

GENERAL ASSEMBLY OF NORTH CAROLINA
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10747-MRap-147

Short Title: Benefit Parity for EMS/TSERS/LGERS.

(Public)

Sponsors: *To view bill sponsors, refer to the North Carolina General Assembly's web site.*

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ALIGN BENEFITS FOR EMERGENCY MEDICAL SERVICES PERSONNEL
3 WITH BENEFITS FOR LAW ENFORCEMENT OFFICERS UNDER THE TEACHERS'
4 AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL
5 EMPLOYEES' RETIREMENT SYSTEM, THE SUPPLEMENTAL RETIREMENT
6 INCOME PLAN, AND THE SEPARATE INSURANCE BENEFITS PLAN.

7 The General Assembly of North Carolina enacts:

8
9 **PART I. EMS PERSONNEL RETIREMENT BENEFITS UNDER THE TEACHERS'
10 AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE LOCAL
11 GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM**

12 **SECTION 1.1.(a)** G.S. 135-1 is amended by adding a new subdivision to read:

13 **"(9b)** "Emergency medical services personnel" or "EMS personnel" shall mean all
14 full-time employees of any State department, agency, or institution who meet
15 the definition of emergency services personnel under G.S. 131E-155."

16 **SECTION 1.1.(b)** Effective July 1, 2020, G.S. 135-5(a)(4) reads as rewritten:

17 **"(4)** Any member who is a ~~law enforcement officer~~ law enforcement officer or
18 EMS personnel and who attains age 50 and completes 15 or more years of
19 creditable service in this capacity or who attains age 55 and completes five or
20 more years of creditable service in this capacity, may retire upon electronic
21 submission or written application to the Board of Trustees setting forth at what
22 time, as of the first day of a calendar month, not less than one day nor more
23 than 120 days subsequent to the execution and filing thereof, ~~he~~ the member
24 desires to be retired; Provided, also, any member who has met the conditions
25 herein required but does not retire, and later becomes a teacher or an employee
26 other than as a ~~law enforcement officer~~ law enforcement officer or EMS
27 personnel shall continue to have the right to commence retirement."

28 **SECTION 1.1.(c)** G.S. 135-5(b21) reads as rewritten:

29 **"(b21)** Service Retirement Allowance of Members Retiring on or After July 1, ~~2019-~~
30 2019, but before July 1, 2020. – Upon retirement from service on or after July 1, 2019, but before
31 July 1, 2020, in accordance with subsection (a) or (a1) of this section, a member shall receive the
32 following service retirement allowance:

33 **...."**

34 **SECTION 1.1.(d)** G.S. 135-5 is amended by adding a new subsection to read:



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1 "(b22) Service Retirement Allowance of Members Retiring on or After July 1, 2020. –
2 Upon retirement from service on or after July 1, 2020, in accordance with subsection (a) or (a1)
3 of this section, a member shall receive the following service retirement allowance:

4 (1) A member who is a law enforcement officer, an eligible former law
5 enforcement officer, EMS personnel, or eligible former EMS personnel shall
6 receive a service retirement allowance computed as follows:

7 a. If the member's service retirement date occurs on or after the member's
8 55th birthday and completion of five years of creditable service as a
9 law enforcement officer or EMS personnel, or after the completion of
10 30 years of creditable service, then the allowance shall be equal to one
11 and eighty-two hundredths percent (1.82%) of the member's average
12 final compensation, multiplied by the number of years of the member's
13 creditable service.

14 b. If the member's service retirement date occurs prior to the member's
15 50th birthday and after the completion of 25 years of creditable service
16 with a minimum of 15 years of creditable service in a law enforcement
17 capacity or as EMS personnel but before the completion of 30 years of
18 creditable service, then the retirement allowance shall be equal to the
19 greater of the following amounts:

20 1. The service retirement allowance payable under
21 G.S. 135-5(b22)(1)a. reduced by one-third of one percent (1/3
22 of 1%) thereof for each month by which the member's
23 retirement date precedes the first day of the month coincident
24 with or next following the month the member would have
25 attained age 55.

26 2. The service retirement allowance as computed under
27 G.S. 135-5(b22)(1)a. reduced by five percent (5%) times the
28 difference between 30 years and the member's creditable
29 service at retirement plus four percent (4%) times the
30 difference between age 50 and the member's age at retirement.

31 c. If the member's service retirement date occurs on or after the member's
32 50th birthday and before the member's 55th birthday with 15 or more
33 years of creditable service as a law enforcement officer or as EMS
34 personnel and prior to the completion of 30 years of creditable service,
35 then the retirement allowance shall be equal to the greater of the
36 following amounts:

37 1. The service retirement allowance payable under
38 G.S. 135-5(b22)(1)a. reduced by one-third of one percent (1/3
39 of 1%) thereof for each month by which the retirement date
40 precedes the first day of the month coincident with or next
41 following the month the member would have attained age 55.

