

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019

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HOUSE BILL 1142

Short Title: Benefit Parity for EMS/TSERS/LGERS. (Public)

Sponsors: Representative Logan.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Pensions and Retirement, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

May 18, 2020

A BILL TO BE ENTITLED

AN ACT TO ALIGN BENEFITS FOR EMERGENCY MEDICAL SERVICES PERSONNEL WITH BENEFITS FOR LAW ENFORCEMENT OFFICERS UNDER THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE SUPPLEMENTAL RETIREMENT INCOME PLAN, AND THE SEPARATE INSURANCE BENEFITS PLAN.

The General Assembly of North Carolina enacts:

**PART I. EMS PERSONNEL RETIREMENT BENEFITS UNDER THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM**

**SECTION 1.1.(a)** G.S. 135-1 is amended by adding a new subdivision to read:

"(9b) "Emergency medical services personnel" or "EMS personnel" shall mean all full-time employees of any State department, agency, or institution who meet the definition of emergency services personnel under G.S. 131E-155."

**SECTION 1.1.(b)** Effective July 1, 2020, G.S. 135-5(a)(4) reads as rewritten:

"(4) Any member who is a ~~law enforcement officer~~ law enforcement officer or EMS personnel and who attains age 50 and completes 15 or more years of creditable service in this capacity or who attains age 55 and completes five or more years of creditable service in this capacity, may retire upon electronic submission or written application to the Board of Trustees setting forth at what time, as of the first day of a calendar month, not less than one day nor more than 120 days subsequent to the execution and filing thereof, ~~he~~ the member desires to be retired; Provided, also, any member who has met the conditions herein required but does not retire, and later becomes a teacher or an employee other than as a ~~law enforcement officer~~ law enforcement officer or EMS personnel shall continue to have the right to commence retirement."

**SECTION 1.1.(c)** G.S. 135-5(b21) reads as rewritten:

"(b21) Service Retirement Allowance of Members Retiring on or After July 1, ~~2019~~ 2019, but before July 1, 2020. – Upon retirement from service on or after July 1, 2019, but before July 1, 2020, in accordance with subsection (a) or (a1) of this section, a member shall receive the following service retirement allowance:

...."

**SECTION 1.1.(d)** G.S. 135-5 is amended by adding a new subsection to read:



1        "(b22)     Service Retirement Allowance of Members Retiring on or After July 1, 2020. –  
2 Upon retirement from service on or after July 1, 2020, in accordance with subsection (a) or (a1)  
3 of this section, a member shall receive the following service retirement allowance:

4           (1)     A member who is a law enforcement officer, an eligible former law  
5 enforcement officer, EMS personnel, or eligible former EMS personnel shall  
6 receive a service retirement allowance computed as follows:

7           a.     If the member's service retirement date occurs on or after the member's  
8 55th birthday and completion of five years of creditable service as a  
9 law enforcement officer or EMS personnel, or after the completion of  
10 30 years of creditable service, then the allowance shall be equal to one  
11 and eighty-two hundredths percent (1.82%) of the member's average  
12 final compensation, multiplied by the number of years of the member's  
13 creditable service.

14           b.     If the member's service retirement date occurs prior to the member's  
15 50th birthday and after the completion of 25 years of creditable service  
16 with a minimum of 15 years of creditable service in a law enforcement  
17 capacity or as EMS personnel but before the completion of 30 years of  
18 creditable service, then the retirement allowance shall be equal to the  
19 greater of the following amounts:

20           1.     The service retirement allowance payable under  
21 G.S. 135-5(b22)(1)a. reduced by one-third of one percent (1/3  
22 of 1%) thereof for each month by which the member's  
23 retirement date precedes the first day of the month coincident  
24 with or next following the month the member would have  
25 attained age 55.

26           2.     The service retirement allowance as computed under  
27 G.S. 135-5(b22)(1)a. reduced by five percent (5%) times the  
28 difference between 30 years and the member's creditable  
29 service at retirement plus four percent (4%) times the  
30 difference between age 50 and the member's age at retirement.

31           c.     If the member's service retirement date occurs on or after the member's  
32 50th birthday and before the member's 55th birthday with 15 or more  
33 years of creditable service as a law enforcement officer or as EMS  
34 personnel and prior to the completion of 30 years of creditable service,  
35 then the retirement allowance shall be equal to the greater of the  
36 following amounts:

37           1.     The service retirement allowance payable under  
38 G.S. 135-5(b22)(1)a. reduced by one-third of one percent (1/3  
39 of 1%) thereof for each month by which the retirement date  
40 precedes the first day of the month coincident with or next  
41 following the month the member would have attained age 55.

42           2.     The service retirement allowance as computed under  
43 G.S. 135-5(b22)(1)a. reduced by five percent (5%) times the  
44 difference between 30 years and the amount of creditable  
45 service at retirement.

46           (2)     A member who is not a law enforcement officer, an eligible former law  
47 enforcement officer, EMS personnel, or eligible former EMS personnel shall  
48 receive a service retirement allowance computed as follows:

49           a.     If the member's service retirement date occurs on or after the member's  
50 65th birthday upon the completion of five years of membership  
51 service, or after the completion of 30 years of creditable service, or on

1 or after the member's 60th birthday upon the completion of 25 years  
2 of creditable service, then the allowance shall be equal to one and  
3 eighty-two hundredths percent (1.82%) of the member's average final  
4 compensation, multiplied by the number of years of creditable service.

