

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021**

**HOUSE BILL 406
RATIFIED BILL**

AN ACT PROVIDING A SPECIAL SEPARATION ALLOWANCE FOR CERTAIN
CLEVELAND, RUTHERFORD, AND MOORE COUNTY LAW ENFORCEMENT
OFFICERS WHO ATTAIN TWENTY-FIVE YEARS OF SERVICE.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The following definitions apply in this section:

- (1) Creditable service. – 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.
- (2) Law enforcement officer. – As defined by G.S. 128-21(11d) or G.S. 143-166.50(a)(3).

SECTION 1.(b) On and after January 1, 2022, and notwithstanding any other provision of law to the contrary, every sworn law enforcement officer who is employed by Cleveland, Rutherford, or Moore Counties and qualifies under subsection (c) of this section shall receive, beginning in the month in which the officer retires on a basic service retirement under the provisions of G.S. 128-27(a), an annual separation allowance according to the following:

- (1) Upon completion of 25 years of service, an amount equal to seven hundred twenty-five thousandths percent (0.725%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (2) Upon completion of 26 years of service, an amount equal to seven hundred fifty thousandths percent (0.750%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (3) Upon completion of 27 years of service, an amount equal to seven hundred seventy-five thousandths percent (0.775%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (4) Upon completion of 28 years of service, an amount equal to eight hundred thousandths percent (0.800%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (5) Upon completion of 29 years of service, an amount equal to eight hundred twenty-five thousandths percent (0.825%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (6) Upon completion of 30 years of service, an amount equal to eight hundred fifty thousandths percent (0.850%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.



The allowance authorized by this section shall be paid in equal installments on the payroll frequency used by the employer.

SECTION 1.(c) In order to qualify for the allowance, the officer shall meet all of the following criteria:

- (1) Has completed 25 or more years of creditable service.
- (2) Has not attained 62 years of age.
- (3) Has completed at least 10 years of continuous service as a law enforcement officer for either Cleveland, Rutherford, or Moore Counties 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 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.
- (4) Is not a recipient of the special separation allowance provided under G.S. 143-166.41 or G.S. 143-166.42.

SECTION 1.(d) Payment to a retired officer under the provisions of this section shall cease at the earlier of the following:

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

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

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

SECTION 1.(f) 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.

SECTION 1.(g) The governing bodies of Cleveland, Rutherford, and Moore Counties shall determine the eligibility of employees for the benefits provided in this section.

SECTION 1.(h) The governing bodies of Cleveland, Rutherford, and Moore Counties shall make the payments set forth in subsection (b) of this section to those individuals determined to be eligible under subsections (c) and (g) of this section from funds available.

SECTION 2. This act applies only to Cleveland, Rutherford, and Moore Counties.

SECTION 3. This act becomes effective January 1, 2022, and applies prospectively to eligibility determinations made by the governing bodies of Cleveland, Rutherford, and Moore Counties on or after that date.

In the General Assembly read three times and ratified this the 30th day of November, 2021.

s/ Phil Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives