

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1997**

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**SENATE BILL 350**

Short Title: Supplemental Insurance Benefits/AB.

(Public)

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Sponsors: Senator Soles.

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Referred to: Pensions & Retirement and Insurance.

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March 10, 1997

**A BILL TO BE ENTITLED**

**AN ACT TO AMEND THE LAWS GOVERNING EMPLOYEE INSURANCE  
COMMITTEES TO ALLOW FOR A CENTRAL EMPLOYEE INSURANCE  
COMMITTEE IN THE DEPARTMENT OF HUMAN RESOURCES.**

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-31-60(b) reads as rewritten:

"(b) Appointment of Employee Insurance Committee Members. – The members of the Employee Insurance Committee shall be appointed by the head of the payroll unit. The Committee shall consist of not less than five or more than nine individuals a majority of whom have been employed in the payroll unit for at least one year. The committee members shall, except where necessary initially to establish the rotation herein prescribed, serve three-year terms with approximately one-third of the terms expiring annually. Committee membership make-up shall fairly represent the work force in the payroll unit and be selected without regard to any political or other affiliations. It shall be the duty of the payroll unit head to assure that the Employee Insurance Committee is completely autonomous in its selection of insurance products and insurance companies and that no member of the Employee Insurance Committee has any conflict of interest in serving on the Committee. A committee on employee benefits elected or appointed by the faculty representative body of a constituent institution of The University of North Carolina shall be deemed constituted and functioning as an employee insurance

1 committee in accordance with this section. Any decision rendered by the Employee  
2 Insurance Committee where the autonomy of the Committee or a conflict of interest is  
3 questioned shall be subject to appeal pursuant to the Administrative Procedure Act, or in  
4 the case of departments, boards and commissions which are specifically exempt from the  
5 Administrative Procedure Act, pursuant to the appeals procedure prescribed for such  
6 department, board or commission.

7 ~~All payroll units in existence on May 21, 1985, shall continue to be deemed payroll~~  
8 ~~units, regardless of any subsequent consolidation of such payroll units, for purposes of~~  
9 ~~the appointment of the members of the Employee Insurance Committee in order to assure~~  
10 ~~such units the continuing ability to meet the needs and desires of the employees of such~~  
11 ~~units by having the right to select insurance carriers and insurance products. No~~  
12 ~~Employee Insurance Committee shall be created for employees represented by a~~  
13 ~~previously existing committee. Any such duplicative Employee Insurance Committees~~  
14 ~~are hereby disbanded. In the event of the consolidation of a payroll unit, the head of the~~  
15 ~~former payroll unit shall appoint the members of the Committee in accordance with the~~  
16 ~~provisions of this section."~~

17 Section 2. Effective January 1, 1998, the employee insurance committees of  
18 the Department of Human Resources are abolished and shall be replaced with a single  
19 employee insurance committee, appointed by the Secretary of Human Resources, to  
20 represent all employees of that Department.

21 Section 3. This act becomes effective January 1, 1998. Notwithstanding the  
22 provisions of G.S. 58-31-60(b), as amended by this act, and except as provided in Section  
23 2 of this act, employee insurance committee members serving on the effective date of this  
24 act may continue to serve until the expiration of their terms.