42 2. The service retirement allowance as computed under
43 G.S. 135-5(b22)(1)a. reduced by five percent (5%) times the
44 difference between 30 years and the amount of creditable
45 service at retirement.

46 (2) A member who is not a law enforcement officer, an eligible former law
47 enforcement officer, EMS personnel, or eligible former EMS personnel shall
48 receive a service retirement allowance computed as follows:

49 a. If the member's service retirement date occurs on or after the member's
50 65th birthday upon the completion of five years of membership
51 service, or after the completion of 30 years of creditable service, or on

1 or after the member's 60th birthday upon the completion of 25 years
2 of creditable service, then the allowance shall be equal to one and
3 eighty-two hundredths percent (1.82%) of the member's average final
4 compensation, multiplied by the number of years of creditable service.

5 b. If the member's service retirement date occurs after the member's 60th
6 birthday and before the member's 65th birthday and prior to the
7 completion of 25 years or more of creditable service, then the
8 retirement allowance shall be computed as in G.S. 135-5(b22)(2)a. but
9 shall be reduced by one-quarter of one percent (1/4 of 1%) thereof for
10 each month by which the retirement date precedes the first day of the
11 month coincident with or next following the member's 65th birthday.

12 c. If the member's early service retirement date occurs on or after the
13 member's 50th birthday and before the member's 60th birthday and
14 after completion of 20 years of creditable service but prior to the
15 completion of 30 years of creditable service, then the early service
16 retirement allowance shall be equal to the greater of the following
17 amounts:

18 1. The service retirement allowance as computed under
19 G.S. 135-5(b22)(2)a. but reduced by the sum of five-twelfths
20 of one percent (5/12 of 1%) thereof for each month by which
21 the member's retirement date precedes the first day of the
22 month coincident with or next following the month the
23 member would have attained the member's 60th birthday, plus
24 one-quarter of one percent (1/4 of 1%) thereof for each month
25 by which the member's 60th birthday precedes the first day of
26 the month coincident with or next following the member's 65th
27 birthday.

28 2. The service retirement allowance as computed under
29 G.S. 135-5(b22)(2)a. reduced by five percent (5%) times the
30 difference between 30 years and the amount of creditable
31 service at retirement.

32 3. If the member's creditable service commenced prior to July 1,
33 1994, the service retirement allowance equal to the actuarial
34 equivalent of the allowance payable at the age of 60 years as
35 computed in G.S. 135-5(b22)(2)b.

36 d. Notwithstanding the foregoing provisions, any member whose
37 creditable service commenced prior to July 1, 1963, shall not receive
38 less than the benefit provided by G.S. 135-5(b)."

39 **SECTION 1.1.(e)** Effective July 1, 2020, G.S. 135-5(m)(1) reads as rewritten:

40 "(1) a. The member had attained such age and/or creditable service to be
41 eligible to commence retirement with an early or service retirement
42 allowance, or

43 b. The member had obtained 20 years of creditable service in which case
44 the retirement allowance shall be computed in accordance with
45 ~~G.S. 135-5(b19)(1)b. or G.S. 135-5(b19)(2)c.,~~ G.S. 135-5(b22)(1)b.
46 or G.S. 135-5(b22)(2)c., notwithstanding the requirement of obtaining
47 age 50, or

48 b1. The member was a law enforcement officer who had obtained 15 years
49 of service as a law enforcement officer and was killed in the line of
50 duty, in which case the retirement allowance shall be computed in

accordance with ~~G.S. 135-5(b19)(1)b.,~~ G.S. 135-5(b22)(1)b.,
notwithstanding the requirement of obtaining age 50.

...

d. The member was EMS personnel, had obtained 15 years of service as EMS personnel, and was killed in the line of duty, in which case the retirement allowance shall be computed in accordance with G.S. 135-5(b22)(1)b., notwithstanding the requirement of obtaining age 50."

SECTION 1.2.(a) G.S. 128-21 is amended by adding a new subdivision to read:

"(9b) "Emergency medical services personnel" or "EMS personnel" shall mean all rescue squad workers and all full-time employees of any employer that participates in the Local Governmental Employees' Retirement System who meet the definition of emergency services personnel under G.S. 131E-155."

