

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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SENATE BILL 1189

Short Title: Public Employee Special Pay Plan. (Public)

Sponsors: Senator Rand.

Referred to: Appropriations/Base Budget.

June 5, 2002

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH A BOARD OF TRUSTEES FOR THE CREATION AND
3 ADMINISTRATION OF A PUBLIC EMPLOYEE SPECIAL PAY PLAN.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Article 9 of Chapter 143B of the General Statutes is amended
6 by adding a new Part to read:

7 " Part 29. Board of Trustees of the North Carolina
8 Public Employee Special Pay Plan.

9 "**§ 143B-426.41. Board of Trustees of the North Carolina Public Employee Special**
10 **Pay Plan.**

11 (a) The Governor may, by Executive Order, establish a Board of Trustees of the
12 North Carolina Public Employee Special Pay Plan, which when established shall be
13 constituted as an agency of the State of North Carolina within the Department of
14 Administration. The Board shall create, establish, implement, coordinate, and
15 administer a Special Pay Plan for State employees, which shall enhance, and not
16 diminish, existing Special Pay benefits. A Special Pay Plan is a qualified retirement
17 plan, approved by the Internal Revenue Service, that reduces the federal tax burden on
18 special compensation paid to State employees, including bonuses, accumulated sick
19 leave, and accumulated vacation leave.

20 (b) The Board shall consist of three voting members, as follows:

21 (1) The State Controller;

22 (2) The State Budget Officer; and

23 (3) The Secretary of Administration, who shall serve as chairman.

24 Any member may designate in writing, filed with the Board, any employee of his
25 department to act at any meeting of the Board from which the member is absent, to the
26 same extent that the member could act if present at that meeting.

27 (c) The Board may delegate the performance of such of its administrative duties
28 as it deems appropriate, including coordination and administration of the Plan.

1 (d) The Board shall devise a uniform Special Pay Plan for State employees for
2 the investment of special pay funds. The Board may designate appropriate investment
3 vehicles from any company duly authorized to conduct business in this State, or may
4 establish, alter, amend, and modify, to the extent it deems necessary or desirable, a trust
5 for the purpose of facilitating the administration, investment, and maintenance of assets
6 acquired by the investment of Special Pay Plan funds.

7 (e) A majority of the Board shall constitute a quorum for the transaction of
8 business."

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