

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 272
Committee Substitute Favorable 3/26/25

Short Title: The Sergeant Mickey Hutchens Act.

(Public)

Sponsors:

Referred to:

March 5, 2025

A BILL TO BE ENTITLED

AN ACT TO ALLOW LAW ENFORCEMENT, PROBATION/PAROLE, AND CORRECTIONAL OFFICERS WHO HOLD AN ADVANCED LAW ENFORCEMENT OR CORRECTIONS CERTIFICATE ISSUED BY THE NORTH CAROLINA CRIMINAL JUSTICE EDUCATION AND TRAINING STANDARDS COMMISSION OR THE ADVANCED LAW ENFORCEMENT CERTIFICATE ISSUED BY THE NORTH CAROLINA SHERIFFS' EDUCATION AND TRAINING STANDARDS COMMISSION TO PURCHASE, AT FULL COST, UP TO FOUR YEARS' CREDITABLE SERVICE IN THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM OR THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 135-4.5 is amended by adding a new subsection to read:

"(h) Purchases of Service Credit for Advanced Law Enforcement or Advanced Corrections Certificates. – Notwithstanding any other provision of this Article to the contrary, a member in service with five or more years of membership service who has been awarded either (i) the Advanced Law Enforcement Certificate issued by either the North Carolina Criminal Justice Education and Training Standards Commission under the authority granted under Chapter 17C of the General Statutes or the North Carolina Sheriffs' Education and Training Standards Commission under the authority granted under Chapter 17E of the General Statutes or (ii) the Advanced Corrections Certificate issued by the North Carolina Criminal Justice Education and Training Standards Commission under the authority granted under Chapter 17C of the General Statutes may purchase creditable service subject to all of the following:

- (1) The member may purchase up to a total of four years of creditable service under this subsection.
- (2) Service may only be purchased under this subsection upon or after receipt of the applicable certificate.
- (3) G.S. 135-4(b) does not apply to purchases under this subsection.
- (4) Purchases of service under this subsection shall be made by paying a lump sum amount to the Annuity Savings Fund. Purchases shall not be associated with any specific compensation or period of time. The amount payable shall be equal to the full liability increase of the Retirement System due to the additional service credits purchased plus an administrative fee that is set by the Board of Trustees. The full liability increase shall be calculated on the basis of the same assumptions used for the purposes of the actuarial valuation of the liabilities of the Retirement System, except for the following assumptions specific to this calculation: (i) the allowance shall be assumed to



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commence at the earliest age at which the member could retire on an unreduced retirement allowance and (ii) there shall be assumed annual postretirement allowance increases set by the Board of Trustees upon the advice of the consulting actuary.

- (5) An employer may pay all or part of the cost of a purchase of service under this subsection. To the extent that the purchase is paid by the employer, the amount paid by the employer shall be credited to the Pension Accumulation Fund. To the extent that the purchase is paid by the member, the amount paid by the member shall be credited to the member's accumulated contributions and interest in the Annuity Savings Fund."

SECTION 1.(b) G.S. 135-4(b) reads as rewritten:

"(b) ~~In~~ Unless specifically provided under G.S. 135-4.5, in no case shall more than one year of service be creditable for all services in one year. Service rendered for the regular school year in any district shall be equivalent to one year's service. Service rendered by a school employee in a job-sharing position shall be credited at the rate of one-half year for each regular school year of employment."

SECTION 2.(a) G.S. 128-26.5 is amended by adding a new subsection to read:

"(h) Purchases of Service Credit for Advanced Law Enforcement Certificate. – Notwithstanding any other provision of this Article to the contrary, a member in service with five or more years of membership service who has been awarded the Advanced Law Enforcement Certificate issued by either the North Carolina Criminal Justice Education and Training Standards Commission under the authority granted under Chapter 17C of the General Statutes or the North Carolina Sheriffs' Education and Training Standards Commission under the authority granted under Chapter 17E of the General Statutes may purchase creditable service subject to all of the following:

- (1) The member may purchase up to a total of four years of creditable service under this subsection.
- (2) Service may only be purchased under this subsection upon or after receipt of the applicable certificate.
- (3) G.S. 128-26(b) does not apply to purchases under this subsection.
- (4) Purchases of service under this subsection shall be made by paying a lump sum amount to the Annuity Savings Fund. Purchases shall not be associated with any specific compensation or period of time. The amount payable shall be equal to the full liability increase of the Retirement System due to the additional service credits purchased plus an administrative fee that is set by the Board of Trustees. The full liability increase shall be calculated on the basis of the same assumptions used for the purposes of the actuarial valuation of the liabilities of the Retirement System, except for the following assumptions specific to this calculation: (i) the allowance shall be assumed to commence at the earliest age at which the member could retire on an unreduced retirement allowance and (ii) there shall be assumed annual postretirement allowance increases set by the Board of Trustees upon the advice of the consulting actuary.
- (5) An employer may pay all or part of the cost of a purchase of service under this subsection. To the extent that the purchase is paid by the employer, the amount paid by the employer shall be credited to the Pension Accumulation Fund. To the extent that the purchase is paid by the member, the amount paid by the member shall be credited to the member's accumulated contributions and interest in the Annuity Savings Fund."

SECTION 2.(b) G.S. 128-26(b) reads as rewritten:

- 1 "(b) ~~In~~Unless specifically provided under G.S. 128-26.5, in no case shall more than one
2 year of service be creditable for all service in one calendar year."
3 **SECTION 3.** This act becomes effective July 1, 2025.