

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 105

Short Title: Increase Fire/Rescue Squad Benefits.

(Public)

Sponsors: Representatives Mercer; Adams, Alexander, Arnold, Barbee, Barnes, Beall, Bowie, J. Brown, W. Brown, Buchanan, Cansler, Capps, Carpenter, Church, Cocklereece, Culp, Culpepper, Cummings, Decker, Dockham, Edwards, Ellis, Fitch, Fox, Gamble, Hightower, Hill, Hunt, H. Hunter, R. Hunter, Hurley, Justus, Kiser, Lee, Lemmond, Linney, Locke, Luebke, McComas, McCrary, McMahan, K. Miller, Miner, Mitchell, Nye, Oldham, Owens, Pate, Ramsey, Rayfield, Redwine, Reynolds, Richardson, Rogers, Russell, Sexton, Sharpe, Sherrill, Shubert, Sutton, Tallent, Tolson, Wainwright, Warner, Weatherly, Wilkins, G. Wilson, Womble, Wright, and Yongue.

Referred to: Pensions and Retirement.

February 6, 1995

A BILL TO BE ENTITLED

1
2 AN ACT TO INCREASE THE MONTHLY BENEFITS FROM THE NORTH
3 CAROLINA FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION FUND
4 AND THE MONTHLY MEMBER CONTRIBUTION AND TO DECLARE THE
5 INTENT OF THE LEGISLATURE TO PROVIDE COST-OF-LIVING
6 INCREASES, AS FUNDS ARE AVAILABLE.

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 58-86-35 reads as rewritten:

9 **"§ 58-86-35. Firemen's application for membership in fund; monthly payments by**
10 **members; payments credited to separate accounts of members.**

11 Those firemen who are eligible pursuant to G.S. 58-86-25 may make application for
12 membership to the board. Each fireman upon becoming a member of the fund shall pay
13 the director of the fund the sum of ~~five ten~~ dollars (~~\$5.00~~) (\$10.00) per month. The

1 monthly payments shall be credited to the separate account of the member and shall be
2 kept by the custodian so it is available for payment on withdrawal from membership or
3 retirement."

4 Sec. 2. G.S. 58-86-40 reads as rewritten:

5 "**§ 58-86-40. Rescue squad worker's application for membership in funds; monthly**
6 **payments by members; payments credited to separate accounts of**
7 **members.**

8 Those rescue squad workers eligible pursuant to G.S. 58-86-30 may make application
9 to the board for membership. All persons who subsequently become rescue squad
10 workers may make application for membership. Each eligible rescue squad worker upon
11 becoming a member shall pay the director of the fund the sum of ~~five-ten~~ dollars (\$5.00)
12 (\$10.00) per month. A rescue squad worker who, on the date of the establishment of the
13 fund, has service as a rescue squad worker certified by the Department of State Treasurer,
14 may make a lump sum payment of five dollars (\$5.00) per month for each month of
15 service as an eligible rescue squad worker as defined by G.S. 58-86-30, on or before
16 December 31, 1983, for as many as 240 months together with interest at an annual rate of
17 six percent (6%).

18 The monthly payments shall be credited to the separate account of the member and
19 shall be kept by the custodian so it is available for payment on withdrawal from
20 membership or retirement."

21 Sec. 3. G.S. 58-86-45 is amended by adding a new subsection to read:

22 "(c) Effective July 1, 1995, any fireman or rescue squad worker who has not
23 reached his thirty-fifth birthday who is eligible and who has not previously elected to
24 become a member may make application through the board of trustees for membership in
25 the fund at any time. The person shall make a lump-sum payment of ten dollars (\$10.00)
26 per month retroactively to the time he first became eligible to become a member, plus
27 interest at an annual rate to be set by the board of trustees, for each year of his retroactive
28 payments. Upon making this lump-sum payment, the person shall be given credit for all
29 prior service in the same manner as if he had made application for membership at the
30 time he first became eligible. Any member who has not reached his thirty-fifth birthday
31 who made application for membership subsequent to the time he was first eligible and did
32 not receive credit for prior service may receive credit for such prior service upon lump-
33 sum payment of ten dollars (\$10.00) per month retroactively to the time he first became
34 eligible, plus interest at an annual rate to be set by the board of trustees, for each year of
35 his retroactive payments. Upon making this lump-sum payment, the date of membership
36 shall be the same as if he had made application for membership at the time he was first
37 eligible."