SECTION 1.2.(b) Effective July 1, 2020, G.S. 128-24(5) reads as rewritten:

(5) The provisions of this subdivision (5) shall apply to any member whose membership is terminated on or after July 1, 1965, and who becomes entitled to benefits hereunder in accordance with the provisions hereof.

a. Notwithstanding any other provision of this Chapter, any member who separates from service prior to the attainment of the age of 60 years for any reason other than death or retirement for disability as provided in G.S. 128-27(c), after completing 15 or more years of creditable service, and who leaves his or her total accumulated contributions in said System shall have the right to retire on a deferred retirement allowance upon attaining the age of 60 years; provided that such member may retire only upon electronic submission or written application to the Board of Trustees setting forth at what time, not less than one day nor more than 120 days subsequent to the execution and filing thereof, ~~he the member~~ desires to be retired; and further provided that in the case of a member who so separates from service on or after July 1, 1967, the aforesated requirement of 15 or more years of creditable service shall be reduced to 12 or more years of creditable service; and further provided that in the case of a member who so separates from service on or after July 1, 1971, or whose account is active on July 1, 1971, the aforesated requirement of 12 or more years of creditable service shall be reduced to five or more years of creditable service. Such deferred retirement allowance shall be computed in accordance with the service retirement provisions of this Article pertaining to a member who is not a law enforcement ~~officer~~ ~~or officer~~, an eligible former law enforcement officer-officer, EMS personnel, or eligible former EMS personnel.

...

b1. In lieu of the benefits provided in paragraphs a and b of this subdivision, any member who is a law enforcement officer or EMS personnel at the time of separation from service prior to the attainment of the age of 50 years, for any reason other than death or disability as provided in this Article, after completing 15 or more years of creditable service in this capacity immediately prior to separation from service, and who leaves his or her total accumulated contributions in this System, may elect to retire on a deferred early retirement allowance upon attaining the age of 50 years or at any time thereafter; provided, that the member may commence retirement only upon

1 electronic submission or written application to the Board of Trustees
 2 setting forth at what time, as of the first day of a calendar month, not
 3 less than one day nor more than 120 days subsequent to the execution
 4 and filing thereof, he desires to commence retirement. The deferred
 5 early retirement allowance shall be computed in accordance with the
 6 service retirement provisions of this Article pertaining to law
 7 enforcement officers.

8 b2. In lieu of the benefits provided in paragraphs a and b of this
 9 subdivision, any member who is a law enforcement officer or EMS
 10 personnel at the time of separation from service prior to the attainment
 11 of the age of 55 years, for any reason other than death or disability as
 12 provided in this Article, after completing five or more years of
 13 creditable service in this capacity immediately prior to separation from
 14 service, and who leaves his or her total accumulated contributions in
 15 this System may elect to retire on a deferred service retirement
 16 allowance upon attaining the age of 55 years or at any time thereafter;
 17 provided, that the member may commence retirement only upon
 18 electronic submission or written application to the Board of Trustees
 19 setting forth at what time, as of the first day of a calendar month not
 20 less than one day nor more than 120 days subsequent to the execution
 21 and filing thereof, ~~he~~ the member desires to commence retirement. The
 22 deferred service retirement allowance shall be computed in accordance
 23 with the service retirement provisions of this Article pertaining to law
 24 enforcement officers.

25 b3. Deferred retirement allowance of members retiring on or after July 1,
 26 1995. – In lieu of the benefits provided in paragraphs a. and b. of this
 27 subdivision, any member who separates from service prior to
 28 attainment of age 60 years, after completing 20 or more years of
 29 creditable service, and who leaves his or her total accumulated
 30 contributions in said System, may elect to retire on a deferred
 31 retirement allowance upon attaining the age of 50 years or any time
 32 thereafter; provided that such member may so retire only upon
 33 electronic submission or written application to the Board of Trustees
 34 setting forth at what time, not less than one day nor more than 120
 35 days subsequent to the execution and filing thereof, ~~he~~ the member
 36 desires to be retired. ~~Such~~ The deferred retirement allowance shall be
 37 computed in accordance with the service retirement provisions of this
 38 Article pertaining to a member who is not a law enforcement ~~officer~~
 39 ~~or officer~~, an eligible former law enforcement ~~officer~~ officer, EMS
 40 personnel, or eligible former EMS personnel.

41"

42 **SECTION 1.2.(c)** Effective July 1, 2020, G.S. 128-27(a) reads as rewritten:

43 "(a) Service Retirement Benefits. –

44 (1) Any member may retire upon electronic submission or written application to
 45 the Board of Trustees setting forth at what time, as of the first day of a calendar
 46 month, not less than one day nor more than 120 days subsequent to the
 47 execution and filing thereof, ~~he~~ the member desires to be retired: Provided,
 48 that the said member at the time so specified for ~~his~~ the member's retirement
 49 shall have attained the age of 60 years and have at least five years of creditable
 50 service or shall have completed 30 years of creditable service, or if a

1 firefighter or ~~rescue squad worker~~, ~~he~~ EMS personnel, the member shall have
 2 attained the age of 55 years and have at least five years of creditable service.

3 ...

- 4 (5) Any member who is a law enforcement officer or EMS personnel and who (i)
 5 attains age 50 and completes 15 or more years of creditable service in this
 6 capacity, or (ii) attains age 55 and completes five or more years of creditable
 7 service in this capacity, or (iii) who has completed 25 years of creditable
 8 service with a minimum of 15 years of creditable service in a law enforcement
 9 capacity may retire upon electronic submission or written application to the
 10 Board of Trustees setting forth at what time, as of the first day of a calendar
 11 month, not less than one day nor more than 120 days subsequent to the
 12 execution and filing thereof, the member desires to be retired; provided, also,
 13 any member who has met the conditions required by this subdivision but does
 14 not retire, and later becomes an employee other than as a law enforcement
 15 ~~officer~~, ~~officer~~ or EMS personnel, continues to have the right to commence
 16 retirement."

17 **SECTION 1.2.(d)** G.S. 128-27(b22) reads as rewritten:

18 "(b22) Service Retirement Allowance of Member Retiring on or After July 1, ~~2019-2019~~,
 19 but before July 1, 2020. – Upon retirement from service in accordance with subsection (a) or (a1)
 20 of this section, on or after July 1, 2019, but before July 1, 2020, a member shall receive the
 21 following service retirement allowance:

22"

23 **SECTION 1.2.(e)** G.S. 128-27 is amended by adding a new subsection to read:

24 "(b23) Service Retirement Allowance of Member Retiring on or After July 1, 2020. –
 25 Upon retirement from service in accordance with subsection (a) or (a1) of this section, on or after
 26 July 1, 2020, a member shall receive the following service retirement allowance:

- 27 (1) A member who is a law enforcement officer, an eligible former law
 28 enforcement officer, EMS personnel, or eligible former EMS personnel shall
 29 receive a service retirement allowance computed as follows:

30 a. If the member's service retirement date occurs on or after the member's
 31 55th birthday and completion of five years of creditable service as a
 32 law enforcement officer or EMS personnel, or after the completion of
 33 30 years of creditable service, then the allowance shall be equal to one
 34 and eighty-five hundredths percent (1.85%) of the member's average
 35 final compensation, multiplied by the number of years of the member's
 36 creditable service.

37 b. If the member's service retirement date occurs prior to the member's
 38 50th birthday and after the completion of 25 years of creditable service
 39 with a minimum of 15 years of creditable service in a law enforcement
 40 capacity or as EMS personnel, but before the completion of 30 years
 41 of creditable service, then the retirement allowance shall be equal to
 42 the greater of the following amounts:

43 1. The service retirement allowance payable under
 44 G.S. 128-27(b23)(1)a. reduced by one-third of one percent (1/3
 45 of 1%) thereof for each month by which the member's
 46 retirement date precedes the first day of the month coincident
 47 with or next following the month the member would have
 48 attained age 55.

49 2. The service retirement allowance as computed under
 50 G.S. 128-27(b23)(1)a. reduced by five percent (5%) times the
 51 difference between 30 years and the member's creditable

- 1 service at retirement plus four percent (4%) times the
2 difference between 50 and the member's age at retirement.
- 3 c. If the member's service retirement date occurs on or after the member's
4 50th birthday and before the member's 55th birthday with 15 or more
5 years of creditable service as a law enforcement officer or as EMS
6 personnel and prior to the completion of 30 years of creditable service,
7 then the retirement allowance shall be equal to the greater of the
8 following amounts:
- 9 1. The service retirement allowance payable under
10 G.S. 128-27(b23)(1)a. reduced by one-third of one percent (1/3
11 of 1%) thereof for each month by which the retirement date
12 precedes the first day of the month coincident with or next
13 following the month the member would have attained age 55.
- 14 2. The service retirement allowance as computed under
15 G.S. 128-27(b23)(1)a. reduced by five percent (5%) times the
16 difference between 30 years and the amount of creditable
17 service at retirement.
- 18 (2) A member who is not a law enforcement officer, an eligible former law
19 enforcement officer, EMS personnel, or eligible former EMS personnel shall
20 receive a service retirement allowance computed as follows:
- 21 a. If the member's service retirement date occurs on or after the member's
22 65th birthday upon the completion of five years of creditable service,
23 or after the completion of 30 years of creditable service, or on or after
24 the member's 60th birthday upon the completion of 25 years of
25 creditable service, then the allowance shall be equal to one and
26 eighty-five hundredths percent (1.85%) of the member's average final
27 compensation, multiplied by the number of years of creditable service.
- 28 b. If the member's service retirement date occurs after the member's 60th
29 birthday and before the member's 65th birthday and prior to the
30 completion of 25 years or more of creditable service, then the
31 retirement allowance shall be computed as in G.S. 128-27(b23)(2)a.
32 but shall be reduced by one-quarter of one percent (1/4 of 1%) thereof
33 for each month by which the retirement date precedes the first day of
34 the month coincident with or next following the member's 65th
35 birthday.
- 36 c. If the member's early service retirement date occurs on or after the
37 member's 50th birthday and before the member's 60th birthday and
38 after completion of 20 years of creditable service but prior to the
39 completion of 30 years of creditable service, then the early service
40 retirement allowance shall be equal to the greater of the following
41 amounts:
- 42 1. The service retirement allowance as computed under
43 G.S. 128-27(b23)(2)a. but reduced by the sum of five-twelfths
44 of one percent (5/12 of 1%) thereof for each month by which
45 the retirement date precedes the first day of the month
46 coincident with or next following the month the member would
47 have attained the member's 60th birthday, plus one-quarter of
48 one percent (1/4 of 1%) thereof for each month by which the
49 member's 60th birthday precedes the first day of the month
50 coincident with or next following the member's 65th birthday.

