

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

2
3 **SECTION .0100 - GENERAL PROVISIONS**

4
5 **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 and physical address is Retirement Systems Division, 3200 Atlantic Avenue,
9 Raleigh, North Carolina 27604, 27604;

10 ~~(3) The office is located in the Longleaf Building, 3200 Atlantic Avenue, Raleigh, North Carolina.~~

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

13 *Eff. February 1, 1976;*

14 *Readopted Eff. September 21, 1977;*

15 *Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. October 21,*
16 *2018;*

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

18 *Amended Eff.*

1 20 NCAC 02C .0201 is ~~repealed through readoption~~ ~~readopted~~ as published in 36:23 NCR, page 1851, as follows:
2 follows; the Rule was originally proposed to be amended, but it is repealed:

3
4 SECTION .0200 - ADMINISTRATION

5
6
7 20 NCAC 02C .0201 ACTUARIAL TABLES: RATES AND ASSUMPTIONS

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

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

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

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

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

26
27 *History Note: Authority G.S. 128-27(m); 128-28(g);*
28 *Eff. February 1, 1976;*
29 *Readopted Eff. September 21, 1977;*
30 *Amended Eff. August 1, 1981-1981;*
31 ~~*Readopted*~~ *Repealed Eff.*
32

1 20 NCAC 02C .0204 is repealed through readoption ~~readopted~~ as published in 36:23 NCR page 1852, as follows:
2 follows; the Rule was originally proposed to be amended, but it is repealed:

3

4 **20 NCAC 02C .0204 FACILITY OF PAYMENT**

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

7

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

9

Eff. February 1, 1976;

10

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

11

~~Readopted~~ Repealed Eff.

12

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

2
3

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

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

14

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

2

3

SECTION .0300 - BENEFICIARIES

4

5

20 NCAC 02C .0301 DESIGNATION

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

15

1 20 NCAC 02C .0302 is readopted as published in 36:23 NCR, page 1852, with changes, 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 principal
7 beneficiary for the return of accumulated contributions, those surviving principal beneficiaries shall share equally in
8 the total benefits. However, if there is only one living designated principal beneficiary for the return of accumulated
9 contributions at the member's death and the member has met all other requirements under the provisions of G.S. 128-
10 27(m), the designated principal beneficiary may elect to receive the alternative benefit under the provisions of G.S.
11 128-27(m).

12 (b) More than one principal beneficiary may be designated for the death benefit of an active member or a retired
13 member under the provisions of G.S. 128-27(l), 128-27(11), or 128-27(16) to share equally. In the event of the death
14 of any so designated principal ~~beneficiary(ies)~~ beneficiary for the death benefit of an active member or retired
15 member, those surviving principal ~~beneficiary(ies)~~ beneficiaries shall share equally in the total benefits.

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

24
25 *History Note: Authority G.S. ~~128-27(f); 128-27(g); 128-27(g1); 128-27(l); 128-27(11); 128-27(16); 128-28(g);~~*
26 *Eff. February 1, 1976;*
27 *Readopted Eff. September 21, ~~1977~~.1977;*
28 *Readopted Eff.*

1 20 NCAC 02C .0303 is readopted with changes, as published in 36:23 NCR, page 1852, with changes 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]~~ administrator or executor of the
7 estate or the collector of funds for the estate of the member.

8

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

10 *Eff. February 1, 1976;*

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

12 *Readopted Eff.*

13

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

2
3 **20 NCAC 02C .0304 PAYMENTS TO BENEFICIARIES**

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

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

11
12 *History Note: Authority G.S. 128-27(g); 128-28(g);*
13 *Eff. February 1, 1976;*
14 *Readopted Eff. September 21, 1977.1977;*
15 *Readopted Eff.*
16

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

2
3
4 **20 NCAC 02C .0306 BENEFICIARY CHANGE**

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

9 (1) ~~The guaranteed refund under the provisions of G.S. 128-27(g1) until such time as the funds have~~
10 ~~been depleted; or~~

