



CHAPTER 143
ARTICLE 12D - SEPARATION ALLOWANCES FOR LAW-ENFORCEMENT OFFICERS

N.C.G.S. § 143-166.42.

Special separation allowance options for local law enforcement officers.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	No amendment history on record	21 September 2026, 03:43 UTC	e14f02228919dcd732f9e0b8 - 791e09c734ef1db09f9321c1 - 75cebc08a51f03db

§ 143-166.42(a) Annual Special Separation Allowance. - On and after January 1, 1987, every sworn law enforcement officer employed by a local government employer who qualifies under this section shall receive an annual special separation allowance beginning in the month in which the officer retires on a basic service retirement under the provisions of G.S. 128-27(a). The allowance shall be paid in equal installments on the payroll frequency used by the employer from which the officer retired.

- § 143-166.42(b)** Definitions. - The following definitions apply in this section:
- (1) Allowance. - The annual special separation allowance for local law enforcement officers provided for under this section.
 - (2) Creditable service. - The service for which credit is allowed under the retirement system of which the officer is a member.
 - (3) Law enforcement officer. - As defined in G.S. 128-21 or G.S. 143-166.50(a).
 - (4) Officer. - Law enforcement officer.

§ 143-166.42(b1) Qualification for Allowance and Calculation of Allowance. - To be eligible for an allowance under this section, an officer is required to meet one of the following sets of criteria, which shall also determine the allowance amount:

(1) For officers meeting all of the following criteria, the annual special separation allowance to be paid is equal to eighty-five hundredths percent (0.85%) of the annual base rate of compensation most recently applicable to the officer for each year of that officer's creditable service:

a. The officer (i) has completed 30 or more years of creditable service or (ii) is 55 years of age or older and completed five or more years of creditable service.

b. The officer is less than 62 years of age.

c. The officer has completed at least five years of continuous service as a law enforcement officer immediately preceding the officer's service retirement. Any break in this required continuous service that is a result of disability retirement or disability salary continuation benefits shall not adversely affect an officer's qualification to receive an allowance under this subdivision so long as the officer returned to service within 45 days after the disability benefits had ceased and is otherwise qualified to receive the allowance.

d. At least fifty percent (50%) of the officer's creditable service is as a law enforcement officer.

(2) For officers meeting all of the following criteria, the annual special separation allowance to be paid is equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of compensation at the time the officer attained 30 years of service multiplied by 30:

a. Prior to attaining 62 years of age, the officer has completed 30 or more years of creditable service, at least fifty percent (50%) of which was as a law enforcement officer.

b. The officer has completed at least five years of continuous service as a law enforcement officer immediately preceding the officer's service retirement. Any break in this required continuous service that is a result of disability retirement or disability salary continuation benefits shall not adversely affect an officer's qualification to receive an allowance under this subdivision so long as the officer returned to service within 45 days after the disability benefits had ceased and is otherwise qualified to receive the allowance.

If an officer meets all of the criteria under each subdivision of this subsection, then the employer making the allowance payments shall allow the officer to choose which of the two calculation formulas to use for that officer's allowance. This election by the officer is a one-time, irrevocable election and shall be made prior to the first allowance

payment. If no election is made by the officer, then the calculation amount under subdivision (2) of this subsection shall be used.

§ 143-166.42(c)

Cessation of Payment. - Payment of the allowance to a retired officer under the provisions of this section shall cease at the first occurrence of one of the following:

- (1) The death of the officer.
- (2) The last day of the month in which either of the following applies:
 - a.If the officer is receiving an allowance in an amount determined under subdivision (b1)(1) of this section, the officer attains 62 years of age.
 - b.If the officer is receiving an allowance in an amount determined under subdivision (b1)(2) of this section, there has been a period of receiving the allowance that is equivalent to the total of 62 years minus the age at which the officer first completed 30 years of creditable service.
- (3) The first day of reemployment by a local government employer in any capacity.

§ 143-166.42(c1)

Exceptions to the Cessation of Payments. - Notwithstanding the provisions of subdivision (3) of subsection (c) of this section, payments to a retired officer shall not cease when a local government employer employs a retired officer in any of the following manners:

- (1) In a public safety position in a capacity not requiring participation in the Local Governmental Employees' Retirement System.
- (2) In service to a county board of elections on an election day or during the hours for early voting under Part 5 of Article 14A of Chapter 163 of the General Statutes in a capacity that complies with G.S. 128-21(19) and does not result in cessation or suspension of the retiree's benefit from the Local Government Employees' Retirement System.

§ 143-166.42(d)

Impact of Other Benefits or Actions. - This section does not affect the benefits to which an individual may be entitled from State, local, federal, or private retirement systems. The benefits payable under this section shall not be subject to any increases in salary or retirement allowances that may be authorized by local government employers or for retired employees of local governments.

§ 143-166.42(e)

Eligibility Determinations. - The governing body of each local employer shall determine the eligibility of employees for the benefits provided under this section.

§ 143-166.42(f) Responsibility for Payment. - The governing body of each local employer shall make the payments set forth in this section to those persons certified under subsection (e) of this section from funds available. (1985 (Reg. Sess., 1986), c. 1019, s. 2; 2009-396, s. 1; 2018-25, s. 1; 2023-140, s. 43; 2025-8, s. 2.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS II
4 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 128-27(a)	(a)	"service retirement under the provisions of"
G.S. 128-21	(b)(3)	"enforcement officer. - As defined in"
G.S. 143-166.50(a)	(b)(3)	"As defined in G.S. 128-21 or"
G.S. 128-21(19)	(c1)(2)	"in a capacity that complies with"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 143-166.42 (2026).

PINPOINT

N.C. Gen. Stat. § 143-166.42(a) (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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