2. The service retirement allowance as computed under G.S. 128-27(b23)(2)a. reduced by five percent (5%) times the difference between 30 years and the amount of creditable service at retirement.

3. If the member's creditable service commenced prior to July 1, 1995, then the service retirement allowance equal to the actuarial equivalent of the allowance payable at the age of 60 years as computed in G.S. 128-27(b23)(2)b.

d. Notwithstanding the foregoing provisions, any member whose creditable service commenced prior to July 1, 1965, shall not receive less than the benefit provided by G.S. 128-27(b)."

SECTION 1.2.(f) Effective July 1, 2020, G.S. 128-30(d)(9) reads as rewritten:

"(9) Notwithstanding Chapter 150B of the General Statutes and the foregoing provisions of this subsection, the actuary shall determine an additional "accrued liability contribution rate" and a "normal contribution rate" on account of the total earned compensation of each employer's law enforcement officers or EMS personnel each year, known as the "required employer contribution for law enforcement officers and EMS personnel rate." The required employer contribution for law enforcement officers and EMS personnel rate may be adjusted under a contribution rate policy adopted by the Board of Trustees and added to the employers' past service liability rate. The Board of Trustees shall not adopt a contribution rate policy that results in a rate less than the normal contribution rate."

PART II. SEPARATION ALLOWANCES FOR EMERGENCY MEDICAL SERVICES PERSONNEL

SECTION 2.1.(a) Article 12 of Chapter 143 of the General Statutes reads as rewritten:

"Article 12D.

"Separation Allowances for ~~Law Enforcement Officers~~ Law Enforcement Officers and Emergency Medical Services Personnel.

"§ 143-166.40. Rules for selection and retention of law-enforcement officers; rules exempt from Administrative Procedure Act.

(a) Except as otherwise provided by State and federal law, the head of each principal State department may establish rules and procedures for the selection and retention of sworn law-enforcement officers to ensure that they are physically, emotionally, and intellectually qualified to perform their duties. These rules and procedures shall not establish any mandatory age limit for service as a law-enforcement officer that conflicts with a federal statute.

(b) These rules and procedures are exempt from the provisions of Chapter 150B of the General Statutes.

"§ 143-166.41. ~~Special separation allowance~~ allowance for State law enforcement officers.

(a) Notwithstanding any other provision of law, every sworn ~~law enforcement~~ law enforcement officer as defined by G.S. 135-1(11c) or G.S. 143-166.30(a)(4) employed by a State department, agency, or institution who qualifies under this section shall receive, beginning in the month in which he retires on a basic service retirement under the provisions of G.S. 135-5(a), an annual separation allowance equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of compensation most recently applicable to him for each year of creditable service. The allowance shall be paid in equal installments on the payroll frequency used by the employer. To qualify for the allowance the officer shall:

- (1) Have (i) completed 30 or more years of creditable service or, (ii) have attained 55 years of age and completed five or more years of creditable service; and

- 1 (2) Not have attained 62 years of age; and
 2 (3) Have completed at least five years of continuous service as a law enforcement
 3 officer as herein defined immediately preceding a service retirement. Any
 4 break in the continuous service required by this subsection because of
 5 disability retirement or disability salary continuation benefits shall not
 6 adversely affect an officer's qualification to receive the allowance, provided
 7 the officer returns to service within 45 days after the disability benefits cease
 8 and is otherwise qualified to receive the allowance.
 9

10 **"§ 143-166.42. Special separation allowances for local law enforcement officers.**

11 (a) On and after January 1, 1987, every sworn law enforcement officer as defined by
 12 G.S. 128-21(11d) or G.S. 143-166.50(a)(3) employed by a local government employer who
 13 qualifies under this section shall receive, beginning in the month in which the officer retires on a
 14 basic service retirement under the provisions of G.S. 128-27(a), an annual separation allowance
 15 equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of
 16 compensation most recently applicable to the officer for each year of creditable service. The
 17 allowance shall be paid in equal installments on the payroll frequency used by the employer. To
 18 qualify for the allowance, the officer shall:

