

HOUSE BILL 417:The Sergeant Mickey Hutchens Act.

2021-2022 General Assembly

Committee: House Pensions and Retirement. If favorable, **Date:** April 26, 2021

re-refer to Appropriations. If favorable, rerefer to Rules, Calendar, and Operations of the

House

Introduced by: Reps. Zenger, Paré, Lambeth, Hardister Prepared by: Theresa Matula

Analysis of: First Edition Committee Staff

OVERVIEW: House Bill 417 would allow law enforcement officers, probation and parole officers, and correctional officers who hold an advanced law enforcement or corrections certificate to purchase up to four years creditable service in the Teachers' and State Employees' Retirement System (TSERS) and the Local Governmental Employees Retirement System (LGERS).

[As introduced, this bill was identical to S381, as introduced by Sens. Perry, Steinburg, Krawiec, which is currently in Senate Rules and Operations of the Senate.]

BILL ANALYSIS:

<u>Section 1</u> amends the Teachers and State Employees Retirement System (TSERS) to add a new section allowing a member who is a law enforcement officer, probation or parole officer, or correctional officer who has the Advanced Law Enforcement Certificate or Advanced Corrections Certificate and has five years of membership service to purchase up to four years of creditable service. These purchases are not associated with any specific compensation or period of time.

The Advanced Law Enforcement Certificate or Advanced Corrections Certificate is issued by the NC Criminal Justice Education and Training Standards Commission. The Advanced Law Enforcement Certificate is also issued by the NC Sheriffs' Education and Training Standards Commission.

The service purchase would require a lump-sum payment equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the liabilities of the Retirement System. The purchase must take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on an unreduced retirement allowance, plus an administrative fee.

<u>Section 2</u> amends the Local Governmental Employees Retirement System (LGERS) by adding a new section that mirrors the language in Section 1.

EFFECTIVE DATE: The bill would become effective July 1, 2021.

Jeffrey Hudson Director



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