



HOUSE BILL 177: Extend Spiking Moratorium/LGERS Surety.

2021-2022 General Assembly

Committee:	Senate Rules and Operations of the Senate	Date:	June 21, 2022
Introduced by:	Reps. Lambeth, McNeill, Hurley	Prepared by:	Theresa Matula
Analysis of:	Second Edition		Legislative Analyst

OVERVIEW: *House Bill 177 extends the pension-spiking moratorium from June 30, 2022, to June 30, 2023, and requires the Local Governmental Employees' Retirement System's Board of Trustees to adopt rules for eligible employers that do not have taxing authority in order to cover a withdrawal liability should they cease participation in the Retirement System.*

BILL ANALYSIS:

Section 1 extends the pension-spiking moratorium contained in Section 3.2 of S.L. 2021-72 from June 30, 2022, to June 30, 2023, and extends the deadline that the Department of State Treasurer and the NC School Boards Association may report findings and recommendations from a working group from April 1, 2022, to December 15, 2022.

Section 2 amends the Local Governmental Employees' Retirement System to require that any eligible employer that is not a taxing authority and is not a participating employer on September 1, 2023, must obtain a surety in accordance with rules adopted by the Board of Trustees. The rules adopted by the Board must address how an eligible employer that is not a taxing authority will cover a withdrawal liability that could be incurred if the employer ceases participation in the LGERS. The rules must be adopted by the Board by August 1, 2023.

EFFECTIVE DATE: The bill would become effective June 30, 2022.

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