

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 473

Short Title: Veterans' Disability Amendment.

(Public)

Sponsors: Senators Martin of Pitt, Warren, Speed, and Jordan.

Referred to: Pensions and Retirement/Insurance/State Personnel

March 23, 1995

A BILL TO BE ENTITLED

AN ACT TO AMEND THE STATE DISABILITY INCOME PLAN AS IT APPLIES
TO DISABLED VETERANS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-105(c) reads as rewritten:

"(c) The monthly benefit as provided in subsection (a) of this section shall be equal to fifty percent (50%) of 1/12th of the annual base rate of compensation last payable to the participant prior to the beginning of the short-term benefit period as may be adjusted for percentage increases as provided under G.S. 135-108 plus fifty percent (50%) of 1/12th of the annual longevity payment to which the participant would be eligible, to a maximum of three thousand dollars (\$3,000) per month reduced by monthly payments for Workers' Compensation to which the participant may be entitled. The monthly benefit shall be further reduced by the amount of any monthly payments from the federal Veterans Administration, any other federal agency, or any payments made under the provisions of G.S. 127A-108, ~~to~~ which the participant or beneficiary may be entitled on account of the same ~~disability~~. disability, except that payments to the participant or beneficiary for the same disability and to which the participant or beneficiary is also or otherwise entitled due to longevity-based retirement shall not be deducted from the monthly benefit. Provided, that should a participant have earnings in an amount greater than the short-term benefit, the amount of the short-term benefit shall

1 be reduced on a dollar-for-dollar basis by the amount that exceeds the short-term
2 benefit."

3 Sec. 2. G.S. 135-106(b) reads as rewritten:

4 "(b) After the commencement of benefits under this section, the benefits payable
5 under the terms of this section shall be equal to sixty-five percent (65%) of 1/12th of the
6 annual base rate of compensation last payable to the participant or beneficiary prior to the
7 beginning of the short-term disability period as may be adjusted for percentage increases
8 as provided under G.S. 135-108, plus sixty-five percent (65%) of 1/12th of the annual
9 longevity payment to which the participant or beneficiary would be eligible, to a
10 maximum of three thousand nine hundred dollars (\$3,900) per month reduced by any
11 primary Social Security disability benefits and by monthly payments for Workers'
12 Compensation to which the participant or beneficiary may be entitled. The monthly
13 benefit shall be further reduced by the amount of any monthly payments from the federal
14 Veterans Administration, any other federal agency or any payments made under the
15 provisions of G.S. 127A-108, ~~to which the participant or beneficiary may be entitled on~~
16 account of the same disability-disability, except that payments to the participant or
17 beneficiary for the same disability and to which the participant or beneficiary is also or
18 otherwise entitled due to longevity-based retirement shall not be deducted from the
19 monthly benefit. Provided, in any event, the benefit payable shall be no less than ten
20 dollars (\$10.00) a month. However, a disabled participant may elect to receive any salary
21 continuation as provided in G.S. 135-104 in lieu of long-term disability benefits;
22 provided such election shall not extend the first 36 consecutive calendar months of the
23 long-term disability period. An election to receive any salary continuation for any part of
24 any given day shall be in lieu of any long-term benefit payable for that day, provided
25 further, any lump-sum payout for vacation leave shall be treated as if the beneficiary or
26 participant had exhausted the leave and shall be in lieu of any long-term benefit otherwise
27 payable. Notwithstanding the foregoing, upon the completion of four years from the
28 conclusion of the waiting period as provided in G.S. 135-104, the beneficiary's benefit
29 shall be reduced by an amount, as determined by the Board of Trustees, equal to a
30 primary Social Security disability benefit to which the beneficiary might be entitled had
31 the beneficiary been awarded Social Security disability benefits. Provided that, in any
32 event, a beneficiary's benefit shall be reduced by an amount, as determined by the Board
33 of Trustees, equal to a primary Social Security retirement benefit to which the beneficiary
34 might be entitled.

35 Notwithstanding the foregoing, the long-term disability benefit is payable so long as
36 the beneficiary is disabled until the earliest date at which the beneficiary is eligible for an
37 unreduced service retirement allowance from the Retirement System, at which time the
38 beneficiary would receive a retirement allowance calculated on the basis of the
39 beneficiary's average final compensation at the time of disability as adjusted to reflect
40 compensation increases subsequent to the time of disability and the creditable service
41 accumulated by the beneficiary, including creditable service while in receipt of benefits
42 under the Plan."

43 Sec. 3. This act becomes effective July 1, 1995.