

1 20 NCAC 02L .0101 is readopted with changes as published in 36:23 NCR, page 1839, as follows:

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4 **SUBCHAPTER 02L - SEPARATE INSURANCE BENEFIT PLAN FOR STATE AND LOCAL**
5 **GOVERNMENTAL LAW ENFORCEMENT OFFICERS**

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7 **SECTION .0100 - GENERAL PROVISIONS**

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9 **20 NCAC 02L .0101 GENERAL INFORMATION**

10 The following is general information about the Separate Insurance Benefit Plan for State and Local Governmental
11 Law Enforcement Officers'~~Officers'~~ Separate Benefit Plan:

- 12 (1) The ~~Director chief officer~~ is the Director of the Retirement ~~Systems~~ Systems Division;
- 13 (2) The mailing address is Retirement Systems Division, Department of State Treasurer, 3200 Atlantic
14 Avenue, Raleigh, North Carolina 27604;
- 15 (3) The office is located ~~at in the Longleaf Building~~, 3200 Atlantic Avenue, Raleigh, North Carolina.

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17 *History Note: Authority G.S. 143-166.60;*
18 *Eff. August 1, 1983;*
19 *Amended Eff. September 1, ~~2019~~ 2019;*
20 *Readopted Eff. January 1, 2023.*
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1 20 NCAC 02L .0103 is readopted as published in 36:23 NCR, page 1839, as follows:

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3 **20 NCAC 02L .0103 DEFINITIONS**

4 The following words as used in this Subchapter, unless a different meaning is clearly required by the context, shall
5 have the following meanings:

6 (1) ~~"Employer" shall mean the State of North Carolina and any city, town, county or other political~~
7 ~~subdivision thereof.~~ (1) "Medical Board" shall mean any of the Medical Boards established
8 under G.S. 128-28(l), G.S. 135-6(k), or G.S. 135-102(d).

9 (2) "Officer" shall mean a law enforcement officer as defined in G.S. ~~128-21(11d)~~ ~~143-166.30(a)(4)~~
10 and G.S. ~~135-1(11c)~~ ~~143-166.50(a)(3)~~.

11 (3) "Officer Trainee" shall mean a cadet or officer trainee who is a full-time employee enrolled in
12 training schools or academies of the state and any political subdivision thereof and who will become
13 an officer at the completion of the training.

14 (4) "Participant" shall mean an officer or officer ~~trainee~~ ~~trainee~~, ~~who has established eligibility for~~
15 ~~benefits under the Separate Benefit Plan and who has obtained written approval for such eligibility.~~

16 (5) "Separate Insurance Benefit Plan" shall mean the employee welfare benefit plan created in G.S.
17 143-166.60.

18 (6) "Service" shall mean service as an officer for which compensation is paid.

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20 *History Note: Authority G.S. 143-166.60;*

21 *Eff. August 1, 1983;*

22 *Amended Eff. August 1, 1988; April 1, ~~1985-1985~~;*

23 *Readopted Eff. January 1, 2023.*

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1 20 NCAC 02L .0202 is repealed through readoption as published in 36:23 NCR, page 1839, as follows:

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4 **20 NCAC 02L .0202 RETIRED MEMBERS**

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6 *History Note: Authority G.S. 143-166.60;*

7 *Eff. August 1, ~~1983~~, 1983;*

8 *Repealed Eff. January 1, 2023.*

9

1 20 NCAC 02L .0302 is repealed through readoption as published in 36:23 NCR, page 1839, as follows:

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4 **20 NCAC 02L .0302 ACCIDENT AND HOSPITAL BENEFITS**

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6 *History Note: Authority G.S. 143-166.60;*

7 *Eff. August 1, ~~1983~~, 1983;*

8 *Repealed Eff. January 1, 2023.*

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1 20 NCAC 02M .0101 is amended as published in 36:23 NCR, page 1840, as follows:

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4 **SUBCHAPTER 2M - CONTRIBUTORY DEATH BENEFIT FOR RETIRED MEMBERS**

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7 **SECTION .0100 - DEFINITIONS AND GENERAL PROVISIONS**

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10 **20 NCAC 02M .0101 DEFINITIONS**