11 (2) ~~The death benefit for active members under the provisions of G.S. 128-27(l) or 128-27(11) provided~~
12 ~~the change is submitted within 180 calendar days after the member's last active day of service; until~~
13 ~~such time as the retired member's last day of active service is greater than 180 days prior to the~~
14 ~~change; or~~

15 (3) ~~The death benefit for retired members under the provisions of G.S. 128-27(l6).~~

16 ~~Any such change must be submitted~~ The member shall submit any such change to the ~~board~~Board of
17 ~~trustees. Trustees. Trustees using the form approved by the Board of Trustees for designation of the beneficiary for~~
18 ~~that purpose. using the appropriate form.~~

19
20 *History Note: Authority G.S. 128-27(g); 128-27(g1); 128-27(l); 128-27(11); 128-27(l6); 128-28(g);*
21 *Eff. February 1, 1976;*
22 *Readopted Eff. September 21, ~~1977.~~1977;*
23 *Readopted Eff.*
24

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

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

5 (a) ~~The following shall apply to designating~~ Designating a contingent beneficiary for the return of accumulated
6 contributions under the provisions of G.S. 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~~ beneficiary(ies) predecease the member, payment of
9 the amount due, if any, shall be made to the designated contingent beneficiary or beneficiaries
10 ~~beneficiary(ies)~~ for the return of accumulated 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 beneficiaries
13 ~~beneficiary(ies)~~ designated for the return of accumulated contributions, sharing equally in the total
14 benefits payable, 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 beneficiaries ~~beneficiary(ies)~~ designated for the return of accumulated contributions, sharing equally
18 in the total benefits, only in the event that there is no surviving principal beneficiary designated for
19 the return of accumulated contributions.

20 (b) ~~The following shall apply to designating~~ Designating a contingent beneficiary for the death benefit under the
21 provisions of G.S. 128-27(1), 128-27(11), or 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~~ beneficiary(ies) predecease the
24 member, payment of the amount due, if any, shall be made to the designated contingent beneficiary
25 or beneficiaries ~~beneficiary(ies)~~ for 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 beneficiaries ~~beneficiary(ies)~~ designated for the
28 death benefit, sharing equally in the total benefits payable, and shall not be paid to any contingent
29 beneficiary.

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

34 (c) ~~The following shall apply to designating~~ Designating a contingent beneficiary for the guaranteed refund under the
35 provisions of G.S. 128-27(g1):

36 (1) A principal beneficiary may be designated for the guaranteed refund with the stipulation that should
37 the principal beneficiary ~~beneficiary(ies)~~ predecease the member, payment of the amount due, if

1 any, shall be made to the designated contingent ~~beneficiary or beneficiaries~~ beneficiary(ies) for the
2 guaranteed refund.

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

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

11
12 *History Note:* Authority G.S. 128-27(f); 128-27(g1); 128-27(l); 128-27(11); 128-27(16); 128-28(g);
13 *Eff.*
14

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

2

3

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

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

7

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

9

Eff. February 1, 1976;

10

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

11

Readoption Eff.

12

1 20 NCAC 02C .0403 is readopted as published in 36:23 NCR, page 1853, **with changes**, 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** ~~[pension accumulation fund]~~ by the employer in the amount equal to a percentage of
6 the actual compensation of each member, in cases of erroneous employee deductions except those which are corrected
7 by the employing unit on a subsequent payroll within the calendar year in which the errors occur. ~~The only exception~~
8 ~~to this Rule is that an error occurring in December may be corrected (without loss of the employer contribution) by~~
9 ~~submission of a revised 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 [corrected (and]
11 the associated employer contribution be refunded in the form of a credit toward future required employer contributions,
12 [contributions)] by the employer's submission of a revised payroll report for the correct amount before January 31 of
13 the following year.

