



This Bill Analysis reflects the contents of the bill as it was presented in committee.

HOUSE BILL 1218: Salary-Related Contribs./Debt Service Funds.

2019-2020 General Assembly

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| Committee: | Senate Rules and Operations of the Senate | Date: | June 8, 2020 |
| Introduced by: | Reps. Faircloth, McNeill, Boles, Davis | Prepared by: | Luke Gillenwater Committee Co-Counsel |
| Analysis of: | Second Edition | | |

OVERVIEW: *The PCS to H1218 reduces the State employer salary-related contributions and appropriates funds to be used to meet the State's General Fund debt service obligations.*

BILL ANALYSIS:

Beginning July 1, 2020, **Section 1** would reduce the State employer contribution rates for State retirement benefits and North Carolina State Health Plan for Teachers and State Employees (State Health Plan) benefits.

Section 2 would direct the Office of State Budget and Management to adjust appropriations for the 2020-2021 fiscal year for employer contribution rates for State retirement benefits and State Health Plan benefits for all applicable agencies, departments, and institutions. This represents a decrease in General Fund net appropriations of \$5,048,710 in recurring funds for the 2020-2021 fiscal year.

Section 3 would appropriate the funds made available in Section 1 and Section 2 of the bill for the 2020-2021 fiscal year for purpose of meeting the State's General Fund debt service obligations.

Section 4 contains boilerplate language providing that (i) the State Budget Act is not superseded by this act and (ii) other bills enacted during the 2019 Regular Session of the General Assembly appropriating funds remain in effect.

EFFECTIVE DATE: July 1, 2020.

Amy Jo Johnson, staff attorney, substantially contributed to this summary.

Kory Goldsmith
Director



Legislative Drafting
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