



**SENATE BILL 469:
Sec. 6: LEO Tech Correct & Sec 22.5: TSERS &
SHP/Charter School Clarification.**

2017-2018 General Assembly

Committee:	House Pensions and Retirement	Date:	December 5, 2018
Introduced by:	Sen. Brown	Prepared by:	Theresa Matula
Analysis of:	Fifth Edition		Committee Staff, Brian Gwyn, Staff Attorney & Education Committee Staff

OVERVIEW: *SB 469, Section 6 would make technical date changes to conform to the effective date of S.L. 2018-22; and Section 22.5 would authorize municipal charter schools to elect participation in the Teachers' and State Employees' Retirement System (TSERS) and the State Health Plan (SHP) for Teachers and State Employees on the same basis as charter schools operated by nonprofit corporations.*

CURRENT LAW: Current law allows charter schools operated by nonprofit corporations to elect to participate in the Teachers' and State Employees' Retirement System (TSERS) and the State Health Plan (SHP) for Teachers and State Employees. **S.L. 2018-3 (HB 514)** authorized the following municipalities to apply to open charter schools and to grant priority enrollment to students domiciled in those towns: Town of Cornelius, Town of Huntersville, Town of Matthews, and the Town of Mint Hill.

SECTION ANALYSIS:

SECTION 6: LEO/TECHNICAL CORRECTION TO RETIREMENT DATES

Section 6 makes technical changes to correct erroneous dates included S.L. 2018-22. This section becomes effective July 1, 2019. (Note: This language is also included in PART VIII of SB 117.)

SECTION 22.5: TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE STATE HEALTH PLAN/CHARTER SCHOOL CLARIFICATION.

Section 22.5(a) amends an education statute, G.S. 115C-218.90(a), pertaining to charter school employees to allow the board of directors of a municipal charter school to elect to become a participating employer in the TSERS and SHP. **Section 22.5(f)** provides that this subsection only applies to the following: Town of Cornelius, Town of Huntersville, Town of Matthews, and the Town of Mint Hill.

Section 22.5(b) and (c) amend the TSERS statutes as follows: 1) to allow creditable service for employment in a charter school operated by a municipality; and 2) to allow the board of directors of a charter school operated by a municipality that has received State Board of Education approval under G.S. 115C-218.5 to elect to become a participating employer in the TSERS.

Section 22.5(d) and (e) amend the SHP statutes as follows: 1) to clarify that G.S. 135-48.47(a) regarding eligibility of employees and dependents of employees of local government units does not apply to employees in a charter school operated by a municipality because 2) these employees are covered by the amendment to G.S. 135-48.54 which allows a charter school operated by a municipality to elect participation in the SHP.

Section 22.5(g) provides that this section is effective when it becomes law.

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