5 b. If the member's service retirement date occurs after the member's 60th  
6 birthday and before the member's 65th birthday and prior to the  
7 completion of 25 years or more of creditable service, then the  
8 retirement allowance shall be computed as in G.S. 135-5(b22)(2)a. but  
9 shall be reduced by one-quarter of one percent (1/4 of 1%) thereof for  
10 each month by which the retirement date precedes the first day of the  
11 month coincident with or next following the member's 65th birthday.

12 c. If the member's early service retirement date occurs on or after the  
13 member's 50th birthday and before the member's 60th birthday and  
14 after completion of 20 years of creditable service but prior to the  
15 completion of 30 years of creditable service, then the early service  
16 retirement allowance shall be equal to the greater of the following  
17 amounts:

18 1. The service retirement allowance as computed under  
19 G.S. 135-5(b22)(2)a. but reduced by the sum of five-twelfths  
20 of one percent (5/12 of 1%) thereof for each month by which  
21 the member's retirement date precedes the first day of the  
22 month coincident with or next following the month the  
23 member would have attained the member's 60th birthday, plus  
24 one-quarter of one percent (1/4 of 1%) thereof for each month  
25 by which the member's 60th birthday precedes the first day of  
26 the month coincident with or next following the member's 65th  
27 birthday.

28 2. The service retirement allowance as computed under  
29 G.S. 135-5(b22)(2)a. reduced by five percent (5%) times the  
30 difference between 30 years and the amount of creditable  
31 service at retirement.

32 3. If the member's creditable service commenced prior to July 1,  
33 1994, the service retirement allowance equal to the actuarial  
34 equivalent of the allowance payable at the age of 60 years as  
35 computed in G.S. 135-5(b22)(2)b.

36 d. Notwithstanding the foregoing provisions, any member whose  
37 creditable service commenced prior to July 1, 1963, shall not receive  
38 less than the benefit provided by G.S. 135-5(b)."

39 **SECTION 1.1.(e)** Effective July 1, 2020, G.S. 135-5(m)(1) reads as rewritten:

40 "(1) a. The member had attained such age and/or creditable service to be  
41 eligible to commence retirement with an early or service retirement  
42 allowance, or

43 b. The member had obtained 20 years of creditable service in which case  
44 the retirement allowance shall be computed in accordance with  
45 ~~G.S. 135-5(b19)(1)b. or G.S. 135-5(b19)(2)c.,~~ G.S. 135-5(b22)(1)b.  
46 or G.S. 135-5(b22)(2)c., notwithstanding the requirement of obtaining  
47 age 50, or

48 b1. The member was a law enforcement officer who had obtained 15 years  
49 of service as a law enforcement officer and was killed in the line of  
50 duty, in which case the retirement allowance shall be computed in

accordance with ~~G.S. 135-5(b19)(1)b.~~, G.S. 135-5(b22)(1)b., notwithstanding the requirement of obtaining age 50.

...

d. The member was EMS personnel, had obtained 15 years of service as EMS personnel, and was killed in the line of duty, in which case the retirement allowance shall be computed in accordance with G.S. 135-5(b22)(1)b., notwithstanding the requirement of obtaining age 50."

**SECTION 1.2.(a)** G.S. 128-21 is amended by adding a new subdivision to read:

**"(9b)** "Emergency medical services personnel" or "EMS personnel" shall mean all rescue squad workers and all full-time employees of any employer that participates in the Local Governmental Employees' Retirement System who meet the definition of emergency services personnel under G.S. 131E-155."

**SECTION 1.2.(b)** Effective July 1, 2020, G.S. 128-24(5) reads as rewritten:

**"(5)** The provisions of this subdivision (5) shall apply to any member whose membership is terminated on or after July 1, 1965, and who becomes entitled to benefits hereunder in accordance with the provisions hereof.

a. Notwithstanding any other provision of this Chapter, any member who separates from service prior to the attainment of the age of 60 years for any reason other than death or retirement for disability as provided in G.S. 128-27(c), after completing 15 or more years of creditable service, and who leaves his or her total accumulated contributions in said System shall have the right to retire on a deferred retirement allowance upon attaining the age of 60 years; provided that such member may retire only upon electronic submission or written application to the Board of Trustees setting forth at what time, not less than one day nor more than 120 days subsequent to the execution and filing thereof, ~~he~~ the member desires to be retired; and further provided that in the case of a member who so separates from service on or after July 1, 1967, the aforestated requirement of 15 or more years of creditable service shall be reduced to 12 or more years of creditable service; and further provided that in the case of a member who so separates from service on or after July 1, 1971, or whose account is active on July 1, 1971, the aforestated requirement of 12 or more years of creditable service shall be reduced to five or more years of creditable service. Such deferred retirement allowance shall be computed in accordance with the service retirement provisions of this Article pertaining to a member who is not a law enforcement ~~officer~~ ~~or officer~~, an eligible former law enforcement officer-officer, EMS personnel, or eligible former EMS personnel.

...

b1. In lieu of the benefits provided in paragraphs a and b of this subdivision, any member who is a law enforcement officer or EMS personnel at the time of separation from service prior to the attainment of the age of 50 years, for any reason other than death or disability as provided in this Article, after completing 15 or more years of creditable service in this capacity immediately prior to separation from service, and who leaves his or her total accumulated contributions in this System, may elect to retire on a deferred early retirement allowance upon attaining the age of 50 years or at any time thereafter; provided, that the member may commence retirement only upon

1 electronic submission or written application to the Board of Trustees  
 2 setting forth at what time, as of the first day of a calendar month, not  
 3 less than one day nor more than 120 days subsequent to the execution  
 4 and filing thereof, he desires to commence retirement. The deferred  
 5 early retirement allowance shall be computed in accordance with the  
 6 service retirement provisions of this Article pertaining to law  
 7 enforcement officers.