11 The following definitions apply to the Contributory Death Benefit for Retired Members:

- 12 (1) "Retired member" shall mean a former teacher, employee or official in receipt of a monthly
13 retirement allowance or who has a terminated retirement allowance resulting from reemployment
14 ~~or an optional payment selection (Option 4) from the Teachers' and State Employees' Retirement~~
15 ~~System, Local Governmental Employees' Retirement System, Consolidated Judicial Retirement~~
16 ~~System, or Legislative Retirement System or Legislative Retirement Fund;~~ however, ~~retired~~
17 ~~member~~ "retired member" shall not mean any beneficiary in receipt of a monthly retirement
18 allowance by reason of the death of a retired member or former teacher, employee or official.
- 19 (2) "Member" shall mean a retired member of the Teachers' and State Employees' Retirement System,
20 Local Governmental Employees' Retirement System, Consolidated Judicial Retirement System,
21 Legislative Retirement System or Legislative Retirement Fund who has elected coverage and who
22 makes continuous contributions under the Contributory Death Benefit for Retired Members.
- 23 (3) "Surviving spouse" shall mean a living person who is legally married to a member covered under
24 the Contributory Death Benefit for Retired Members at the date of death of the member.
- 25 (4) "Legal representative" shall mean the administrator or executor of the estate of a member or the
26 collector of funds for the estate of the member.
- 27 (5) "Retirement system" shall mean the Teachers' and State Employees' Retirement System, Local
28 Governmental Employees' Retirement System, Consolidated Judicial Retirement System, or
29 ~~Legislative Retirement System or Legislative Retirement Fund.~~
- 30 (6) "Boards of Trustees of the Contributory Death Benefit for Retired Members" shall mean the Boards
31 of Trustees of the Teachers' and State Employees' Retirement System and the Local Governmental
32 Employees' Retirement System, each acting in accordance with the provisions of G.S. 128-
33 28(f1) and G.S. 135-6(e1).

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35 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(l2); 128-28(g); 135-5(l);*
36 *135-6(f); 135-64(g);*
37 *Eff. February 1, 1989-1989;*
38 *Amended Eff. January 1, 2023.*
39

1 20 NCAC 02M .0102 is amended as published in 36:23 NCR, page 1840, as follows:

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4 **20 NCAC 02M .0102 AGENCY AND AUTHORITY OF DIRECTOR**

5 (a) The mailing address for agency acting on behalf of the Board of Trustees of the Contributory Death Benefit for
6 Retired Members is the Retirement Systems Division, Department of State Treasurer, Retirement Systems Division,
7 3200 Atlantic Avenue, Raleigh, North Carolina 27604.

8 (b) The Director of the Retirement Systems Division shall make decisions administratively as it relates to the
9 Contributory Death Benefit for Retired Members in accordance with the statutes and rules and regulations adopted by
10 the Boards of Trustees and previous decisions of the Boards of Trustees. Appeals may be made from the decisions of
11 the ~~director~~Director under the same procedures used for contested cases.

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13 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(l2); 128-28(g); 135-5(l); 135-6(f); 135-64(g);*

14 *Eff. February 1, 1989;*

15 *Amended Eff. September 1, ~~2019~~2019;*

16 *Amended Eff. January 1, 2023.*

17

1 20 NCAC 02M .0104 is repealed as published in 36:23 NCR, page 1840, as follows:

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3 **20 NCAC 02M .0104 TIME AND DATE**

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5 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(12); 128-28(g); 135-5(1);*

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135-6(f); 135-64(g);

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Eff. April 1, ~~1989~~1989;

8

Repealed Eff. January 1, 2023.

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1 20 NCAC 02M .0201 is amended as published in 36:23 NCR, page 1840, as follows:

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3 **SECTION .0200 - ELECTION AND CANCELLATION OF COVERAGE**

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6 **20 NCAC 02M .0201 ELIGIBILITY TO ELECT COVERAGE**

7 (a) A retired member in receipt of a monthly retirement allowance as a former teacher, employee or official of more
8 than one of the ~~retirement~~Retirement systems~~Systems~~ is eligible to elect coverage under each ~~retirement~~Retirement
9 ~~system~~System from which the member receives a retirement benefit; however, if a retired member is receiving more
10 than one retirement benefit from the same ~~retirement~~Retirement system, System, ~~the member~~he may elect coverage
11 only on the basis of one retirement ~~benefit~~benefit from that Retirement System.

12 (b) A former teacher, employee or official in receipt of disability benefits from the Disability Income Plan of North
13 Carolina is not in receipt of a retirement allowance and is not eligible to elect coverage under the Contributory Death
14 Benefit for Retired Members until such time as the disability benefit is converted to ~~an unreduced~~ service retirement
15 allowance.

16
17 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(12); 128-28(g); 135-5(l);*
18 *135-6(f); 135-64(g);*
19 *Eff. February 1, ~~1989~~1989;*
20 *Amended Eff. January 1, 2023.*

1 20 NCAC 02M .0202 is amended as published in 36:23 NCR, page 1840, as follows:

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4 **20 NCAC 02M .0202 WHEN FIRST ELIGIBLE**

5 A retired member's eligibility to make an election for coverage is based on the following:

6 (1) If retired on or before June 1, 1988, the words "when first eligible" to make an election for coverage
7 will mean 60 days from July 1, 1988 or no later than September 1, 1988.

