

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 846

Short Title: 25-Year Retirement for First Responders. (Public)

Sponsors: Representatives Saine and Clampitt (Primary Sponsors).

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

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

May 5, 2021

A BILL TO BE ENTITLED

AN ACT ALLOWING FIRST RESPONDERS (LAW ENFORCEMENT OFFICERS, FIREFIGHTERS, AND EMERGENCY MEDICAL SERVICES PERSONNEL) WHO ARE MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM OR THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO RETIRE WITH UNREDUCED BENEFITS AFTER ACHIEVING TWENTY-FIVE YEARS OF CREDITABLE SERVICE AND MAKING CONFORMING CHANGES.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 135-1 reads as rewritten:

"§ 135-1. Definitions.

The following words and phrases as used in this Chapter, unless a different meaning is plainly required by the context, shall have the following meanings:

...

(9a) "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.

...

(11b) "Firefighter" shall mean all full-time employees of any State department, agency, or institution who are actively serving in a position with assigned primary duties and responsibilities for the prevention, detection, and suppression of fire.

~~(11b)~~(11c) "Fraud investigation" means an independent review or examination by Retirement Systems Division staff or authorized representatives who are assisting the Retirement Systems Division staff of records, activities, actions, or decisions by employers or other affiliated or associated entities having an impact on the Retirement System. The purpose of a fraud investigation is to help detect and prevent fraud and to ensure full accountability in the use of pension funds.

~~(11e)~~(11d) "Law Enforcement Officer" means a full time paid employee of an employer who is actively serving in a position with assigned primary duties and responsibilities for prevention and detection of crime or the general enforcement of the criminal laws of the State of North Carolina or serving civil processes, and who possesses the power of arrest by virtue of an oath administered under the authority of the State. "Law Enforcement Officer" also



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1 means a probation/parole officer as defined in this section with respect to any
2 service rendered on or after July 1, 2017.

3"

4 **SECTION 1.(b)** G.S. 135-5(a) is amended by adding a new subdivision to read:

5 "(4b) Any member who is a law enforcement officer, firefighter, or emergency
6 medical services personnel and has completed 25 years of creditable service
7 may retire upon electronic submission or written application to the Board of
8 Trustees setting forth at what time, as of the first day of a calendar month, not
9 less than one day nor more than 120 days subsequent to the execution and
10 filing thereof, the member desires to be retired; provided, however, that any
11 member who has met the 25 years of creditable service required by this
12 subsection but does not retire and later becomes employed other than as the
13 member was employed while completing 25 years of creditable service shall
14 continue to have the right to commence retirement."

15 **SECTION 1.(c)** G.S. 135-5(b21) reads as rewritten:

16 "(b21) Service Retirement Allowance of Non-First Responder Members Retiring on or After
17 July 1, 2019; and First Responder Members Retiring on or After July 1, 2019–July 1, 2019, but
18 Before January 1, 2022. – Upon retirement from service on or after July 1, 2019, in accordance
19 with subsection (a) or (a1) of this section, a member shall receive the following service retirement
20 allowance:

21"

22 **SECTION 1.(d)** G.S. 135-5 is amended by adding a new subsection to read:

23 "(b22) Service Retirement Allowance of First Responders Retiring on or After January 1,
24 2022. – Upon retirement from service on or after January 1, 2022, in accordance with subsection
25 (a) or (a1) of this section and notwithstanding any other provision of this section to the contrary,
26 a member who is a law enforcement officer, eligible former law enforcement officer, firefighter,
27 eligible former firefighter, emergency medical services personnel, or eligible former medical
28 service personnel shall receive a service retirement allowance computed as follows:

29 (1) If the member's service retirement date occurs on or after the member's 55th
30 birthday and completion of five years of creditable service as a law
31 enforcement officer, as a firefighter, or as EMS personnel, or after the
32 completion of 25 years of creditable service, the allowance shall be equal to
33 one and eighty-two hundredths percent (1.82%) of the member's average final
34 compensation multiplied by the number of years of the member's creditable
35 service.

36 (2) If the member's service retirement date occurs on or after the member's 50th
37 birthday and before the member's 55th birthday with 15 or more years of
38 creditable service as a law enforcement officer, firefighter, or EMS personnel
39 and prior to the completion of 25 years of creditable service, the retirement
40 allowance shall be equal to the greater of the following amounts:

41 a. The service retirement allowance payable under subdivision (1) of this
42 subsection reduced by one-third of one percent (1/3 of 1%) thereof for
43 each month by which the retirement date precedes the first day of the
44 month coincident with or next following the month the member would
45 have attained age 55.

46 b. The service retirement allowance as computed under subdivision (1)
47 of this subsection reduced by five percent (5%) times the difference
48 between 25 years and the amount of creditable service at retirement."

