

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

H

2

HOUSE BILL 810
Committee Substitute Favorable 5/2/23

Short Title: Alternative LEO Special Separation Allowance.

(Public)

Sponsors:

Referred to:

April 19, 2023

A BILL TO BE ENTITLED

AN ACT PROVIDING AN ALTERNATIVE SPECIAL SEPARATION ALLOWANCE FOR STATE AND LOCAL LAW ENFORCEMENT OFFICERS WITH AT LEAST THIRTY YEARS OF CREDITABLE SERVICE.

The General Assembly of North Carolina enacts:

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

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

(a) Alternative Special Separation Allowances for State Law Enforcement Officers. – Notwithstanding any other provision of law, as an alternative to receiving the special separation allowance authorized by G.S. 143-166.41, every sworn 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 may elect to receive, beginning in the month in which the officer retires, either the special separation allowance under G.S. 143-166.41 or receive, beginning in the month in which the officer retires, an annual separation allowance equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of compensation at the time the officer attained 30 years of service times 30. 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 completed at least 30 years but no more than 35 years of creditable service.

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

(b) As used in this section, "creditable service" means the service for which credit is allowed under the retirement system of which the officer is a member, provided that at least fifty percent (50%) of the service is as a law enforcement officer as herein defined or as a probation/parole officer as defined in G.S. 135-1(17a).

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

(1) The death of the officer.

(2) The last day of the month after a period equivalent to 62 years minus the age at which the officer first completes 30 years of creditable service.



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

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

9 (e) The head of each State department, agency, or institution shall determine the
10 eligibility of employees for the benefits provided herein.

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

15 (g) The head of each State department, agency, or institution shall make the payments set
16 forth in subsection (a) of this section to those persons certified under subsection (e) of this section
17 from funds available under subsection (f) of this section."

18 **SECTION 2.** Article 12D of Chapter 143 of the General Statutes is amended by
19 adding a new section to read:

20 **"§ 143-166.45. Alternative special separation allowances for local law enforcement officers.**

21 (a) Alternative Special Separation Allowances for Local Law Enforcement Officers. –
22 Notwithstanding any other provision of law, as an alternative to receiving the special separation
23 allowance authorized by G.S. 143-166.42, every sworn law enforcement officer as defined by
24 G.S. 128-21(11d) or G.S. 143-166.50(a)(3) employed by a local government employer who
25 qualifies under this section may elect to receive, beginning in the month in which the officer
26 retires, either the special separation allowance under G.S. 143-166.42 or receive, beginning in
27 the month in which the officer retires, an annual separation allowance equal to eighty-five
28 hundredths percent (0.85%) of the annual equivalent of the base rate of compensation at the time
29 the officer attained 30 years of service times 30. The allowance shall be paid in equal installments
30 on the payroll frequency used by the employer. To qualify for the allowance the officer shall:

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

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

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

43 (c) Payment to a retired officer under the provisions of this section shall cease at the first
44 of:

45 (1) The death of the officer.

46 (2) The last day of the month after a period equivalent to 62 years minus the age
47 at which the officer first completes 30 years of creditable service.

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

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

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

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

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

14 (f) The governing body of each local employer shall determine the eligibility of
15 employees for the benefits provided herein.

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

19 **SECTION 3.** This act becomes effective July 1, 2023.