8 (2) If retiring on or after July 1, 1988, the words "when first eligible" to make an election for coverage
9 will mean 60 days from the effective date of retirement under the ~~retirement~~Retirement
10 ~~system~~System.

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12 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(l2); 128-28(g); 135-5(l);*

13 *135-6(f); 135-64(g);*

14 *Eff. February 1, 1989.*

15 *Amended Eff. January 1, 2023.*

16

1 20 NCAC 02M .0206 is amended as published in 36:23 NCR, page 1841, as follows:

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4 **20 NCAC 02M .0206 REINSTATEMENT**

5 Upon cancellation of coverage, coverage cannot be ~~reinstated~~reinstated, nor can a retired member reapply for
6 coverage.

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8 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(12); 128-28(g); 135-5(l);135-6(f); 135-64(g);*

9

Eff. February 1, ~~1989~~1989;

10

Amended Eff. January 1, 2023.

11

1 20 NCAC 02M .0301 is amended as published in 36:23 NCR, page 1841, as follows:

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4 **SECTION .0300 - CONTRIBUTIONS AND BENEFITS**

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6 **20 NCAC 02M .0301 CONTRIBUTION RATES**

7 (a) The monthly contribution rates shall be established by resolution of the Boards of Trustees as recommended by
8 the consulting actuary. The consulting actuary in making a recommended schedule of monthly contribution rates shall
9 take into consideration mortality experience, selection experience, actuarial interest rate assumption which may be
10 different from the interest rate assumption used in the valuation of the liabilities of the ~~retirement~~Retirement
11 ~~system, System~~, administrative and investment costs, and such other factors as may be appropriate in establishing such
12 schedule of monthly contribution rates.

13 (b) The schedule of monthly contribution rates established by resolution of the Boards of Trustees adopted on March
14 19, 1988, is as follows:

15	Age at	Monthly Rate
16	Effective Date	For Life
17		
18		
19	Less than 50	\$8
20	50	8
21	51	9
22	52	10
23	53	10
24	54	11
25	55	12
26	56	12
27	57	13
28	58	14
29	59	15
30	60	16
31	61	17
32	62	18
33	63	20
34	64	21
35	65	22
36	66	24
37	67	26
38	68	27
39	69	29
40	70	31
41	71	33
42	72	35
43	73	38
44	74	40
45	75	43
46	76	46
47	77	49
48	78	52
49	79	56

1	80	59
2	81	63
3	82	67
4	83	71
5	84	75
6	85	80
7	86	84
8	87	89
9	88	94
10	89	99
11	90	105
12	91	110
13	92	115
14	93	120
15	94	125
16	95	130
17	96	140
18	97	150
19	98	160
20	99	170
21	100 and over	200

22
23 The schedule of monthly contribution rates shall be applicable for members electing coverage effective on or after
24 July 1, 1988 and shall remain in effect until such resolution, as duly adopted by the Boards of Trustees, revises such
25 schedule of monthly contribution rates.

26 (c) The Boards of Trustees may from time to time revise by resolution the schedule of monthly contribution rates as
27 may be recommended by the consulting actuary for teachers, employees and officials retiring and electing an effective
28 date of coverage after the effective date of the revision. Such revision may be, but is not required to be, applicable to
29 members electing coverage prior to the effective date of the revision provided that such revised rates shall not be
30 greater than the rates in effect at the effective date of coverage for those members electing an effective date of coverage
31 prior to the effective date of the revision.

32
33 *History Note:* Authority G.S. 120-4.10; 120-4.27; 128-27(12); 128-28(g); 135-5(1); 135-6(f); 135-64(g);
34 Eff. February 1, 1989-1989;
35 Amended Eff. January 1, 2023.

36

1 20 NCAC 02M .0302 is amended as published in 36:23 NCR, page 1841, as follows:

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4 **20 NCAC 02M .0302 MEMBER CONTRIBUTION**

5 (a) The monthly contribution rate paid by a member shall be based on the member's nearest age as of the effective
6 date of coverage and the applicable rates as of that date as set by the Boards of Trustees and will remain the same as
7 long as the coverage is in effect.

8 (b) Any misstatement as to the age of the member which causes the contribution of the member to have been paid at
9 a ~~greater~~^{higher} or ~~lesser~~^{lower} rate during the period of the coverage of the member not paid or refunded prior to the
10 death of the member will result in any underpayment of contributions being offset against the death benefit and any
11 overpayment of contributions being paid to the person or persons designated by the member or, if the member has not
12 designated a beneficiary, to the surviving spouse, or if not survived by a designated beneficiary or spouse, to
13 the ~~or~~ legal representative, representative for the correct age of the member.

