

# Retirement

See full summary documents for additional detail

## **H9 - Allow Election Day Service - Retired LEOs. (SL 2018-25)**

S.L. 2018-25 allows a retired law enforcement officer to be employed to provide service to a county board of elections on an election day without impacting payments from the officer's special separation allowance benefit. This act became effective June 22, 2018.

## **H284 - 25-Year LEO Retirement Option. (SL 2018-22)**

S.L. 2018-22 makes the following changes: 1) allows separation buyouts for law enforcement officers, effective June 22, 2018; 2) permits transfers under the special retirement allowance in the Teachers' and State Employees' Retirement System (TSERS) and the Local Governmental Employees Retirement System (LGERS) to be paid in whole or in part with employer contributions, effective July 1, 2019; 3) allows law enforcement officers with 25 years of creditable service who are members of the TSERS and the LGERS to retire with reduced benefits, effective July 1, 2019; and 4) effective June 22, 2018, allows the Retirement Systems Division of the Department of State Treasurer to use retirement assets to cover the costs associated with the administration of the changes in the act.

## **H651 - State Pension/Ret. Health Ben. Fund Solvency. (SL 2018-30)**

S.L. 2018-30 creates the Unfunded Liability Solvency Reserve as a reserve in the General Fund to serve as an account for resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other postemployment benefit plans, or other employee benefit plans.

The act becomes effective October 1, 2018.

## **H977 - Administrative Changes Retirement System/Treasurer - 2018. (SL 2018-84)**

S.L. 2018-84 makes clarifying and administrative changes to laws relating to the State Treasurer, to the Teachers' and State Employees' Retirement System (TSERS), to the Local Government Employees' Retirement System (LGERS), to the State Health Plan (SHP), and to other related statutes.

This act became effective on June 25, 2018.

## **H985 - Retirement Technical Corrections Act of 2018. (SL 2018-85)**

S.L. 2018-85 makes technical changes to the Disability Income Plan, the Local Governmental Employees' Retirement System, the Teachers' and State Employees' Retirement System, the Consolidated Judicial

Retirement System, the Legislative Retirement System, the State Health Plan, and the NC Firefighters' and Rescue Squad Workers' Pension Fund.

The act became effective June 25, 2018.

### **H1055 - Retirement Complexity Reduction Act of 2018. (Ratified)**

House Bill 1055 would make various administrative and programmatic changes to the laws relating to the State Treasurer, to the Teachers' and State Employees' Retirement System (TSERS), to the Local Government Employees' Retirement System (LGERS) laws, to the State Health Plan for Teachers and State Employees (SHP), and to other related statutes.

This bill was vetoed by the Governor on June 25, 2018. This bill would be effective when it becomes law.

### **H1056 - FAIR 2018. (SL 2018-52)**

S.L. 2018-52, the Financial Accountability, Integrity, and Recovery (FAIR) Act of 2018, amends statutes pertaining to the Teachers' and State Employees' Retirement System, the Local Governmental Employees' Retirement System, the Consolidated Judicial Retirement System, the Legislative Retirement System, the Firefighters' and Rescue Squad Workers' Pension Fund, the Disability Income Plan, and the State Health Plan. These amendments broadly include the following areas: recovery of overpayment and erroneous payment; State Health Plan recovery; garnishment; liens; prohibiting the repurchase of forfeited benefits; reciprocity of creditable service; settlement agreements; average final compensation and the contribution-based benefit cap; and short term disability.

The act became effective June 25, 2018.

### **S99 - Appropriations Act of 2018.**

#### **Sec. 35.28: Provide One-Time Cost-of-Living Supplement for Retirees of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System. (SL 2018-5)**

Sec. 35.28 of S.L. 2018-5 provides a one-time cost-of-living supplement payment to beneficiaries of the Teachers' and State Employees' Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System who are living as of September 1, 2018, and whose retirement commenced on or before September 1, 2018. The payment will be one percent (1%) of the beneficiary's annual retirement allowance payable as of September 1, 2018, and will not be prorated for date of retirement commencement.

If the beneficiary dies before the payment is made, then the payment will be payable to the member's legal representative. No beneficiary will be deemed to have acquired a vested right to any future supplemental payments. This section became effective on July 1, 2018.

**S99 - Appropriations Act of 2018.**

**Sec.35.29: Increase and Expand Public Safety Death Benefit. (SL 2018-5)**

Sec. 35.29 amends the title of Article 12A of Chapter 143 to "Public Safety Employees' Death Benefits Act" and expands death benefit coverage to include dependents of noncustodial employees of the Division of Adult Correction and Juvenile Justice (DACJJ) of the Department of Public Safety, who are killed by an individual or individuals in the custody of the DACJJ. The amount awarded by the Industrial Commission to any covered person who is killed in the line of duty is increased to \$100,000. Additionally, the payment section is amended to specify that when there is no surviving spouse, surviving dependent child, or surviving parent, the payment must be made to the estate of the deceased covered person. The section makes a number of other amendments to the Article and makes conforming changes to other statutes. The amended statutes specify that provisions in the Article apply to noncustodial employees of the DACJJ who are killed in the line of duty on or after April 1, 2017.

This section became effective retroactively to April 1, 2017, and applies to qualifying deaths occurring on or after that date.