



HOUSE BILL 810: Alternative LEO Special Separation Allowance.

2023-2024 General Assembly

Committee:	House Pensions and Retirement. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	May 1, 2023
Introduced by:	Reps. Pyrtle, Cotham, Miller, Moss	Prepared by:	Theresa Matula
Analysis of:	PCS to First Edition H810-CSSHp-19		Legislative Analyst

OVERVIEW: *The PCS for House Bill 810 establishes an alternative special separation allowance for State and local law enforcement officers who complete at least 30 years of creditable service.*

CURRENT LAW: Special separation allowances are provided for law enforcement officers employed by a State department, agency, or institution under G.S. 143-166.41, and for those employed by a local government employer under G.S. 143-166.42.

BILL ANALYSIS: The PCS for HB 810 establishes an alternative special separation allowance for State and local law enforcement officers. **Section 1** establishes an alternative separation allowance for every sworn law enforcement officer employed by a State department, agency, or institution. A law enforcement officer may receive the special separation allowance already provided in Article 12D of Chapter 143, or the alternative separation allowance beginning in the month the officer retires. The alternative separation allowance would receive an annual separation allowance equal to 0.85% of the annual equivalent of the base rate of compensation at the time the officer attained 30 years of service times 30. The allowance shall be paid in equal installments on the payroll frequency used by the employer.

To qualify for the alternative special allowance the officer must:

- Have completed at least 30, but not more than 35 years of creditable service.
- Have completed at least 5 years of continuous service as a law enforcement officer immediately preceding a service retirement.

Payment of the alternative special separation allowance to a retired officer will cease at the first of:

- The death of the officer.
- The last day of the month after a period equivalent to 62 years minus the age at which the officer first completes 30 years of creditable service. (Example: Officer first completes 30 years of creditable service at 52 years old, retires at 57 years old: 62-52=10 years.)
- The first day of reemployment by any State department, agency, or institution, except it does not apply to an officer returning to State employment in a position exempt from the North Carolina Human Resources Act in any agency other than the agency from which the officer retired.

Section 2 creates a new statute to establish the same alternative special separation allowance outlined above for law enforcement officers employed by a local government employer.

EFFECTIVE DATE: House Bill 810 would become effective July 1, 2023.

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