8 b2. In lieu of the benefits provided in paragraphs a and b of this  
 9 subdivision, any member who is a law enforcement officer or EMS  
 10 personnel at the time of separation from service prior to the attainment  
 11 of the age of 55 years, for any reason other than death or disability as  
 12 provided in this Article, after completing five or more years of  
 13 creditable service in this capacity immediately prior to separation from  
 14 service, and who leaves his or her total accumulated contributions in  
 15 this System may elect to retire on a deferred service retirement  
 16 allowance upon attaining the age of 55 years or at any time thereafter;  
 17 provided, that the member may commence retirement only upon  
 18 electronic submission or written application to the Board of Trustees  
 19 setting forth at what time, as of the first day of a calendar month not  
 20 less than one day nor more than 120 days subsequent to the execution  
 21 and filing thereof, ~~he~~ the member desires to commence retirement. The  
 22 deferred service retirement allowance shall be computed in accordance  
 23 with the service retirement provisions of this Article pertaining to law  
 24 enforcement officers.

25 b3. Deferred retirement allowance of members retiring on or after July 1,  
 26 1995. – In lieu of the benefits provided in paragraphs a. and b. of this  
 27 subdivision, any member who separates from service prior to  
 28 attainment of age 60 years, after completing 20 or more years of  
 29 creditable service, and who leaves his or her total accumulated  
 30 contributions in said System, may elect to retire on a deferred  
 31 retirement allowance upon attaining the age of 50 years or any time  
 32 thereafter; provided that such member may so retire only upon  
 33 electronic submission or written application to the Board of Trustees  
 34 setting forth at what time, not less than one day nor more than 120  
 35 days subsequent to the execution and filing thereof, ~~he~~ the member  
 36 desires to be retired. ~~Such~~ The deferred retirement allowance shall be  
 37 computed in accordance with the service retirement provisions of this  
 38 Article pertaining to a member who is not a law enforcement ~~officer~~  
 39 ~~or officer~~, an eligible former law enforcement ~~officer~~ officer, EMS  
 40 personnel, or eligible former EMS personnel.

41 ...."

42 **SECTION 1.2.(c)** Effective July 1, 2020, G.S. 128-27(a) reads as rewritten:

43 "(a) Service Retirement Benefits. –

44 (1) Any member may retire upon electronic submission or written application to  
 45 the Board of Trustees setting forth at what time, as of the first day of a calendar  
 46 month, not less than one day nor more than 120 days subsequent to the  
 47 execution and filing thereof, ~~he~~ the member desires to be retired: Provided,  
 48 that the said member at the time so specified for ~~his~~ the member's retirement  
 49 shall have attained the age of 60 years and have at least five years of creditable  
 50 service or shall have completed 30 years of creditable service, or if a

1 firefighter or ~~rescue squad worker, he~~ EMS personnel, the member shall have  
 2 attained the age of 55 years and have at least five years of creditable service.

3 ...

- 4 (5) Any member who is a law enforcement officer or EMS personnel and who (i)  
 5 attains age 50 and completes 15 or more years of creditable service in this  
 6 capacity, or (ii) attains age 55 and completes five or more years of creditable  
 7 service in this capacity, or (iii) who has completed 25 years of creditable  
 8 service with a minimum of 15 years of creditable service in a law enforcement  
 9 capacity may retire upon electronic submission or written application to the  
 10 Board of Trustees setting forth at what time, as of the first day of a calendar  
 11 month, not less than one day nor more than 120 days subsequent to the  
 12 execution and filing thereof, the member desires to be retired; provided, also,  
 13 any member who has met the conditions required by this subdivision but does  
 14 not retire, and later becomes an employee other than as a law enforcement  
 15 ~~officer, officer~~ or EMS personnel, continues to have the right to commence  
 16 retirement."

17 **SECTION 1.2.(d)** G.S. 128-27(b22) reads as rewritten:

18 "(b22) Service Retirement Allowance of Member Retiring on or After July 1, ~~2019-2019,~~  
 19 but before July 1, 2020. – Upon retirement from service in accordance with subsection (a) or (a1)  
 20 of this section, on or after July 1, 2019, but before July 1, 2020, a member shall receive the  
 21 following service retirement allowance:

22 ...."

23 **SECTION 1.2.(e)** G.S. 128-27 is amended by adding a new subsection to read:

24 "(b23) Service Retirement Allowance of Member Retiring on or After July 1, 2020. –  
 25 Upon retirement from service in accordance with subsection (a) or (a1) of this section, on or after  
 26 July 1, 2020, a member shall receive the following service retirement allowance:

- 27 (1) A member who is a law enforcement officer, an eligible former law  
 28 enforcement officer, EMS personnel, or eligible former EMS personnel shall  
 29 receive a service retirement allowance computed as follows:

30 a. If the member's service retirement date occurs on or after the member's  
 31 55th birthday and completion of five years of creditable service as a  
 32 law enforcement officer or EMS personnel, or after the completion of  
 33 30 years of creditable service, then the allowance shall be equal to one  
 34 and eighty-five hundredths percent (1.85%) of the member's average  
 35 final compensation, multiplied by the number of years of the member's  
 36 creditable service.

