



HOUSE BILL 445: Special Sep. Allowance/Alamance Cty DOs.

2019-2020 General Assembly

Committee: House Pensions and Retirement
Introduced by: Reps. Riddell, Ross
Analysis of: Second Edition

Date: April 29, 2019
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OVERVIEW: *House Bill 445 is a local bill that would allow qualified Alamance County detention officers to receive a special separation allowance.*

CURRENT LAW: County detention officers in Alamance County are eligible to receive unreduced retirement benefits as part of the Local Governmental Employees' Retirement System (LGERS) upon (i) attaining the age of 65 with 5 years of creditable service, (ii) attaining the age of 60 with 25 or more years of creditable service, or (iii) completing 30 or more years of creditable service at any age. A retiree is eligible for reduced benefits under LGERS upon (i) attaining the age of 50 with 20 years of creditable service or (ii) attaining age 60 (age 55 if the retiree is a firefighter or rescue squad worker) with 5 years of creditable service.

Currently, only law enforcement officers are eligible for a special separation allowance in North Carolina. Law enforcement officers are eligible for monthly separation allowance payable until the age of 62 if the officer retires with unreduced benefits, unless the person returns to any employment with local government. A law enforcement officer may receive unreduced benefits if the officer has either (i) 30 years of creditable service at any age, or (ii) attained age 55 with at least 5 years of creditable service.

BILL ANALYSIS: House Bill 445 would allow qualified Alamance County detention officers to receive a special separation allowance. The bill defines a "county detention officer" as an individual that has been a detention officer for a minimum of 15 years immediately preceding retirement, whose job title and duties meet specific criteria, and is not receiving a special separation allowance for law enforcement officers.

To be eligible for a special separation allowance, the county detention officer must do all of the following:

1. Either (i) complete 30 or more years of creditable service at any age, or (ii) attain age 60 with 25 or more years of creditable service.
2. Be less than 62 years of age.
3. Complete at least 15 consecutive years of active service in Alamance County as a county detention officer immediately preceding retirement (there are certain exceptions to this requirement for breaks in service due to service in the Uniformed Services).
4. Be hired on or before June 30, 2022.

The special separation allowance would cease to be paid to a retiree if they die, reach the age of 62, or are reemployed by a local government employer participating in LGERS. If a local government employer participating in LGERS reemploys an eligible retiree, the special separation allowance cannot be reinstated. The special separation allowance would not affect other forms of retirement benefits the retiree would otherwise be eligible.

EFFECTIVE DATE: This act would be effective when it becomes law.

* *Nicholas Giddings, staff to House State and Local Government, substantially contributed to this summary.*

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