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

19

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

21 *Eff. February 1, 1976;*

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

23 *Readopted Eff.*

24

1 20 NCAC 02C .0404 is readopted as published in 36:23 NCR, page 1854, with changes, 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 office offices of the Retirement System no later
6 than the fifth State government working day of the month succeeding the month for which the contributions are
7 required. 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.*

12

13

14

1 20 NCAC 02C .0405 is repealed as published in 36:23 NCR, page 1854, as follows:

2

3

4 **20 NCAC 02C .0405 ANTI-PENSION SPIKING CONTRIBUTION-BASED BENEFIT CAP FACTOR**
5 **(LGERS)**

6

7 *History Note: Authority G.S. 128-26(y); 128-27(a3); 128-28(g);*

8 *Eff. May 1, ~~2018~~ 2018;*

9 *Repealed Eff.*

10

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

2
3 **SECTION .0500 - DISABILITY RETIREMENT**

4
5
6 **20 NCAC 02C .0501 DISABILITY EXAMINATION**

7 The ~~director~~Director Medical Board is authorized to conduct an ~~examinations~~examination in doubtful cases of
8 disability to determine ~~the condition of the disability,~~ whether the member continues to be eligible for a disability
9 retirement pursuant to G.S. 128-27(c), paying the expense of the same from the Pension Accumulation Fund. ~~pension~~
10 ~~accumulation fund.~~

11
12 *History Note: Authority G.S. 128-22; 128-27(c); 128-28(g);*

13 *Eff. February 1, 1976;*

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

15 *Readopted Eff.*

1 20 NCAC 02C .0502 is readopted with changes as published in 36:23 NCR, page 1854, with changes, 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 in, or is able to engage in in, a gainful occupation, any adjustment required by G.S. 128-27(e)(1) will be
7 made prospectively only only; and will not relate back so as to require any refund to the State state of payments made
8 during the period 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.*

14

1 20 NCAC 02C .0503 is repealed through readoption as published in 36:23 NCR, page 1854, follows:

2

3 **20 NCAC 02C .0503 FEES: INDEPENDENT MEDICAL EXAMS-DISABILITY RETIREMENTS**

4

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

6 *Eff. February 1, 1976;*

7 *Readopted Eff. September 21, 1977;*

8 *Amended Eff. August 1, ~~1981-1981~~;*

9 *Repealed Eff.*

10

1 20 NCAC 02C .0504 is readopted as published in 36:23 NCR, page 1854, **with changes**, 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. **128-28(g)**; 128-29(b); ~~128-28(g)~~;

8

Eff. February 1, 1976;

9

Readopted Eff. September 21, 1977-1977;

10

Readopted Eff.

11

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

2
3
4 **20 NCAC 02C .0704 WORKERS' COMPENSATION LEAVES OF ABSENCE**

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

8 ~~(a) (b) Purchases of creditable service for leaves of absence prior to July 1, 1983 shall be made in the same manner~~
9 ~~as prescribed in [Section] 20 NCAC 2C02C .1500 .1500, as then effective. DELAYED PURCHASE OF SERVICE~~
10 ~~CREDITS. A fee in the amount of twenty five dollars (\$25.00) for each payment will be assessed members at the~~
11 ~~time of purchase as provided by law.~~

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

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

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

25
26 *History Note: Authority G.S. 128-26(1); 128-28(g);*
27 *Eff. December 1, 1983;*
28 *Amended Eff. August 1, 1988-1988;*
29 *Readopted Eff.*
30

1 20 NCAC 02C .0901 is readopted with changes as published in 36:23 NCR, page 1854, with changes, 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 shall be
8 permitted to pay back the amount withdrawn, to the extent permitted by law, restore his ~~membership~~ membership, and
9 receive credit for associated the period of ~~his~~ military leave.