- 19 (1) Have (i) completed 30 or more years of creditable service or (ii) have attained
 20 55 years of age and completed five or more years of creditable service; and
 21 (2) Not have attained 62 years of age; and
 22 (3) Have completed at least five years of continuous service as a law enforcement
 23 officer as herein defined immediately preceding a service retirement. Any
 24 break in the continuous service required by this subsection because of
 25 disability retirement or disability salary continuation benefits shall not
 26 adversely affect an officer's qualification to receive the allowance, provided
 27 the officer returns to service within 45 days after the disability benefits cease
 28 and is otherwise qualified to receive the allowance.
 29

30 **"§ 143-166.43. Separation buyouts for law enforcement ~~officers~~officers and emergency**
 31 **medical services personnel.**

32 Any State department, agency, or institution, or any local government employer, may, in its
 33 discretion, offer a lump sum separation buyout to a law enforcement officer or emergency
 34 services personnel who leaves employment prior to reaching the ~~officer's~~individual's eligibility
 35 for a separation allowance under this Article. The lump sum separation buyout shall be paid from
 36 funds available and shall not exceed the total that would otherwise be paid in separation
 37 allowance payments under ~~G.S. 143-166.41 or G.S. 143-166.42~~this Article.

38 **"§ 143-166.44. Special separation allowance for State emergency medical services**
 39 **personnel.**

40 (a) The following definitions apply in this section:

- 41 (1) Creditable service. – The service for which credit is allowed under the
 42 retirement system of which an individual is a member, provided that at least
 43 fifty percent (50%) of the service is as emergency medical services personnel.
 44 (2) Emergency medical services personnel or EMS personnel. – As defined under
 45 G.S. 135-1.

46 (b) An individual who qualifies under this section shall receive, beginning in the month
 47 in which the individual retires on a basic service retirement under the provisions of G.S. 135-5(a),
 48 an annual separation allowance equal to eighty-five hundredths percent (0.85%) of the annual
 49 equivalent of the base rate of compensation most recently applicable to the individual for each
 50 year of creditable service. The allowance shall be paid in equal installments on the payroll

1 frequency used by the employer. To qualify for the allowance, the individual shall meet all of the
2 following criteria:

3 (1) The individual has either (i) completed 30 or more years of creditable service
4 or (ii) attained 60 years of age and completed 25 or more years of creditable
5 service.

6 (2) The individual has not attained 62 years of age.

7 (3) The individual has completed at least five years of continuous service
8 rendered on or after July 1, 2020, as emergency medical services personnel
9 immediately preceding a service retirement. Any break in the continuous
10 service required by this subdivision because of disability retirement or
11 disability salary continuation benefits shall not adversely affect an individual's
12 qualification to receive the allowance, provided the individual returns to
13 service within 45 days after the disability benefits cease and is otherwise
14 qualified to receive the allowance.

15 (c) Payment to a retired individual under the provisions of this section shall cease upon
16 the earlier of the following:

17 (1) The death of the individual.

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

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

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

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

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

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

36 **§ 143-166.45. Special separation allowances for local emergency medical services**
37 **personnel.**

38 (a) The following definitions apply in this section:

39 (1) Creditable service. – The service for which credit is allowed under the
40 retirement system of which an individual is a member, provided that at least
41 fifty percent (50%) of the service is as emergency medical services personnel.

42 (2) Emergency medical services personnel or EMS personnel. – A rescue squad
43 worker as defined under G.S. 128-21 or a full-time employee of any employer
44 that participates in the Local Governmental Employees' Retirement System
45 and who meets the definition of emergency services personnel under
46 G.S. 131E-155.

47 (b) An individual who qualifies under this section shall receive an annual separation
48 allowance beginning in the month in which the individual retires on a basic service retirement
49 under the provisions of G.S. 128-27(a) or a locally sponsored retirement plan. The annual
50 separation allowance shall be equal to eighty-five hundredths percent (0.85%) of the annual
51 equivalent of the base rate of compensation most recently applicable to the individual for each

1 year of creditable service. The allowance shall be paid in equal installments on the payroll
2 frequency used by the employer. To qualify for the allowance, the individual shall meet all of the
3 following criteria:

4 (1) The individual has either (i) completed 30 or more years of creditable service
5 or (ii) attained 60 years of age and completed 25 or more years of creditable
6 service.

7 (2) The individual has not attained 62 years of age.

