

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021**

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**HOUSE BILL 406**

Short Title: Spec. Sep. Allowance/25-Yr Cleveland Cty LEOs. (Local)

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Sponsors: Representative Hastings.

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

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

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March 29, 2021

A BILL TO BE ENTITLED

AN ACT PROVIDING A SPECIAL SEPARATION ALLOWANCE FOR CERTAIN CLEVELAND COUNTY LAW ENFORCEMENT OFFICERS WHO ATTAIN TWENTY-FIVE YEARS OF SERVICE.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The following definitions apply in this section:

- (1) Creditable service. – The service for which credit is allowed under the retirement system of which the officer is a member, provided that at least fifty percent (50%) of the service is as a law enforcement officer.
- (2) Law enforcement officer. – As defined by G.S. 128-21(11d) or G.S. 143-166.50(a)(3).

**SECTION 1.(b)** On and after January 1, 2022, and notwithstanding any other provision of law to the contrary, every sworn law enforcement officer who is employed by Cleveland County and qualifies under subsection (c) of this section shall receive, beginning in the month in which the officer retires on a basic service retirement under the provisions of G.S. 128-27(a), an annual separation allowance according to the following:

- (1) Upon completion of 25 years of service, an amount equal to seven hundred twenty-five thousandths percent (0.725%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (2) Upon completion of 26 years of service, an amount equal to seven hundred fifty thousandths percent (0.750%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (3) Upon completion of 27 years of service, an amount equal to seven hundred seventy-five thousandths percent (0.775%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (4) Upon completion of 28 years of service, an amount equal to eight hundred thousandths percent (0.800%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service.
- (5) Upon completion of 29 years of service, an amount equal to eight hundred twenty-five thousandths percent (0.825%) of the annual equivalent of the base



1 rate of compensation most recently applicable to the officer for each year of  
2 creditable service.

- 3 (6) Upon completion of 30 years of service, an amount equal to eight hundred  
4 fifty thousandths percent (0.850%) of the annual equivalent of the base rate of  
5 compensation most recently applicable to the officer for each year of  
6 creditable service.

7 The allowance authorized by this section shall be paid in equal installments on the  
8 payroll frequency used by the employer.

9 **SECTION 1.(c)** In order to qualify for the allowance, the officer shall meet all of the  
10 following criteria:

- 11 (1) Has completed 25 or more years of creditable service.  
12 (2) Has not attained 62 years of age.  
13 (3) Has completed at least 10 years of continuous service as a law enforcement  
14 officer for Cleveland County immediately preceding a service retirement. Any  
15 break in the continuous service required by this subdivision because of  
16 disability retirement or disability salary continuation benefits shall not  
17 adversely affect an officer's qualification to receive the allowance, provided  
18 the officer returns to service within 45 days after the disability benefits cease  
19 and is otherwise qualified to receive the allowance.  
20 (4) Is not a recipient of the special separation allowance provided under  
21 G.S. 143-166.41 or G.S. 143-166.42.

22 **SECTION 1.(d)** Payment to a retired officer under the provisions of this section shall  
23 cease at the earlier of the following:

- 24 (1) The death of the officer.  
25 (2) The last day of the month in which the officer attains 62 years of age.  
26 (3) The first day of reemployment by a local government employer in any  
27 capacity.

28 **SECTION 1.(e)** Notwithstanding the provisions of subdivision (2) of subsection (d)  
29 of this section, payments to a retired officer shall not cease when a local government employer  
30 employs a retired officer for any of the following:

- 31 (1) In a public safety position in a capacity not requiring participation in the Local  
32 Governmental Employees' Retirement System.  
33 (2) In service to a county board of elections on an election day in a capacity that  
34 complies with G.S. 128-21(19) and does not result in cessation or suspension  
35 of the retiree's benefit from the Local Government Employees' Retirement  
36 System.

37 **SECTION 1.(f)** This section does not affect the benefits to which an individual may  
38 be entitled from State, local, federal, or private retirement systems. The benefits payable under  
39 this section shall not be subject to any increases in salary or retirement allowances that may be  
40 authorized by local government employers or for retired employees of local governments.

41 **SECTION 1.(g)** The governing body of Cleveland County shall determine the  
42 eligibility of employees for the benefits provided in this section.

43 **SECTION 1.(h)** The governing body of Cleveland County shall make the payments  
44 set forth in subsection (b) of this section to those individuals determined to be eligible under  
45 subsections (c) and (g) of this section from funds available.

46 **SECTION 2.** This act applies only to Cleveland County.

47 **SECTION 3.** This act becomes effective January 1, 2022, and applies prospectively  
48 to eligibility determinations made by the governing body of Cleveland County on or after that  
49 date.