37 b. If the member's service retirement date occurs prior to the member's  
 38 50th birthday and after the completion of 25 years of creditable service  
 39 with a minimum of 15 years of creditable service in a law enforcement  
 40 capacity or as EMS personnel, but before the completion of 30 years  
 41 of creditable service, then the retirement allowance shall be equal to  
 42 the greater of the following amounts:

43 1. The service retirement allowance payable under  
 44 G.S. 128-27(b23)(1)a. reduced by one-third of one percent (1/3  
 45 of 1%) thereof for each month by which the member's  
 46 retirement date precedes the first day of the month coincident  
 47 with or next following the month the member would have  
 48 attained age 55.

49 2. The service retirement allowance as computed under  
 50 G.S. 128-27(b23)(1)a. reduced by five percent (5%) times the  
 51 difference between 30 years and the member's creditable

- 1 service at retirement plus four percent (4%) times the  
2 difference between 50 and the member's age at retirement.
- 3 c. If the member's service retirement date occurs on or after the member's  
4 50th birthday and before the member's 55th birthday with 15 or more  
5 years of creditable service as a law enforcement officer or as EMS  
6 personnel and prior to the completion of 30 years of creditable service,  
7 then the retirement allowance shall be equal to the greater of the  
8 following amounts:
- 9 1. The service retirement allowance payable under  
10 G.S. 128-27(b23)(1)a. reduced by one-third of one percent (1/3  
11 of 1%) thereof for each month by which the retirement date  
12 precedes the first day of the month coincident with or next  
13 following the month the member would have attained age 55.
- 14 2. The service retirement allowance as computed under  
15 G.S. 128-27(b23)(1)a. reduced by five percent (5%) times the  
16 difference between 30 years and the amount of creditable  
17 service at retirement.
- 18 (2) A member who is not a law enforcement officer, an eligible former law  
19 enforcement officer, EMS personnel, or eligible former EMS personnel shall  
20 receive a service retirement allowance computed as follows:
- 21 a. If the member's service retirement date occurs on or after the member's  
22 65th birthday upon the completion of five years of creditable service,  
23 or after the completion of 30 years of creditable service, or on or after  
24 the member's 60th birthday upon the completion of 25 years of  
25 creditable service, then the allowance shall be equal to one and  
26 eighty-five hundredths percent (1.85%) of the member's average final  
27 compensation, multiplied by the number of years of creditable service.
- 28 b. If the member's service retirement date occurs after the member's 60th  
29 birthday and before the member's 65th birthday and prior to the  
30 completion of 25 years or more of creditable service, then the  
31 retirement allowance shall be computed as in G.S. 128-27(b23)(2)a.  
32 but shall be reduced by one-quarter of one percent (1/4 of 1%) thereof  
33 for each month by which the retirement date precedes the first day of  
34 the month coincident with or next following the member's 65th  
35 birthday.
- 36 c. If the member's early service retirement date occurs on or after the  
37 member's 50th birthday and before the member's 60th birthday and  
38 after completion of 20 years of creditable service but prior to the  
39 completion of 30 years of creditable service, then the early service  
40 retirement allowance shall be equal to the greater of the following  
41 amounts:
- 42 1. The service retirement allowance as computed under  
43 G.S. 128-27(b23)(2)a. but reduced by the sum of five-twelfths  
44 of one percent (5/12 of 1%) thereof for each month by which  
45 the retirement date precedes the first day of the month  
46 coincident with or next following the month the member would  
47 have attained the member's 60th birthday, plus one-quarter of  
48 one percent (1/4 of 1%) thereof for each month by which the  
49 member's 60th birthday precedes the first day of the month  
50 coincident with or next following the member's 65th birthday.

2. The service retirement allowance as computed under G.S. 128-27(b23)(2)a. reduced by five percent (5%) times the difference between 30 years and the amount of creditable service at retirement.

3. If the member's creditable service commenced prior to July 1, 1995, then the service retirement allowance equal to the actuarial equivalent of the allowance payable at the age of 60 years as computed in G.S. 128-27(b23)(2)b.

d. Notwithstanding the foregoing provisions, any member whose creditable service commenced prior to July 1, 1965, shall not receive less than the benefit provided by G.S. 128-27(b)."

**SECTION 1.2.(f)** Effective July 1, 2020, G.S. 128-30(d)(9) reads as rewritten:

"(9) Notwithstanding Chapter 150B of the General Statutes and the foregoing provisions of this subsection, the actuary shall determine an additional "accrued liability contribution rate" and a "normal contribution rate" on account of the total earned compensation of each employer's law enforcement officers or EMS personnel each year, known as the "required employer contribution for law enforcement officers and EMS personnel rate." The required employer contribution for law enforcement officers and EMS personnel rate may be adjusted under a contribution rate policy adopted by the Board of Trustees and added to the employers' past service liability rate. The Board of Trustees shall not adopt a contribution rate policy that results in a rate less than the normal contribution rate."

**PART II. SEPARATION ALLOWANCES FOR EMERGENCY MEDICAL SERVICES PERSONNEL**

**SECTION 2.1.(a)** Article 12 of Chapter 143 of the General Statutes reads as rewritten:

"Article 12D.

"Separation Allowances for ~~Law Enforcement Officers~~ Law Enforcement Officers and Emergency Medical Services Personnel.

**"§ 143-166.40. Rules for selection and retention of law-enforcement officers; rules exempt from Administrative Procedure Act.**

(a) Except as otherwise provided by State and federal law, the head of each principal State department may establish rules and procedures for the selection and retention of sworn law-enforcement officers to ensure that they are physically, emotionally, and intellectually qualified to perform their duties. These rules and procedures shall not establish any mandatory age limit for service as a law-enforcement officer that conflicts with a federal statute.

