GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H **1**

HOUSE BILL 2016

Short Title:	Open Enrollment/Contributory Death Benefit.	(Public)
Sponsors:	Representatives Insko; Bell, Gill, and Harrison.	
Referred to:	State Government/State Personnel, if favorable, Pensions and Retirement, if favorable, Appropriations.	

May 26, 2010

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR AN OPEN ENROLLMENT PERIOD IN THE CONTRIBUTORY DEATH BENEFIT FOR RETIRED MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1. Notwithstanding any provision of law or any rules adopted by the Boards of Trustees to the contrary, the Retirement Systems Division of the Department of State Treasurer shall allow for an open enrollment period in the Contributory Death Benefit for retired members of the Teachers' and State Employees' Retirement System, the Local Governmental Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. This open enrollment period shall begin February 1, 2011, and end May 31, 2011. The Retirement Systems Division shall send notice by U.S. mail of the open enrollment period to all retirees who elected not to be covered under this benefit or who failed to make any election at the time of their retirement and shall send a second notice by U.S. mail to any such retiree who fails to make an election within 60 days of the notification of the open enrollment period. Notice, at minimum, shall consist of notification of the open enrollment period and the consequences of failure to respond within the specified time frames, informational materials explaining the benefit program and the associated costs, and a preprinted personalized enrollment application to facilitate the enrollment process indicating each individual retiree's contribution rate. The contribution rate for retirees electing coverage during the open enrollment period shall be increased by eleven and one-tenth percent (11.1%), the rate established for retirees who elected coverage when first eligible, at retirement. For retirees electing coverage during this open enrollment period, coverage shall become effective the first of the month following the month in which the election of coverage is received by the Retirement Systems Division but not before February 1, 2011. Contribution rates for coverage shall be based upon the retiree's nearest age as of the effective date of coverage and shall begin by deduction from the retiree's net monthly retirement allowance in the month in which coverage becomes effective. Coverage elected by retirees during this open enrollment period shall be subject to all other laws and rules and regulations adopted by the Board of Trustees governing the Contributory Death Benefit for retired members.

SECTION 2. This act is effective when it becomes law.