

March 16, 2009

S 624. 25-YEAR LAW ENFORCEMENT RETIREMENT. Filed 3/16/09. *TO ALLOW LAW ENFORCEMENT OFFICERS WHO ARE MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM OR THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO RETIRE WITH UNREDUCED BENEFITS AFTER COMPLETING TWENTY-FIVE YEARS OF SERVICE AND TO AMEND THE SPECIAL SEPARATION ALLOWANCE BENEFIT FOR LAW ENFORCEMENT OFFICERS.*

GS 135-5 (Teachers' and State Employees' Retirement System) and GS 128-27 (Local Government Retirement System) now provide that law enforcement officers may retire with unreduced benefits after the completion of 30 years of service or after age 55 with five years of service. This bill amends those statutes to provide for unreduced benefits after the completion of 25 years of creditable service, or at age 55 with five years of service for those retiring after July 1, 2009. Provides for reduced benefits for retirement between 50 and 55 with service of between 15 and 25 years. GS 143-166.41(a) provides for a supplemental retirement benefit for retired law enforcement officers between retirement and age 62. Requires that the retired officer be at least 55 with five or more years of service or have 30 years of service. This act would make the officer eligible at 55 with five or more years of service or at 50 with 25 years of service. Makes conforming changes to GS 135-5(m) and GS 128-27(m). Effective July 1, 2009.

Amends GS 143-166.41 (Special separation allowance) to require that the payment of the special separation allowance be made at the same time as the officer's retirement benefits. Amends the requirements that must be met to qualify for the allowance to require that the individual have completed 25 (was, 30) or more years of creditable service and not have become eligible for unreduced Social Security benefits (was, not have attained age 62). Requires that payment of the special separation allowance be administered by the Department of State Treasurer (Department), which must establish a Special Separation Allowance Fund to receive funds from each department, agency, or institution employing officers entitled to receive benefits under Article 12D (Separation Allowances for Law-Enforcement Officers) of GS Chapter 143. Requires the Department to establish the percentage allocation for each officer during the officer's employment based on the amount necessary to fund the officer's separation allowance. Requires each agency to pay this account to the Department to be allocated to each officer during the officer's career, and provides that the amount is portable from agency to agency. Amends the times at which the provisions of the statute cease to include the following: the last day of the month in which the officer becomes eligible for unreduced Social Security benefits (was, of the month in which the officer turns 62), or any employment of the officer that causes suspension of payment of the officer's retirement allowance (was, the first day of reemployment by any state entity, except when an officer is returning to state employment in a position exempt from the state personnel act in any agency other than the agency from which the officer retired). Effective January 1, 2010.

Requires the Department to develop and implement a plan for transitioning administration of the special separation allowance to the Department as provided for in the act.

Intro. by Boseman.

GS 128, 135, 143