(b) These rules and procedures are exempt from the provisions of Chapter 150B of the General Statutes.

**"§ 143-166.41. Special separation ~~allowance~~ allowance for State law enforcement officers.**

(a) Notwithstanding any other provision of law, every sworn ~~law enforcement~~ 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 shall receive, beginning in the month in which he 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 him 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 officer shall:

(1) Have (i) completed 30 or more years of creditable service or, (ii) have attained 55 years of age and completed five or more years of creditable service; and



- 1 (2) Not have attained 62 years of age; and  
 2 (3) Have completed at least five years of continuous service as a law enforcement  
 3 officer as herein defined immediately preceding a service retirement. Any  
 4 break in the continuous service required by this subsection because of  
 5 disability retirement or disability salary continuation benefits shall not  
 6 adversely affect an officer's qualification to receive the allowance, provided  
 7 the officer returns to service within 45 days after the disability benefits cease  
 8 and is otherwise qualified to receive the allowance.  
 9

10 **"§ 143-166.42. Special separation allowances for local law enforcement officers.**

11 (a) On and after January 1, 1987, every sworn law enforcement officer as defined by  
 12 G.S. 128-21(11d) or G.S. 143-166.50(a)(3) employed by a local government employer who  
 13 qualifies under this section shall receive, beginning in the month in which the officer retires on a  
 14 basic service retirement under the provisions of G.S. 128-27(a), an annual separation allowance  
 15 equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of  
 16 compensation most recently applicable to the officer for each year of creditable service. The  
 17 allowance shall be paid in equal installments on the payroll frequency used by the employer. To  
 18 qualify for the allowance, the officer shall:

- 19 (1) Have (i) completed 30 or more years of creditable service or (ii) have attained  
 20 55 years of age and completed five or more years of creditable service; and  
 21 (2) Not have attained 62 years of age; and  
 22 (3) Have completed at least five years of continuous service as a law enforcement  
 23 officer as herein defined immediately preceding a service retirement. Any  
 24 break in the continuous service required by this subsection because of  
 25 disability retirement or disability salary continuation benefits shall not  
 26 adversely affect an officer's qualification to receive the allowance, provided  
 27 the officer returns to service within 45 days after the disability benefits cease  
 28 and is otherwise qualified to receive the allowance.  
 29

30 **"§ 143-166.43. Separation buyouts for law enforcement ~~officers~~officers and emergency  
 31 medical services personnel.**

32 Any State department, agency, or institution, or any local government employer, may, in its  
 33 discretion, offer a lump sum separation buyout to a law enforcement officer or emergency  
 34 services personnel who leaves employment prior to reaching the ~~officer's~~individual's eligibility  
 35 for a separation allowance under this Article. The lump sum separation buyout shall be paid from  
 36 funds available and shall not exceed the total that would otherwise be paid in separation  
 37 allowance payments under ~~G.S. 143-166.41 or G.S. 143-166.42~~this Article.

38 **"§ 143-166.44. Special separation allowance for State emergency medical services  
 39 personnel.**

40 (a) The following definitions apply in this section:

- 41 (1) Creditable service. – The service for which credit is allowed under the  
 42 retirement system of which an individual is a member, provided that at least  
 43 fifty percent (50%) of the service is as emergency medical services personnel.  
 44 (2) Emergency medical services personnel or EMS personnel. – As defined under  
 45 G.S. 135-1.

46 (b) An individual who qualifies under this section shall receive, beginning in the month  
 47 in which the individual retires on a basic service retirement under the provisions of G.S. 135-5(a),  
 48 an annual separation allowance equal to eighty-five hundredths percent (0.85%) of the annual  
 49 equivalent of the base rate of compensation most recently applicable to the individual for each  
 50 year of creditable service. The allowance shall be paid in equal installments on the payroll

1 frequency used by the employer. To qualify for the allowance, the individual shall meet all of the  
2 following criteria:

3 (1) The individual has either (i) completed 30 or more years of creditable service  
4 or (ii) attained 60 years of age and completed 25 or more years of creditable  
5 service.

6 (2) The individual has not attained 62 years of age.

7 (3) The individual has completed at least five years of continuous service  
8 rendered on or after July 1, 2020, as emergency medical services personnel  
9 immediately preceding a service retirement. Any break in the continuous  
10 service required by this subdivision because of disability retirement or  
11 disability salary continuation benefits shall not adversely affect an individual's  
12 qualification to receive the allowance, provided the individual returns to  
13 service within 45 days after the disability benefits cease and is otherwise  
14 qualified to receive the allowance.

15 (c) Payment to a retired individual under the provisions of this section shall cease upon  
16 the earlier of the following:

17 (1) The death of the individual.

18 (2) The last day of the month in which the individual attains 62 years of age.

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

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

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

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

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

36 **§ 143-166.45. Special separation allowances for local emergency medical services**  
37 **personnel.**

38 (a) The following definitions apply in this section:

39 (1) Creditable service. – The service for which credit is allowed under the  
40 retirement system of which an individual is a member, provided that at least  
41 fifty percent (50%) of the service is as emergency medical services personnel.

42 (2) Emergency medical services personnel or EMS personnel. – A rescue squad  
43 worker as defined under G.S. 128-21 or a full-time employee of any employer  
44 that participates in the Local Governmental Employees' Retirement System  
45 and who meets the definition of emergency services personnel under  
46 G.S. 131E-155.