8 (3) The individual has completed at least five years of continuous service
9 rendered on or after July 1, 2020, as emergency medical services personnel
10 immediately preceding a service retirement. Any break in the continuous
11 service required by this subdivision because of disability retirement or
12 disability salary continuation benefits shall not adversely affect an individual's
13 qualification to receive the allowance, provided the individual returns to
14 service within 45 days after the disability benefits cease and is otherwise
15 qualified to receive the allowance.

16 (c) Payment to a retired individual under the provisions of this section shall cease upon
17 the earlier of the following:

18 (1) The death of the individual.

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

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

22 Notwithstanding the provisions of subdivision (3) of this subsection, a local government
23 employer may employ retired EMS personnel in a public safety position in a capacity not
24 requiring participation in the Local Governmental Employees' Retirement System or an
25 equivalent locally sponsored retirement plan, and doing so shall not cause payment to cease to
26 those individuals under the provisions of this section.

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

31 (e) The governing body of each local employer shall determine the eligibility of
32 employees for the benefits provided under this section.

33 (f) The governing body of each local employer shall make the payments set forth in
34 subsection (b) of this section to those persons certified under subsection (e) of this section from
35 funds available."

36 **SECTION 2.1.(b)** This section is effective when it becomes law and applies to
37 individuals retiring on or after that date.

39 **PART III. EMPLOYER CONTRIBUTIONS TO THE SUPPLEMENTAL RETIREMENT** 40 **INCOME PLAN/EMERGENCY MEDICAL SERVICES PERSONNEL**

41 **SECTION 3.1.(a)** The title of Article 12C of Chapter 143 of the General Statutes
42 reads as rewritten:

43 "Article 12C.

44 "Retirement Benefits for State Law-Enforcement ~~Officers~~ Officers and Emergency Medical
45 Services Personnel."

46 **SECTION 3.1.(b)** G.S. 143-166.30(a) reads as rewritten:

47 **"§ 143-166.30. Retirement benefits for State law-enforcement officers.**

48 (a) Definitions. – The following words and phrases as used in this Article, unless a
49 different meaning is plainly required by the context, shall have the following
50 meanings: definitions apply in this section:"

- 1 a. The individual had 20 or more years of service as emergency medical
 2 services personnel.
 3 b. The individual is in receipt of a disability retirement allowance from
 4 any State-administered retirement system.
 5 c. The individual is in receipt of a benefit from the Disability Income
 6 Plan of North Carolina, established under Article 6 of Chapter 135 of
 7 the General Statutes.
 8 (5) Emergency medical services personnel. – As defined under G.S. 135-1 and
 9 G.S. 128-21, unless expressly limited.
 10 (6) Participant. – An individual who participates in the Separate Insurance
 11 Benefits Plan.
 12 (7) Plan. – The Separate Insurance Benefits Plan established under this Article.
 13 ~~(a)(a1)~~ A Separate Insurance Benefits Plan, hereinafter called the "Plan", is to be Plan is
 14 ~~established as an employee welfare benefit plan, established plan~~ for the benefit of ~~(i) all law~~
 15 ~~enforcement officers, as defined in G.S. 135-1(11c) and G.S. 128-21(11d) employed by the State~~
 16 ~~and local governments and (ii) all former law enforcement officers previously employed by the~~
 17 ~~State and local governments, who had 20 or more years of service as an officer or are in receipt~~
 18 ~~of a disability retirement allowance from any State-administered retirement system or are in~~
 19 ~~receipt of a benefit from the Disability Income Plan of North Carolina, who shall be~~
 20 ~~participants.~~ all of the following individuals:
 21 (1) Emergency medical services personnel.
 22 (2) Former emergency medical services personnel.
 23 (3) Former law enforcement officers.
 24 (4) Law enforcement officers.
 25 (b) The Boards of Trustees of the Teachers' and State Employees' Retirement System and
 26 the Local Governmental Employees' Retirement System shall jointly administer the Separate
 27 Insurance Benefit Plan and shall, under the terms and conditions otherwise appearing in this
 28 Article, provide Plan benefits ~~either (i) by establishing~~ by taking one of the following actions:
 29 (1) Establishing a separate trust fund in conformance with Section 501(c)(9)
 30 of the Internal Revenue Code of 1954 as ~~amended or, (ii) by causing~~ amended.
 31 (2) Causing the Plan to affiliate with a master trust, the North Carolina Teachers'
 32 and State Employees' Benefits Trust, ~~Trust,~~ Trust, established under
 33 G.S. 135-7(g)(2), providing the same benefits for participants. Employer and
 34 non-employer contributions to the Benefit Trust and earnings on those
 35 contributions are irrevocable. ~~The assets of the Benefit Trust are dedicated to~~
 36 ~~providing benefits to participants, surviving spouses, participants' estates, and~~
 37 ~~persons named by the participant to receive the benefit. The assets of the~~
 38 ~~Benefit Trust are not subject to the claims of creditors of the employees and~~
 39 ~~non-employees making contributions to the Benefit Trust, are not subject to~~
 40 ~~the claims of any creditors of the Benefit Trust's trustees and administrators,~~
 41 ~~and are not subject to the claims of creditors of participants.~~ Benefit Trust
 42 assets may be used for reasonable expenses to administer benefits provided
 43 by the Fund under this Article, as approved by the Board of Trustees.
 44 ...
 45 (g) The provisions of the Teachers' and State Employees' Retirement System and the
 46 Local Governmental Employees' Retirement Systems System pertaining to administration and
 47 management of funds under G.S. 128-28, G.S. 128-29, G.S. 135-6 and G.S. 135-7 are made
 48 applicable to the Plan.
 49 "§ 143-166.61. Benefits under the Separate Insurance Benefits Plan.