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15 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(l2); 128-28(g); 135-5(l);*

16 *135-6(f); 135-64(g);*

17 *Eff. February 1, ~~1989~~-1989;*

18 *Amended Eff. January 1, 2023.*

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1 20 NCAC 02M .0303 is amended as published in 36:23 NCR, page 1842, as follows:

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20 NCAC 02M .0303 PAYMENT OF CONTRIBUTION

(a) The monthly contributions of members covered under the Contributory Death Benefit for Retired Members are to be paid monthly to the Contributory Death Benefit Trust for Retired Members beginning in the month in which coverage becomes effective and shall continue each month thereafter.

(b) Payment of the monthly contributions shall be deducted from a member's net monthly retirement allowance from the ~~retirement~~Retirement system~~System~~ if member's net monthly retirement allowance, after other required deductions, is sufficient to cover the cost of the contribution; however, if the net monthly retirement allowance from the ~~retirement~~Retirement system~~System~~ is not sufficient to cover the cost of the contribution, the Retirement Systems Division shall provide the member a Notice of Contribution Due within ten days after the determination of insufficiency with payment of monthly contributions due not later than the 25th of the month following the determination of insufficiency, and thereafter a Notice of Contribution Due shall be provided between the first and the fifth of each month with payment due on or before the 25th of that month.

(c) The contribution due for the month in which the member's death occurs is to be paid from the final monthly retirement benefit due in the month of death, or by payment from the member's surviving spouse or legal representative; provided that, if member's death occurs during the 24-month period from the effective date of coverage, the deduction and/or payment of the contribution for the month in which death occurs may be waived.

(d) Once coverage is elected, the required monthly contribution must be paid in order to maintain coverage regardless of any condition which might occur that would terminate or diminish the retirement benefit the retired member is receiving, such as reemployment ~~or and~~ the reduction or termination of retirement benefits by reason of ~~an optional payment plan~~ an optional form of retirement allowance selected by the retired member at retirement.

History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(12); 128-28(g); 135-5(l); 135-6(f); 135-64(g); Eff. February 1, 1989. 1989; Amended Eff. January 1, 2023.

1 20 NCAC 02M .0304 is repealed as published in 36:23 NCR, page 1842, as follows:

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3 **20 NCAC 02M .0304 AMOUNT OF BENEFIT PAYABLE**

4

5 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(l2); 128-28(g); 135-5(l);*

6 *135-6(f); 135-64(g);*

7 *Eff. February 1, ~~1989~~1989;*

8 *Repealed Eff. January 1, 2023.*

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1 20 NCAC 02M .0305 is amended as published in 36:23 NCR, page 1842, as follows:

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4 **20 NCAC 02M .0305 PAYMENT OF INTEREST ON BENEFIT**

5 Interest payable on the monthly contributions of a member where member's death occurs prior to the first day of the
6 month following the 24th month of coverage:

7 (1) The annual rate of interest shall be set from time to time by resolution of the ~~Board~~Boards of
8 Trustees and, in setting such annual rate of interest, the ~~Board~~Boards of Trustees may take into
9 consideration the actuarial interest rate assumption, yields realized and anticipated on short-term
10 investments, cost of investing and administration, and such other factors affecting interest rates as
11 may be appropriate.

12 (2) Such interest as set by the ~~Board~~Boards of Trustees shall be computed on each monthly payment
13 from the end of the month in which the monthly payment is paid and on the balance of the monthly
14 contributions and interest at the beginning of the calendar year to the end of the month in which the
15 member dies.

16 (3) The interest rate established by resolution of the Boards of Trustees, adopted on January 28, 1988,
17 is 6 1/2 percent.

18

19 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(l2); 128-28(g); 135-5(l);*

20 *135-6(f); 135-64(g);*

21 *Eff. February 1, ~~1989~~1989;*

22 *Amended Eff. January 1, 2023.*

23

1 20 NCAC 02M .0307 is amended as published in 36:23 NCR, page 1842, as follows:

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4 **20 NCAC 02M .0307 BENEFITS PAYABLE AFTER CANCELLATION**

5 Should death of a former member occur on or after the effective date of cancellation of coverage, benefits under the
6 Contributory Death Benefit for Retired Members shall not be due and shall not be payable.

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8 *History Note: Authority G.S. 120-4.10; 120-4.27; 128-27(12); 128-28(g); 135-5(l);*

9

135-6(f); 135-64(g);

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Eff. February 1, ~~1989~~1989;

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Amended Eff. January 1, 2023.

12