47 (b) An individual who qualifies under this section shall receive an annual separation  
48 allowance beginning in the month in which the individual retires on a basic service retirement  
49 under the provisions of G.S. 128-27(a) or a locally sponsored retirement plan. The annual  
50 separation allowance shall be equal to eighty-five hundredths percent (0.85%) of the annual  
51 equivalent of the base rate of compensation most recently applicable to the individual for each

1 year of creditable service. The allowance shall be paid in equal installments on the payroll  
2 frequency used by the employer. To qualify for the allowance, the individual shall meet all of the  
3 following criteria:

4 (1) The individual has either (i) completed 30 or more years of creditable service  
5 or (ii) attained 60 years of age and completed 25 or more years of creditable  
6 service.

7 (2) The individual has not attained 62 years of age.

8 (3) The individual has completed at least five years of continuous service  
9 rendered on or after July 1, 2020, as emergency medical services personnel  
10 immediately preceding a service retirement. Any break in the continuous  
11 service required by this subdivision because of disability retirement or  
12 disability salary continuation benefits shall not adversely affect an individual's  
13 qualification to receive the allowance, provided the individual returns to  
14 service within 45 days after the disability benefits cease and is otherwise  
15 qualified to receive the allowance.

16 (c) Payment to a retired individual under the provisions of this section shall cease upon  
17 the earlier of the following:

18 (1) The death of the individual.

19 (2) The last day of the month in which the individual attains 62 years of age.

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

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

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

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

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

36 **SECTION 2.1.(b)** This section is effective when it becomes law and applies to  
37 individuals retiring on or after that date.

### 39 **PART III. EMPLOYER CONTRIBUTIONS TO THE SUPPLEMENTAL RETIREMENT** 40 **INCOME PLAN/EMERGENCY MEDICAL SERVICES PERSONNEL**

41 **SECTION 3.1.(a)** The title of Article 12C of Chapter 143 of the General Statutes  
42 reads as rewritten:

43 "Article 12C.

44 "Retirement Benefits for State Law-Enforcement ~~Officers~~ Officers and Emergency Medical  
45 Services Personnel."

46 **SECTION 3.1.(b)** G.S. 143-166.30(a) reads as rewritten:

47 "**§ 143-166.30. Retirement benefits for State law-enforcement officers.**

48 (a) Definitions. – The following words and phrases as used in this Article, unless a  
49 different meaning is plainly required by the context, shall have the following  
50 meanings: definitions apply in this section:"

1 SECTION 3.1.(c) Article 12C of Chapter 143 of the General Statutes is amended by  
2 adding a new section to read:

3 **"§ 143-166.31. State contributions to the Supplemental Retirement Income Plan for**  
4 **emergency medical services personnel.**

5 (a) Definitions. – The following definitions apply in this section:

- 6 (1) Emergency medical services personnel or EMS personnel. – As defined under  
7 G.S. 135-1.  
8 (2) Participant. – An emergency medical services personnel with an account with  
9 the Supplemental Retirement Income Plan.  
10 (3) Supplemental Retirement Income Plan. – The Supplemental Retirement  
11 Income Plan established under Article 5 of Chapter 135 of the General  
12 Statutes.

13 (b) State Contribution Amount. – The State shall contribute monthly to a participant's  
14 individual account an amount equal to five percent (5%) of the participant's compensation.

15 (c) Rights of Participants Under the Uniformed Services Employment and  
16 Reemployment Rights Act. – A participant whose employment is interrupted by reason of service  
17 in the Uniformed Services, as that term is defined in section 4303(16) of the Uniformed Services  
18 Employment and Reemployment Rights Act, Public Law 103-353, shall be entitled to all rights  
19 and benefits that the participant would have been entitled to under this section had the  
20 participant's employment not been interrupted, provided that the participant returns to service as  
21 a law enforcement officer while the participant's reemployment rights are protected under the  
22 provisions of the Uniformed Services Employment and Reemployment Rights Act.

23 (d) Forfeiture of Benefits for Certain Felonies. – Participants whose benefits are forfeited  
24 under G.S. 135-18.10A shall also forfeit contributions paid on behalf of the participant by the  
25 State to the Supplemental Retirement Income Plan under this section. Any funds forfeited shall  
26 be deposited in the Supplemental Retirement Income Plan."

27 SECTION 3.2.(a) The title of Article 12E of Chapter 143 of the General Statutes  
28 reads as rewritten:

29 "Article 12E.

30 "Retirement Benefits for Local Governmental Law-Enforcement ~~Officers~~-Officers and  
31 Emergency Medical Services Personnel."

32 SECTION 3.2.(b) G.S. 143-166.50(a) reads as rewritten:

33 **"§ 143-166.50. Retirement benefits for local governmental law-enforcement officers.**

34 (a) Definitions. – ~~The following words and phrases as used in this Article, unless a~~  
35 ~~different meaning is plainly required by the context, have the following meaning:~~The following  
36 definitions apply in this section:

37 "...."

38 SECTION 3.2.(c) Article 12E of Chapter 143 of the General Statutes is amended by  
39 adding a new section to read:

40 **"§ 143-166.51. Local government employers' contributions to the Supplemental Retirement**  
41 **Income Plan for emergency medical services personnel.**

42 (a) Definitions. – The following definitions apply in this section:

- 43 (1) Emergency medical services personnel or EMS personnel. – As defined under  
44 G.S. 143-166.45(a).  
45 (2) Local government. – A county, city, town, or other political subdivision of the  
46 State.  
47 (3) Participant. – An emergency medical services personnel with an account with  
48 the Supplemental Retirement Income Plan.  
49 (4) Supplemental Retirement Income Plan. – The Supplemental Retirement  
50 Income Plan established under Article 5 of Chapter 135 of the General  
51 Statutes.