1 (a) The Boards of Trustees shall ~~promulgate rules and regulations as are necessary adopt~~
 2 rules to establish benefits under the Separate Insurance Benefits Plan, within the availability of
 3 funds, to ~~provide~~ to provide all of the following benefits:

4 (1) ~~An accident and sickness disability insurance benefit;~~

5 (2) A group life insurance benefit for participants employed by an employer at
 6 the time of death, not to exceed five thousand dollars ~~(\$5,000);~~ (\$5,000).

7 (3) A group life insurance benefit for participants who are eligible former ~~officers,~~
 8 officers or former emergency services personnel, not to exceed four thousand
 9 dollars ~~(\$4,000); and~~ (\$4,000).

10 (4) An accidental line-of-duty insurance death benefit not to exceed two thousand
 11 one hundred dollars (\$2,100) in total on account of the death of a participant
 12 caused by an accident while in the actual performance of duty as an
 13 ~~officer~~ officer or emergency services personnel.

14 (b) In addition to the benefits provided under subsection ~~(d)~~ (a) of this section, the assets
 15 of the Plan may be used to pay the employer health insurance contributions and contribution rates
 16 on behalf of ~~law~~ the following individuals:

17 (1) Law enforcement officers, as defined in G.S. 135-1(11c), who are employed
 18 by the State and former State.

19 (2) Former law enforcement officers who are receiving a retirement allowance
 20 from the Teachers' and State Employees' Retirement System.

21 (3) Emergency medical services personnel who are employed by the State, as
 22 defined under G.S. 135-1.

23 (4) Former emergency medical services personnel who are receiving a retirement
 24 allowance from the Teachers' and State Employees' Retirement System.

25 (c) ~~The insurance benefit of the Plan~~ Any benefit of the Separate Insurance Benefit Plan
 26 that is payable on account of the death of a participant shall be payable to the surviving spouse
 27 of the participant ~~or otherwise to the~~ or, if there is no surviving spouse, to the participant's estate;
 28 ~~provided, should that if~~ if a participant instructs the Board of Trustees in writing that the
 29 participant does not wish these benefits to be paid to his or her spouse or estate, then the benefits
 30 shall be paid to the person or persons as the participant may name for this purpose. ~~The~~

31 (d) Any life insurance benefits of the Separate Insurance Benefit Plan shall be payable
 32 only on account of participants in the Plan for six or more months or, if an actively employed
 33 ~~officer, participant,~~ at any time after employment if death results from an accident. The accident
 34 and sickness disability insurance benefits shall be payable to a participant at any time after
 35 becoming a participant in the Plan.

36 (e) ~~Should~~ If amounts in the trust fund of the Separate Insurance Benefit Plan ~~be~~ are
 37 insufficient at any time to enable the Boards of Trustees to pay benefits due in full, then an
 38 equitable graded percentage of the payment shall be made.

39 "**§ 143-166.62. Exemption from garnishment and attachment.**

40 The right of a participant in the Separate Insurance Benefits Plan to the benefits provided
 41 under this Article is nonforfeitable and exempt from levy, sale, and garnishment."

42 **SECTION 4.3.** This Part is effective June 1, 2020.

43
 44 **PART V. FUNDS TO ASSIST LOCAL GOVERNMENTS WITH ACHIEVING BENEFIT**
 45 **PARITY FOR EMS PERSONNEL**

46 **SECTION 5.1.** There is appropriated the sum of forty-four million dollars
 47 (\$44,000,000) in recurring funds for the 2020-2021 fiscal year from the General Fund to the
 48 Office of State Budget and Management to be placed in reserve for the purpose of assisting State
 49 agencies and local government employers in providing the benefits specified in this act.

50 **SECTION 5.2.** This Part is effective July 1, 2020.

1 **PART VI. EFFECTIVE DATE**

2 **SECTION 6.1.** Except as otherwise provided, this act is effective when it becomes
3 law.