A BILL TO BE ENTITLED

AN ACT TO CREATE A SPECIAL SEPARATION ALLOWANCE FOR STATE AND LOCAL FIREFIGHTERS AND RESCUE SQUAD WORKERS.

The General Assembly of North Carolina enacts:

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

"Article 12I. Special Separation Allowances for State and Local Firefighters and Rescue Squad Workers.

§ 143-166.90. Special separation allowances for State firefighters and rescue squad workers.

(a) The following definitions apply in this section:

(1) "Creditable service" means the service for which credit is allowed under the retirement system of which the firefighter or rescue squad worker is a member, provided that at least fifty percent (50%) of the service is as a firefighter or rescue squad worker.

(2) "Firefighter" shall mean a full-time paid employee of any State department, agency, or institution actively serving in a position with assigned primary duties and responsibilities for the prevention, detection, and suppression of fire.

(3) "Rescue squad worker" shall mean a full-time paid employee of any State department, agency, or institution who meets the definition of "emergency medical services personnel" under G.S. 131E-155.

(b) Every firefighter or rescue squad worker who qualifies under this section shall receive, beginning in the month in which the firefighter or rescue squad worker 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 the firefighter or rescue squad worker 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 firefighter or rescue squad worker shall meet all of the following criteria:

(1) The firefighter or rescue squad worker has either (i) completed 30 or more years of creditable service or (ii) attained 60 years of age and completed 25 or more years of creditable service.

(2) The firefighter or rescue squad worker has not attained 62 years of age.

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

(c) Payment to a retired firefighter or rescue squad worker under the provisions of this section shall cease upon the earlier of following:

(1) The death of the firefighter or rescue squad worker.
(2) The last day of the month in which the firefighter or rescue squad worker attains 62 years of age.
(3) The first day of reemployment by any State department, agency, or institution, except that this subdivision does not apply to a firefighter or rescue squad worker returning to State employment in a position exempt from the North Carolina Human Resources Act in an agency other than the agency from which that firefighter or rescue squad worker retired.

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

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

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

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

§ 143-166.92. Special separation allowances for local firefighters and rescue squad workers.

(a) The following definitions apply in this section:

(1) “Creditable service” means the service for which credit is allowed under the retirement system of which the firefighter or rescue squad worker is a member, provided that at least fifty percent (50%) of the service is as a firefighter or rescue squad worker.

(2) "Firefighter" means a person (i) who is a full-time paid employee of an employer that participates in the Local Governmental Employees’ Retirement System, or an equivalent locally sponsored retirement plan, and maintains a fire department certified by the North Carolina Department of Insurance or a County Fire Marshal’s Office and (ii) who is actively serving in a position with assigned primary duties and responsibilities for the prevention, detection, and suppression of fire.

(3) "Rescue squad worker" means a person (i) who is a full-time paid employee of an employer that participates in the Local Governmental Employees’ Retirement System and maintains a rescue squad or emergency medical services team certified by the North Carolina Department of Insurance or the Department of Health and Human Services and (ii) who is actively serving in a position with assigned primary duties and responsibilities for the alleviation of human suffering and assistance to persons who are in
difficulty, who are injured, or who become suddenly ill, by providing proper
and efficient care or emergency medical services.

(b) Every firefighter or rescue squad worker who qualifies under this section shall
receive an annual separation allowance beginning in the month in which the firefighter or
rescue squad worker retires on a basic service retirement under the provisions of G.S. 128-27(a)
or a locally sponsored retirement plan. The annual separation allowance shall be equal to
eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of
compensation most recently applicable to the firefighter or rescue squad worker 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 firefighter or rescue squad worker shall
meet all of the following criteria:

(1) The firefighter or rescue squad worker has either (i) completed 30 or more
years of creditable service or (ii) attained 60 years of age and completed 25
or more years of creditable service.
(2) The firefighter or rescue squad worker has not attained 62 years of age.
(3) The firefighter or rescue squad worker has completed at least five years of
continuous service rendered on or after July 1, 2017, as a firefighter or
rescue squad worker immediately preceding a service retirement. Any break
in the continuous service required by this subdivision because of disability
retirement or disability salary continuation benefits shall not adversely affect
a firefighter's or rescue squad worker's qualification to receive the
allowance, provided the firefighter or rescue squad worker returns to service
within 45 days after the disability benefits cease and is otherwise qualified to
receive the allowance.

(c) Payment to a retired firefighter or rescue squad worker under the provisions of this
section shall cease upon the earlier of following:

(1) The death of the firefighter or rescue squad worker.
(2) The last day of the month in which the firefighter or rescue squad worker
attains 62 years of age.
(3) The first day of reemployment by a local government employer in any
capacity.

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

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

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

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

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