1 (b) Local Government Employer Contribution Amount. – A local government employer  
2 of emergency medical services personnel shall contribute monthly to a participant's individual  
3 account an amount equal to five percent (5%) of the participant's compensation.

4 (c) Rights of Participants Under the Uniformed Services Employment and  
5 Reemployment Rights Act. – A participant whose employment is interrupted by reason of service  
6 in the Uniformed Services, as that term is defined in section 4303(16) of the Uniformed Services  
7 Employment and Reemployment Rights Act, Public Law 103-353, shall be entitled to all rights  
8 and benefits that the participant would have been entitled to under this section had the  
9 participant's employment not been interrupted, provided that the participant returns to service as  
10 an emergency medical services personnel while the participant's reemployment rights are  
11 protected under the provisions of the Uniformed Services Employment and Reemployment  
12 Rights Act.

13 (d) Forfeiture of Benefits for Certain Felonies. – Participants whose benefits are forfeited  
14 under G.S. 128-38.4A shall also forfeit contributions paid on behalf of the participant by the State  
15 to the Supplemental Retirement Income Plan under this section. Any funds forfeited shall be  
16 deposited in the Supplemental Retirement Income Plan."

17 SECTION 3.3. This Part is effective July 1, 2020.

18  
19 **PART IV. SEPARATE INSURANCE BENEFITS PLAN/EMERGENCY MEDICAL**  
20 **SERVICES PERSONNEL**

21 SECTION 4.1.(a) Subsections (d), (d1), (e), and (f) of G.S. 143-166.60 are  
22 recodified as subsections (a), (b), (c), and (e) of a new statute, G.S. 143-166.61, to be entitled  
23 "Benefits under the Separate Insurance Benefits Plan."

24 SECTION 4.1.(b) Subsection (h) of G.S. 143-166.60 is recodified as a new statute,  
25 G.S. 143-166.62.

26 SECTION 4.2. Article 12F of Chapter 143 of the General Statutes, as amended by  
27 Section 4.1 of this act, reads as rewritten:

28 "Article 12F.

29 "Separate Insurance Benefits Plan for State and Local Governmental ~~Law Enforcement~~  
30 ~~Officers.~~ Law Enforcement Officers and Medical Emergency Services Personnel.

31 "~~§ 143-166.60. Separate insurance benefits plan for law enforcement officers.~~ Insurance  
32 Benefits Plan established.

33 (a) Definitions. – The following definitions apply in this Article:

34 (1) Boards of Trustees. – The Board of Trustees for the Teachers' and State  
35 Employees' Retirement System and the Board of Trustees for the Local  
36 Governmental Employees' Retirement System.

37 (2) Law enforcement officer. – As defined in G.S. 135-1 and G.S. 128-21, unless  
38 expressly limited.

39 (3) Former law enforcement officer. – A individual who was previously employed  
40 as a law enforcement officer by a State or local government and who meets  
41 any of the following criteria:

42 a. The individual had 20 or more years of service as an officer.

43 b. The individual is in receipt of a disability retirement allowance from  
44 any State-administered retirement system.

45 c. The individual is in receipt of a benefit from the Disability Income  
46 Plan of North Carolina, established under Article 6 of Chapter 135 of  
47 the General Statutes.

48 (4) Former emergency medical services personnel. – An individual who was  
49 previously employed as emergency medical services personnel by a State or  
50 local government and who meets any of the following criteria:

- 1           a.     The individual had 20 or more years of service as emergency medical  
 2                 services personnel.  
 3           b.     The individual is in receipt of a disability retirement allowance from  
 4                 any State-administered retirement system.  
 5           c.     The individual is in receipt of a benefit from the Disability Income  
 6                 Plan of North Carolina, established under Article 6 of Chapter 135 of  
 7                 the General Statutes.  
 8           (5)    Emergency medical services personnel. – As defined under G.S. 135-1 and  
 9                 G.S. 128-21, unless expressly limited.  
 10          (6)    Participant. – An individual who participates in the Separate Insurance  
 11                 Benefits Plan.  
 12          (7)    Plan. – The Separate Insurance Benefits Plan established under this Article.  
 13          ~~(a)(a1)~~    A Separate Insurance Benefits Plan, hereinafter called the "Plan", is to be ~~Plan is~~  
 14          ~~established as an employee welfare benefit plan, established plan for the benefit of (i) all law~~  
 15          ~~enforcement officers, as defined in G.S. 135-1(11e) and G.S. 128-21(11d) employed by the State~~  
 16          ~~and local governments and (ii) all former law enforcement officers previously employed by the~~  
 17          ~~State and local governments, who had 20 or more years of service as an officer or are in receipt~~  
 18          ~~of a disability retirement allowance from any State administered retirement system or are in~~  
 19          ~~receipt of a benefit from the Disability Income Plan of North Carolina, who shall be~~  
 20          ~~participants.~~ all of the following individuals:  
 21                 (1)    Emergency medical services personnel.  
 22                 (2)    Former emergency medical services personnel.  
 23                 (3)    Former law enforcement officers.  
 24                 (4)    Law enforcement officers.  
 25          (b)    The Boards of Trustees of the Teachers' and State Employees' Retirement System and  
 26          the Local Governmental Employees' Retirement System shall jointly administer the Separate  
 27          Insurance Benefit Plan and shall, under the terms and conditions otherwise appearing in this  
 28          Article, provide Plan benefits ~~either (i) by establishing~~ by taking one of the following actions:  
 29                 (1)    Establishing a separate trust fund in conformance with Section 501(c)(9) of  
 30                 the Internal Revenue Code of 1954 as amended or, (ii) by causing amended.  
 31                 (2)    Causing the Plan to affiliate with a master trust, the North Carolina Teachers'  
 32                 and State Employees' Benefits Trust, —Trust, established under  
 33                 G.S. 135-7(g)(2), providing the same benefits for participants. Employer and  
 34                 non-employer contributions to the Benefit Trust and earnings on those  
 35                 contributions are irrevocable. The assets of the Benefit Trust are dedicated to  
 36                 providing benefits to participants, surviving spouses, participants' estates, and  
 37                 persons named by the participant to receive the benefit. The assets of the  
 38                 Benefit Trust are not subject to the claims of creditors of the employees and  
 39                 non-employees making contributions to the Benefit Trust, are not subject to  
 40                 the claims of any creditors of the Benefit Trust's trustees and administrators,  
 41                 and are not subject to the claims of creditors of participants. Benefit Trust  
 42                 assets may be used for reasonable expenses to administer benefits provided  
 43                 by the Fund under this Article, as approved by the Board of Trustees.  
 44          ...  
 45          (g)    The provisions of the Teachers' and State Employees' Retirement System and the  
 46          Local Governmental Employees' Retirement Systems System pertaining to administration and  
 47          management of funds under G.S. 128-28, G.S. 128-29, G.S. 135-6 and G.S. 135-7 are made  
 48          applicable to the Plan.  
 49          "**§ 143-166.61. Benefits under the Separate Insurance Benefits Plan.**"

