



# HOUSE BILL 340: Special Separation Allowance Firefighters/RSW.

2017-2018 General Assembly

<b>Committee:</b>	House State and Local Government II	<b>Date:</b>	April 4, 2017
<b>Introduced by:</b>	Reps. Dollar, Malone, Saine, Clampitt	<b>Prepared by:</b>	Cindy Avrette Staff Attorney
<b>Analysis of:</b>	Second Edition		

**OVERVIEW:** *House Bill 340 creates a special separation allowance for State and local firefighters and rescue squad workers. To receive the retirement benefit, a person must have completed at least 5 years of continuous service rendered on or after July 1, 2017, as a firefighter or rescue squad worker. Therefore, no one retiring prior to July 1, 2022 would be eligible for the allowance. The cost of the allowance would be borne by the State agency from funds appropriated to it for salaries and related fringe benefits or by the local government, whichever one last employed the retiree.*

### BILL ANALYSIS:

Section 1 adds a new Article 12I to Chapter 143 of the General Statutes to provide the following:

- Definitions for "creditable service", "firefighter", and "rescue squad worker" to apply in this Article.
- A firefighter or rescue squad worker who qualifies under this section will receive an annual separation allowance of 0.85% of the annual base rate of compensation most recently applicable for each year of creditable service.
- To qualify for this allowance the eligible firefighter or worker must have 1) completed 30 or more years of creditable service or have attained 60 years of age and completed 25 or more years of creditable service; 2) not attained 62 years of age; and 3) must have completed at least 5 years of continuous service rendered on or after July 1, 2017.
- Payments would cease upon the earlier of any of the following: 1) death of the eligible firefighter or worker; 2) last day of the month in which the firefighter or worker attains 62 years of age; 3) first day of reemployment by any State department, agency, or institution, or by a local government employer, as applicable.

**EFFECTIVE DATE:** This bill would become effective when it becomes law.

*Tawanda Foster, counsel to the House Pensions and Retirement Committee, substantially contributed to this summary.*

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