49 **SECTION 1.(e)** G.S. 135-5(m) reads as rewritten:

50 "(m) Survivor's Alternate Benefit. – Upon the death of a member in service, the beneficiary
51 designated to receive a return of accumulated contributions shall have the right to elect to receive

1 in lieu thereof the reduced retirement allowance provided by Option 2 of subsection (g) above
2 computed by assuming that the member had retired on the first day of the month following the
3 date of ~~his~~ the member's death, provided that all four of the following conditions apply:

- 4 (1) a. The member had attained such age and/or creditable service to be
5 eligible to commence retirement with an early or service retirement
6 allowance, or
7 b. The member had obtained 20 years of creditable service in which case
8 the retirement allowance shall be computed in accordance with
9 G.S. 135-5(b19)(1)b. or G.S. 135-5(b19)(2)c., notwithstanding the
10 requirement of obtaining age 50, or
11 b1. The member was a law enforcement officer-officer who had obtained
12 15 years of service as a law enforcement officer-officer, or the member
13 was a firefighter who had obtained 15 years of service as a firefighter,
14 or the member was EMS personnel who had obtained 15 years of
15 service as EMS personnel, and was killed in the line of duty, in which
16 case the retirement allowance shall be computed in accordance with
17 G.S. 135-5(b19)(1)b., — G.S. 135-5(b22)(1), notwithstanding the
18 requirement of obtaining age 50.
19 c. Repealed by Session Laws 2010-72, s. 2(a), effective July 1, 2010.

20"

21 **SECTION 2.(a)** G.S. 128-21 is amended by adding a new subdivision to read:

22 "(9a) "Emergency medical services personnel" or "EMS personnel" means all
23 full-time rescue squad workers and all full-time employees of any employer
24 that participates in the Local Governmental Employees' Retirement System
25 who meet the definition of emergency services personnel under
26 G.S. 131E-155."

27 **SECTION 2.(b)** G.S. 128-27(a) is amended by adding a new subdivision to read:

28 "(6) Any member who is a law enforcement, firefighter, or emergency medical
29 services personnel who has completed 25 years of creditable service may
30 retire upon electronic submission or written application to the Board of
31 Trustees setting forth at what time, as of the first day of a calendar month, not
32 less than one day nor more than 120 days subsequent to the execution and
33 filing of the application, the member desires to be retired; provided, however,
34 that any member who has met the conditions required by this subdivision but
35 does not retire and later becomes employed other than as the member was
36 employed while completing 25 years of creditable service shall continue to
37 have the right to commence retirement."

38 **SECTION 2.(c)** G.S. 128-27(b22) reads as rewritten:

39 "(b22) Service Retirement Allowance of Member-Non-First Responder Members Retiring
40 on or After July 1, 2019. July 1, 2019; and First-Responder Members Retiring on or After July
41 1, 2019, but Before January 1, 2022. — Upon retirement from service in accordance with
42 subsection (a) or (a1) of this section, on or after July 1, 2019, a member shall receive for members
43 other than law enforcement officers, firefighters, and EMS personnel, and on or after July 1,
44 2019, but before January 1, 2022, for law enforcement officers, firefighters, and EMS personnel,
45 the following service retirement allowance: allowance shall apply:

46"

47 **SECTION 2.(d)** G.S. 128-27 is amended by adding a new subsection to read:

48 "(b23) Service Retirement Allowance of Law Enforcement Officers, Firefighters, and
49 Emergency Medical Services Personnel Retiring on or After January 1, 2022. — Upon retirement
50 from service in accordance with subsection (a) or (a1) of this section on or after January 1, 2022,
51 and notwithstanding any other provision of this section to the contrary, a member who is a law

1 enforcement officer, eligible former law enforcement officer, firefighter, eligible former
2 firefighter, EMS personnel, or eligible former EMS personnel shall receive a service retirement
3 allowance computed as follows:

4 (1) If the member's service retirement date occurs on or after the member's 55th
5 birthday and completion of five years of creditable service as a law
6 enforcement officer, as a firefighter, or as EMS personnel, or after the
7 completion of 25 years of creditable service, the allowance shall be equal to
8 one and eighty-five hundredths percent (1.85%) of the member's average final
9 compensation multiplied by the number of years of the member's creditable
10 service.

11 (2) If the member's service retirement date occurs on or after the member's 50th
12 birthday and before the member's 55th birthday with 15 or more years of
13 creditable service as a law enforcement officer, firefighter, or EMS personnel
14 and prior to the completion of 25 years of creditable service, the retirement
15 allowance shall be equal to the greater of the following amounts:

16 a. The service retirement allowance payable under subdivision (1) of this
17 subsection reduced by one-third of one percent (1/3 of 1%) thereof for
18 each month by which the retirement date precedes the first day of the
19 month coincident with or next following the month the member would
20 have attained age 55.