1 (a) The Boards of Trustees shall ~~promulgate rules and regulations as are necessary adopt~~  
 2 rules to establish benefits under the Separate Insurance Benefits Plan, within the availability of  
 3 funds, to ~~provide to provide all of the following benefits:~~

4 (1) ~~An accident and sickness disability insurance benefit;~~

5 (2) A group life insurance benefit for participants employed by an employer at  
 6 the time of death, not to exceed five thousand dollars ~~(\$5,000); (\$5,000).~~

7 (3) A group life insurance benefit for participants who are eligible former ~~officers,~~  
 8 officers or former emergency services personnel, not to exceed four thousand  
 9 dollars ~~(\$4,000); and (\$4,000).~~

10 (4) An accidental line-of-duty insurance death benefit not to exceed two thousand  
 11 one hundred dollars (\$2,100) in total on account of the death of a participant  
 12 caused by an accident while in the actual performance of duty as an  
 13 ~~officer, officer or emergency services personnel.~~

14 (b) In addition to the benefits provided under subsection ~~(d)~~ (a) of this section, the assets  
 15 of the Plan may be used to pay the employer health insurance contributions and contribution rates  
 16 on behalf of ~~law~~ the following individuals:

17 (1) Law enforcement officers, as defined in G.S. 135-1(11c), who are employed  
 18 by the State and former State.

19 (2) Former law enforcement officers who are receiving a retirement allowance  
 20 from the Teachers' and State Employees' Retirement System.

21 (3) Emergency medical services personnel who are employed by the State, as  
 22 defined under G.S. 135-1.

23 (4) Former emergency medical services personnel who are receiving a retirement  
 24 allowance from the Teachers' and State Employees' Retirement System.

25 (c) ~~The insurance benefit of the Plan~~ Any benefit of the Separate Insurance Benefit Plan  
 26 that is payable on account of the death of a participant shall be payable to the surviving spouse  
 27 of the participant ~~or otherwise to the or, if there is no surviving spouse, to the participant's estate;~~  
 28 provided, should that if a participant instruct-instructs the Board of Trustees in writing that the  
 29 participant does not wish these benefits to be paid to his or her spouse or estate, then the benefits  
 30 shall be paid to the person or persons as the participant may name for this purpose. ~~The~~

31 (d) Any life insurance benefits of the Separate Insurance Benefit Plan shall be payable  
 32 only on account of participants in the Plan for six or more months or, if an actively employed  
 33 officer, participant, at any time after employment if death results from an accident. The accident  
 34 and sickness disability insurance benefits shall be payable to a participant at any time after  
 35 becoming a participant in the Plan.

36 (e) ~~Should~~ If amounts in the trust fund of the Separate Insurance Benefit Plan ~~be are~~  
 37 insufficient at any time to enable the Boards of Trustees to pay benefits due in full, then an  
 38 equitable graded percentage of the payment shall be made.

39 "**§ 143-166.62. Exemption from garnishment and attachment.**

40 The right of a participant in the Separate Insurance Benefits Plan to the benefits provided  
 41 under this Article is nonforfeitable and exempt from levy, sale, and garnishment."

42 **SECTION 4.3.** This Part is effective June 1, 2020.

43  
 44 **PART V. FUNDS TO ASSIST LOCAL GOVERNMENTS WITH ACHIEVING BENEFIT**  
 45 **PARITY FOR EMS PERSONNEL**

46 **SECTION 5.1.** There is appropriated the sum of forty-four million dollars  
 47 (\$44,000,000) in recurring funds for the 2020-2021 fiscal year from the General Fund to the  
 48 Office of State Budget and Management to be placed in reserve for the purpose of assisting State  
 49 agencies and local government employers in providing the benefits specified in this act.

50 **SECTION 5.2.** This Part is effective July 1, 2020.  
 51

1 **PART VI. EFFECTIVE DATE**

2 **SECTION 6.1.** Except as otherwise provided, this act is effective when it becomes

3 law.