G.S. 128-26(j) was "repealed by Session Laws 1987, c. 617, s. 3." What is the authority for this Rule? Is it 128-26(j2)?*

Please retype the rule accordingly and resubmit it to our office at 1711 New Hope Church Road, Raleigh, North Carolina 27609.

Brian Liebman  
Commission Counsel  
Date submitted to agency: 12/9/22

1 20 NCAC 02C .1007 is readopted as published in 36:23 NCR, page 1855, as follows:

2

3 **20 NCAC 02C .1007 CHANGE IN BENEFITS**

4 For members already retired, any change in benefits resulting from the provisions for obtaining credit for out-of-state  
5 service shall become effective as of the first of the month following receipt of the required payment.

6

7 *History Note: Authority G.S. 128-26(j); 128-28(g);*

8

*Eff. February 1, 1976;*

9

*Readopted Eff. September 21, ~~1977-1977~~;*

10

*Readopted Eff. January 1, 2023.*

11