10

11 *History Note:* Authority G.S. 128-26(i1); 128-27(f); 128-28(g); S.L. 1987, C. 617;

12 *Eff. February 1, 1976;*

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

14 *Readopted Eff.*

15

1 20 NCAC 02C .0902 is repealed through readoption as published in 36:23 NCR, page 1854, as follows:

2

3 **20 NCAC 02C .0902 FEE**

4

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

6 *Eff. February 1, 1976;*

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

8 *Repealed Eff.*

9

1 20 NCAC 02C .0904 is amended as published in 36:23 NCR, page 1854, **with changes**, 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); **S.L. 1987, C. 617;**

13

Eff. February 1, 1976;

14

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

15

Amended Eff.

16

1 20 NCAC 02C .0906 is readopted with changes as published in 36:23 NCR, page 1854, with changes, 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 state requires
6 the 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 the Federal
9 Civil Service Program ~~civil service~~ for the same period of military service, provided that the member he makes the
10 required payment.

11

12 *History Note: Authority G.S. 128-26(a); 128-28(g); S.L. 1987, C. 617;*

13

Eff. February 1, 1976;

14

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

15

Readopted Eff.

16

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

2
3 **20 NCAC 02C .0907 EXCLUSION**

4 The exclusion exclusion, for purchase of service in the Armed Forces of the United States as it pertains to credit for
5 any other retirement system system, shall not include "service-connected disability" "service connected disability"
6 benefits received from the Veterans Administration of the Federal Government except when such benefits are a
7 supplement to a "longevity retirement" military longevity retirement ("retired pay") benefit. The term "service
8 connected disability" has the same meaning as used in Title 38, Chapter 11 of the United States Code which is hereby
9 incorporated by reference, including subsequent additions and amendments, and is available online, at no cost, at
10 <https://uscode.house.gov/browse/prelim@title38/part2&edition=prelim>. The term "retired pay" has the same meaning
11 as used in Title 10, Chapter 71 of the United States Code which is hereby incorporated by reference, including
12 subsequent additions and amendments, and is available online, at no cost, at
13 <https://uscode.house.gov/browse/prelim@title10/subtitleA/part2/chapter71&edition=prelim>.

14
15 *History Note: Authority G.S. 128-26(a); 128-28(g); S.L. 1987, C. 617;*

16 *Eff. February 1, 1976;*

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

18 *Readopted Eff.*

1 20 NCAC 02C .0908 is readopted with changes as published in 36:23 NCR page 1855, with changes, 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. The calculation
7 of both the benefit and the cost of the credit shall include the effects of ~~retirement including~~ the additional service
8 credit resulting from the purchase and ~~effect shall be given for~~ all benefit increases subsequent to the date of retirement.
9 ~~retirement which shall be a part of the total cost of providing the additional service credit.~~

10

11 *History Note:* Authority G.S. 128-26(a); 128-28(g); S.L. 1987, C. 617;

12 *Eff. February 1, 1976;*

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

14 *Readopted Eff.*

15

1 20 NCAC 02C .0909 is readopted as published in 36:23 NCR, page 1855, as follows:

2

3

4 **20 NCAC 02C .0909 CHANGE IN BENEFITS**

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

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.

12

1 20 NCAC 02C .1001 is repealed through readoption, as published in 36:23 NCR, page 1855, as follows:

2

3

4

SECTION .1000 - OUT-OF-STATE SERVICE (INCHOATE RIGHTS ONLY)

5

6

7 **20 NCAC 02C .1001 FEE**

8

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

10 *Eff. February 1, 1976;*

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

12 *Repealed Eff.*

13

1 20 NCAC 02C .1002 is readopted with changes as published in 36:23 NCR, page 1855, with changes, 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); S.L. 1987, C. 617;

9

Eff. February 1, 1976;

10

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

11

Readopted Eff.

