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SENATE BILL DRS35178-MR-29T (02/01)

Short Title: Special Separation Allowance for Firefighters. (Public)

Sponsors: Senators Tarte and Horner (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO CREATE A SPECIAL SEPARATION ALLOWANCE FOR STATE AND  
3 LOCAL FIREFIGHTERS.

4 The General Assembly of North Carolina enacts:

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

7 "Article 12I.

8 "Special Separation Allowances for State and Local Firefighters.

9 **§ 143-166.90. Special separation allowances for State firefighters.**

10 (a) As used in this section, the term "firefighter" shall mean a full-time paid employee  
11 of any State department, agency, or institution actively serving in a position with assigned  
12 primary duties and responsibilities for the prevention, detection, and suppression of fire.

13 (b) Every firefighter who qualifies under this section shall receive, beginning in the  
14 month in which the firefighter retires on a basic service retirement under the provisions of  
15 G.S. 135-5(a), an annual separation allowance equal to eighty-five hundredths percent (0.85%)  
16 of the annual equivalent of the base rate of compensation most recently applicable to the  
17 firefighter for each year of creditable service. The allowance shall be paid in equal installments  
18 on the payroll frequency used by the employer. To qualify for the allowance, the firefighter  
19 shall meet all of the following criteria:

20 (1) The firefighter has either (i) completed 30 or more years of creditable  
21 service or (ii) attained 60 years of age and completed 25 or more years of  
22 creditable service.

23 (2) The firefighter has not attained 62 years of age.

24 (3) The firefighter has completed at least five years of continuous service  
25 rendered on or after July 1, 2017, as a firefighter immediately preceding a  
26 service retirement. Any break in the continuous service required by this  
27 subdivision because of disability retirement or disability salary continuation  
28 benefits shall not adversely affect a firefighter's qualification to receive the  
29 allowance, provided the firefighter returns to service within 45 days after the  
30 disability benefits cease and is otherwise qualified to receive the allowance.

31 (c) As used in this section, "creditable service" means the service for which credit is  
32 allowed under the retirement system of which the firefighter is a member, provided that at least  
33 fifty percent (50%) of the service is as a firefighter.

34 (d) Payment to a retired firefighter under the provisions of this section shall cease upon  
35 the earlier of following:

36 (1) The death of the firefighter.



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1           (2)    The last day of the month in which the firefighter attains 62 years of age.

2           (3)    The first day of reemployment by any State department, agency, or  
3           institution, except that this subdivision does not apply to a firefighter  
4           returning to State employment in a position exempt from the North Carolina  
5           Human Resources Act in an agency other than the agency from which that  
6           firefighter retired.

7           (e)    This section does not affect the benefits to which an individual may be entitled from  
8           State, local, federal, or private retirement systems. The benefits payable under this section shall  
9           not be subject to any increases in salary or retirement allowances that may be authorized by the  
10          General Assembly for employees of the State or retired employees of the State.

11          (f)    The head of each State department, agency, or institution shall determine the  
12          eligibility of employees for the benefits provided under this section.

13          (g)    The Director of the Budget may authorize the transfer of funds within the budgets of  
14          each State department, agency, or institution necessary to carry out the purposes of this section.  
15          These funds shall be taken from those appropriated to the department, agency, or institution for  
16          salaries and related fringe benefits.

17          (h)    The head of each State department, agency, or institution shall make the payments  
18          set forth in subsection (b) of this section to those persons certified under subsection (f) of this  
19          section from funds available in subsection (g) of this section.

20          **"§ 143-166.92. Special separation allowances for local firefighters.**

21          (a)    As used in this section, the term "firefighter" means a person (i) who is a full-time  
22          paid employee of an employer that participates in the Local Governmental Employees'  
23          Retirement System, or an equivalent locally sponsored retirement plan, and maintains a fire  
24          department certified by the North Carolina Department of Insurance and (ii) who is actively  
25          serving in a position with assigned primary duties and responsibilities for the prevention,  
26          detection, and suppression of fire.

27          (b)    Every firefighter who qualifies under this section shall receive an annual separation  
28          allowance beginning in the month in which the firefighter retires on a basic service retirement  
29          under the provisions of G.S. 128-27(a) or a locally sponsored retirement plan. The annual  
30          separation allowance shall be equal to eighty-five hundredths percent (0.85%) of the annual  
31          equivalent of the base rate of compensation most recently applicable to the firefighter for each  
32          year of creditable service. The allowance shall be paid in equal installments on the payroll  
33          frequency used by the employer. To qualify for the allowance, the firefighter shall meet all of  
34          the following criteria:

35               (1)    The firefighter has either (i) completed 30 or more years of creditable  
36               service or (ii) attained 60 years of age and completed 25 or more years of  
37               creditable service.

38               (2)    The firefighter has not attained 62 years of age.

39               (3)    The firefighter has completed at least five years of continuous service  
40               rendered on or after July 1, 2017, as a firefighter immediately preceding a  
41               service retirement. Any break in the continuous service required by this  
42               subdivision because of disability retirement or disability salary continuation  
43               benefits shall not adversely affect a firefighter's qualification to receive the  
44               allowance, provided the firefighter returns to service within 45 days after the  
45               disability benefits cease and is otherwise qualified to receive the allowance.

46          (c)    As used in this section, "creditable service" means the service for which credit is  
47          allowed under the retirement system of which the firefighter is a member, provided that at least  
48          fifty percent (50%) of the service is as a firefighter.

49          (d)    Payment to a retired firefighter under the provisions of this section shall cease upon  
50          the earlier of following:

51               (1)    The death of the firefighter.

1           (2) The last day of the month in which the firefighter attains 62 years of age.

2           (3) The first day of reemployment by a local government employer in any  
3           capacity.

4           Notwithstanding the provisions of subdivision (3) of this subsection, a local government  
5           employer may employ retired firefighters in a public safety position in a capacity not requiring  
6           participation in the Local Governmental Employees' Retirement System or an equivalent  
7           locally sponsored retirement plan, and doing so shall not cause payment to cease to those  
8           firefighters under the provisions of this section.

9           (e) This section does not affect the benefits to which an individual may be entitled from  
10           State, local, federal, or private retirement systems. The benefits payable under this section shall  
11           not be subject to any increases in salary or retirement allowances that may be authorized by  
12           local government employers or for retired employees of local governments.

13           (f) The governing body of each local employer shall determine the eligibility of  
14           employees for the benefits provided under this section.

15           (g) The governing body of each local employer shall make the payments set forth in  
16           subsection (b) of this section to those persons certified under subsection (f) of this section from  
17           funds available."

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