21 b. The service retirement allowance as computed under subdivision (1)
22 of this subsection reduced by five percent (5%) times the difference
23 between 25 years and the amount of creditable service at retirement."

24 **SECTION 2.(e)** G.S. 128-27(m) reads as rewritten:

25 "(m) Survivor's Alternate Benefit. – Upon the death of a member in service, the beneficiary
26 designated to receive a return of accumulated contributions shall have the right to elect to receive
27 in lieu thereof the reduced retirement allowance provided by Option two of subsection (g) above
28 computed by assuming that the member had retired on the first day of the month following the
29 date of the member's death, provided that all four of the following conditions apply:

30 (1) a. The member had attained such age and/or creditable service to be
31 eligible to commence retirement with an early or service retirement
32 allowance, or

33 b. The member had obtained 20 years of creditable service in which case
34 the retirement allowance shall be computed in accordance with
35 G.S. 128-27(b22)(1)c. or G.S. 128-27(b22)(2)c., notwithstanding the
36 requirement of obtaining age 50, or

37 b1. The member was a law enforcement officer who had obtained 15 years
38 of service as a law enforcement officer and was killed in the line of
39 duty, or the member was a firefighter or a rescue squad worker who
40 had obtained 15 years of service as a firefighter or a rescue squad
41 worker and was killed in the line of duty, or the member was EMS
42 personnel who had obtained 15 years of service as EMS personnel and
43 was killed in the line of duty, in which cases the retirement allowance
44 shall be computed in accordance with ~~G.S. 128-27(b22)(1)e.,~~
45 G.S. 127-27(b23)(1), notwithstanding the requirement of obtaining
46 age 50.

47 c. Repealed by Session Laws 2010-72, s. 2(b), effective July 1, 2010.

48"

49 **SECTION 3.(a)** G.S. 143-166.41(a) reads as rewritten:

50 "§ 143-166.41. Special separation allowance.

1 (a) Notwithstanding any other provision of law, every sworn law-enforcement officer as
2 defined by G.S. 135-1(11c) or G.S. 143-166.30(a)(4) employed by a State department, agency,
3 or institution who qualifies under this section shall receive, beginning in the month in which he
4 retires on a basic service retirement under the provisions of G.S. 135-5(a), an annual separation
5 allowance equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base
6 rate of compensation most recently applicable to him for each year of creditable service. The
7 allowance shall be paid in equal installments on the payroll frequency used by the employer. To
8 qualify for the allowance the ~~officer shall:~~following requirements apply:

- 9 (1) ~~Have~~For officers retiring before January 1, 2022, the officer has either (i)
10 completed 30 or more years of creditable service or, (ii) have attained 55 years
11 of age and completed five or more years of creditable service;~~and~~service.
- 12 (2) For officers retiring on or after January 1, 2022, the officer has either (i)
13 completed 25 or more years of creditable service or (ii) attained 55 years of
14 age and completed five or more years of creditable service.
- 15 (3) ~~Not have~~The officer has not attained 62 years of ~~age;~~andage.
- 16 (3)(4) ~~Have~~The officer has completed at least five years of continuous service as a
17 law enforcement officer as herein defined immediately preceding a service
18 retirement. Any break in the continuous service required by this subsection
19 because of disability retirement or disability salary continuation benefits shall
20 not adversely affect an officer's qualification to receive the allowance,
21 provided the officer returns to service within 45 days after the disability
22 benefits cease and is otherwise qualified to receive the allowance."

23 **SECTION 3.(b)** G.S. 143-166.42(a) reads as rewritten:

24 "**§ 143-166.42. Special separation allowances for local officers.**

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

- 33 (1) ~~Have~~For officers retiring before January 1, 2022, the officer has either (i)
34 completed 30 or more years of creditable service or (ii) have attained 55 years
35 of age and completed five or more years of creditable service;~~and~~service.
- 36 (2) For officers retiring on or after January 1, 2022, the officer has either (i)
37 completed 25 or more years of creditable service or (ii) attained 55 years of
38 age and completed five or more years of creditable service.
- 39 (3) ~~Not have~~The officer has not attained 62 years of ~~age;~~andage.
- 40 (3)(4) ~~Have~~The officer has completed at least five years of continuous service as a
41 law enforcement officer as herein defined immediately preceding a service
42 retirement. Any break in the continuous service required by this subsection
43 because of disability retirement or disability salary continuation benefits shall
44 not adversely affect an officer's qualification to receive the allowance,
45 provided the officer returns to service within 45 days after the disability
46 benefits cease and is otherwise qualified to receive the allowance."

47 **SECTION 4.** This act becomes effective January 1, 2022, and applies to eligible
48 retirements occurring on or after that date.