

GENERAL ASSEMBLY OF NORTH CAROLINA
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10379-NJp-65

Short Title: Special Separation Allowance. (Public)

Sponsors: Representative Pyrtle.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT PROVIDING LAW ENFORCEMENT OFFICERS WHO ARE MEMBERS OF THE
3 TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM OR THE LOCAL
4 GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM AN ALTERNATIVE
5 SPECIAL SEPARATION ALLOWANCE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Article 12D of Chapter 143 of the General Statutes is amended by
8 adding a new section to read:

9 **"§ 143-166.44. Alternative special separation allowances for law enforcement officers.**

10 (a) Optional Special Separation Allowances for Law Enforcement Officers. –
11 Notwithstanding any other provision of law, as an alternative to receiving the special separation
12 allowance authorized by G.S. 143-166.41, every sworn law enforcement officer as defined by
13 G.S. 135-1(11c) or G.S. 143-166.30(a)(4) employed by a State department, agency, or institution
14 who qualifies under this section may elect to receive, beginning in the month in which the officer
15 retires, either the special separation allowance under G.S. 143-166.41 or receive, beginning in
16 the month in which the officer retires, an annual separation allowance equal to eighty-five
17 hundredths percent (0.85%) of the annual equivalent of the base rate of compensation at 30 years
18 of creditable service. The allowance shall be paid in equal installments on the payroll frequency
19 used by the employer. To qualify for the allowance the officer shall:

20 (1) Have completed at least 30 years but no more than 35 years of creditable
21 service.

22 (2) 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 (b) Optional Special Separation Allowances for Local Officers. – Notwithstanding any
30 other provision of law, as an alternative to receiving the special separation allowance authorized
31 under G.S. 143-166.42, every sworn law enforcement officer as defined by G.S. 128-21(11d) or
32 G.S. 143-166.50(a)(3) employed by a local government employer who qualifies under this
33 section may elect to receive, beginning in the month in which the officer retires, either the special
34 separation allowance under G.S. 143-166.42 or receive, beginning in the month in which the
35 officer retires, on a basic service retirement under the provisions of G.S. 128-27(a), an annual
36 separation allowance equal to eighty-five hundredths percent (0.85%) of the annual equivalent



1 of the base rate of compensation most recently applicable to the officer for each year of creditable
2 service. The allowance shall be paid in equal installments on the payroll frequency used by the
3 employer. To qualify for the allowance, the officer shall:

4 (1) Have completed at least 30 years but no more than 35 years of creditable
5 service.

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

13 (c) As used in this section, "creditable service" means the service for which credit is
14 allowed under the retirement system of which the officer is a member, provided that at least fifty
15 percent (50%) of the service is as a law enforcement officer as herein defined.

16 (d) Payment to a retired officer under the provisions of this section shall cease at the first
17 of:

18 (1) The death of the officer.

19 (2) The last day of the month after a period equivalent to 62 minus the age at
20 which the officer first completes 30 years of creditable service. For example,
21 for an officer who first completes 30 years of creditable service at 52 years
22 old and retires at 57 years old; 62 minus 52 equals 10 years.

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

25 (e) Notwithstanding the provisions of subdivision (3) of subsection (d) of this section,
26 payments to a retired officer shall not cease when a local government employer employs a retired
27 officer for any of the following:

28 (1) In a public safety position in a capacity not requiring participation in the Local
29 Governmental Employees' Retirement System.

30 (2) In service to a county board of elections on an election day in a capacity that
31 complies with G.S. 128-21(19) and does not result in cessation or suspension
32 of the retiree's benefit from the Local Government Employees' Retirement
33 System.

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

38 (g) The governing body of each local employer shall determine the eligibility of
39 employees for the benefits provided herein.

40 (h) The governing body of each local employer shall make the payments set forth in
41 subsection (a) of this section to those persons certified under subsection (e) of this section from
42 funds available."

43 **SECTION 2.** This act becomes effective July 1, 2023.