12

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

2

3

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

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

13

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

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

20 NCAC 02C .1004 COMPUTATION OF COST

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

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

*History Note: Authority G.S. 128-26(j); 128-28(g); S.L. 1987, C. 617;
Eff. February 1, 1976;
Readopted Eff. September 21, ~~1977~~.1977;
Readopted Eff.*

1 20 NCAC 02C .1006 is readopted as published in 36:23 NCR, page 1855, with changes, 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), as repealed by Session Law 1987-617, Section 3, where the text of the
7 repealed statutory provision may be found in the Editor's Note to G.S. 128-26 in the 2021 Edition of the General
8 Statutes of North Carolina, any recalculation of benefits shall be based on the law in effect at the time of the individual's
9 retirement. The calculation of both the benefit and the cost of the credit shall include the effects of retirement including
10 the additional service credit resulting from the purchase and effect shall be given for all benefit increases subsequent
11 to the date of retirement. retirement which shall be a part of the total cost of providing the additional service credit.

12
13
14
15
16
17

History Note: Authority G.S. 128-26(j); 128-28(g); S.L. 1987, C. 617;
Eff. February 1, 1976;
Readopted Eff. September 21, ~~1977~~ 1977;
Readopted Eff.

1 20 NCAC 02C .1007 is readopted as published in 36:23 NCR, page 1855, **with changes**, 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); **S.L. 1987, C. 617;**

8

Eff. February 1, 1976;

9

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

10

Readopted Eff.

11

1 20 NCAC 02C .1201 is repealed through readoption as published in 36:23 NCR, page 1855, as follows:

2

3

4

SECTION .1200 - RETIREMENT ALLOWANCES

5

6

7 20 NCAC 02C .1201 SERVICE RETIREMENT

8

9 *History Note: Authority G.S. 128-24(4)a.; 128-28(g);*

10 *Eff. February 1, 1976;*

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

12 *Repealed Eff.*

13

1 20 NCAC 02C .1301 is repealed through readoption as published in 36:23 NCR, page 1855, follows:

2

3

SECTION .1300 - VOLUNTARILY WITHDRAWN CONTRIBUTIONS

4

5

6 **20 NCAC 02C .1301 FEE**

7

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

9

Eff. February 1, 1976;

10

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

11

Repealed Eff.

12

1 20 NCAC 02C .1302 is repealed through readoption as published in 36:23 NCR, page 1855, as follows:

2

3 **20 NCAC 02C .1302 QUALIFYING FOR CREDIT**

4

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

6 *Eff. February 1, 1976;*

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

8 *Repealed Eff.*

9

1 20 NCAC 02C .1501 is repealed through readoption as published 36:23 NCR, page as 1855, follows:

2

3

SECTION .1500 - DELAYED PURCHASE OF SERVICE CREDITS

4

5

6 **20 NCAC 02C .1501 APPLICATION OF SECTION**

7

8

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

10 *Eff. December 1, 1981;*

11 *Amended Eff. March 1, ~~1985~~-1985;*

12 *Repealed Eff.*

13

1 20 NCAC 02C .1503 is repealed through readoption as published in 36:23 NCR, page 1855, as follows:

2

3 **20 NCAC 02C .1503 DEFINITIONS**

4

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

6 *Eff. December 1, 1981;*

7 *Amended Eff. March 1, 1985; June 1, ~~1982, 1982.~~*

8 *Repealed Eff.*

9

1 20 NCAC 02C .1504 is repealed through readoption as published 36:23 NCR, page 1856, as follows:

2

3 **20 NCAC 02C .1504 COMPUTATION OF COST**

4

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

6 *Eff. December 1, 1981;*

7 *Amended Eff. June 1, ~~1982~~, 1982;*

8 *Repealed Eff.*

9

1 20 NCAC 02C .1505 is repealed through readoption as published in 36:23 NCR, page 1856, as follows:

2

3 **20 NCAC 02C .1505 EXTENT OF SERVICE TO BE PURCHASED**

4

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

6

Eff. December 1, ~~1981~~1981;

7

Repealed Eff.

8

9

1 20 NCAC 02C .1506 is repealed through readoption as published 36:23 NCR, page 1856, as follows:

2

3 **20 NCAC 02C .1506 SPECIAL RULE FOR RETIRED APPLICANTS**

4

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

6

Eff. June 1, 1982;

7

Amended Eff. March 1, ~~1985~~-1985;

8

Repealed Eff.

9