

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1693

Short Title: Study D/C Pension Plan.

(Public)

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Sponsors: Representatives Baker; Culp, Gray, Sherrill, and Davis.

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Referred to: Rules, Calendar and Operations of the House.

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June 1, 1998

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE DEFINED CONTRIBUTION PENSION PLAN  
STUDY COMMISSION.

The General Assembly of North Carolina enacts:

Section 1. The Defined Contribution Pension Plan Study Commission is created. The Commission shall consist of 17 voting members as follows:

- (1) Five members of the House of Representatives to be appointed by the Speaker of the House of Representatives;
- (2) Five members of the Senate to be appointed by the President Pro Tempore of the Senate;
- (3) The State Treasurer or the State Treasurer's designee;
- (4) Two members, who are not employees of the State, one of whom is or has been an executive officer of an insurance company, and one of whom is a certified public accountant, to be appointed by the Speaker of the House of Representatives;
- (5) Two members, who are not employees of the State, one of whom is or has been an executive officer of a bank doing business in this state, and one of whom is a practicing actuary, to be appointed by the President Pro Tempore of the Senate;
- (6) Two members, one of whom is currently employed as a public school teacher in the state, and one of whom is a state employee, to be appointed by the Governor.

The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate a cochair from the General Assembly membership

1 serving on the Commission. The Commission shall meet upon the call of the cochairs.  
2 A majority of the Commission shall constitute a quorum for the transaction of business.

3 Section 2. The Commission shall examine the feasibility and desirability of  
4 establishing a defined contribution pension plan to provide portable retirement benefits  
5 for teachers and state employees. The Commission shall work cooperatively with the  
6 Retirement System Division of the Department of State Treasurer to determine whether  
7 a defined contribution plan should replace or be provided as an alternative to the  
8 existing defined benefit plan for future employees. In the course of its study and in  
9 making any recommendations, the Commission shall consider:

- 10 (a) The costs and other fiscal implication for the state in creating a defined  
11 contribution plan;  
12 (b) The costs and benefits to teachers and state employees, as compared to  
13 the existing plan;  
14 (c) How and by whom such a plan would be administered;  
15 (d) The extent to which the current plan is contractually guaranteed and  
16 the nature of any contract which might be created by a new plan.

17 Section 3. The Commission may contract for consultant services as provided  
18 by G.S. 120-32.02. Upon approval of the Legislative Services Commission, the  
19 Legislative Services Officer shall assign professional and clerical staff to assist in the  
20 work of the Commission. Clerical staff shall be furnished to the Commission through  
21 the offices of the House of Representatives and Senate Supervisors of Clerks. The  
22 Commission may meet in the Legislative Building or the Legislative Office Building  
23 upon the approval of the Legislative Services Commission. The Commission, while in  
24 the discharge of official duties, may exercise all the powers provided under the  
25 provisions of G.S. 120-19 through G.S. 120-19.4, including the power to request all  
26 officers, agents, agencies, and departments of the State to provide any information, data,  
27 or documents within their possession, ascertainable from their records, or otherwise  
28 available to them, and the power to subpoena witnesses.

29 Members of the Commission shall receive per diem, subsistence, and travel  
30 allowances as follows:

- 31 (1) Commission members who are members of the General Assembly, at  
32 the rate established in G.S. 120-3.1;  
33 (2) Commission members who are officials or employees of the State or of  
34 local government agencies, at the rate established in G.S. 138-6; and  
35 (3) All other Commission members at the rate established in 138-5.

36 Section 4. There is appropriated the sum of fifty thousand dollar (\$50,000)  
37 for the 1998-1999 fiscal year to the Defined Contribution Pension Plan Study  
38 Commission to complete the study authorized by this act.

39 Section 5. The Commission shall report the results of its study and its  
40 recommendations to the 1999 General Assembly. The Commission shall terminate  
41 upon filing its report.

42 Section 6. This act is effective when it becomes law.