38 Sec. 4. G.S. 58-86-55 reads as rewritten:

39 "**§ 58-86-55. Monthly pensions upon retirement.**

40 Any member who has served 20 years as an 'eligible fireman' or 'eligible rescue squad
41 worker' in the State of North Carolina, as provided in G.S. 58-86-25 and G.S. 58-86-30,
42 and who has attained the age of 55 years is entitled to be paid a monthly pension from
43 this fund. The monthly pension shall be in the amount of one hundred ~~ten~~-thirty-five

1 dollars ~~(\$110.00)~~ (\$135.00) per month. Any retired fireman receiving a pension of one
2 hundred ten dollars (\$110.00) per month shall, effective July 1, ~~1994,~~ 1995, receive a
3 pension of one hundred ~~ten~~ thirty-five dollars ~~(\$110.00)~~ (\$135.00) per month.

4 Members shall pay ~~five-ten~~ dollars ~~(\$5.00)~~ (\$10.00) per month as required by G.S. 58-
5 86-35 and G.S. 58-86-40 for a period of no longer than 20 years. No 'eligible rescue
6 squad member' shall receive a pension prior to July 1, 1983. No person shall be entitled
7 to a pension hereunder until his official duties as a fireman or rescue squad worker for
8 which he is paid compensation shall have been terminated and he shall have retired as
9 such according to standards or rules fixed by the board of trustees.

10 Any member who is totally and permanently disabled while in the discharge of his
11 official duties as a result of bodily injuries sustained or as a result of extreme exercise or
12 extreme activity experienced in the course and scope of his official duties and who leaves
13 the fire or rescue squad service because of this disability shall be entitled to be paid from
14 the fund a monthly benefit in an amount of one hundred ~~ten~~ thirty-five dollars ~~(\$110.00)~~
15 (\$135.00) per month beginning the first month after his fifty-fifth birthday. All
16 applications for disability are subject to the approval of the board who may appoint
17 physicians to examine and evaluate the disabled member prior to approval of his
18 application, and annually thereafter. Any disabled member shall not be required to make
19 the monthly payment of ~~five-ten~~ dollars ~~(\$5.00)~~ (\$10.00) as required by G.S. 58-86-35 and
20 G.S. 58-86-40.

21 Effective July 1, 1995, Any any member who is totally and permanently disabled for
22 any cause, other than line of duty, who leaves the fire or rescue squad service because of
23 this disability and who has at least 10 years of service with the pension fund, may be
24 permitted to continue making a monthly contribution of ~~five-ten~~ dollars ~~(\$5.00)~~ (\$10.00)
25 to the fund until he has paid into the fund the sum of ~~one-two thousand two-four~~ hundred
26 dollars ~~(\$1,200)~~ (\$2,400). Any member who began making contributions prior to July 1,
27 1995, in the amount of five dollars (\$5.00) per month, and thereafter leaves the fire or
28 rescue squad service because of disability, may be permitted to continue making monthly
29 contributions of ten dollars (\$10.00) per month after July 1, 1995, until the member has
30 made contributions for a total of 240 months. The member shall upon attaining the age of
31 55 years be entitled to receive a pension as provided by this section. All applications for
32 disability are subject to the approval of the board who may appoint physicians to examine
33 and evaluate the disabled member prior to approval of his application annually thereafter.

34 Effective July 1, 1995, Any any member who, because his residence is annexed by a
35 city under Part 2 or Part 3 of Article 4 of Chapter 160A of the General Statutes, or whose
36 department is closed because of an annexation by a city under Part 2 or Part 3 of Article 4
37 of Chapter 160A of the General Statutes, and because of such annexation is unable to
38 perform as a fireman of any status, and if the member has at least 10 years of service with
39 the pension fund, may be permitted to continue making a monthly contribution of ~~five-ten~~
40 dollars ~~(\$5.00)~~ (\$10.00) to the fund until he has paid into the fund the sum of ~~one-two~~
41 thousand ~~two-four~~ hundred dollars ~~(\$1,200)~~ making contributions prior to July 1, 1995, in
42 the amount of five dollars (\$5.00) per month, and thereafter, is unable to perform as a
43 fireman of any status because of annexation, may be permitted to continue making a

1 monthly contribution of ten dollars (\$10.00) per month after July 1, 1995, until the
2 member has made contributions for a total of 240 months. The member upon attaining
3 the age of 55 years and completion of such contributions shall be entitled to receive a
4 pension as provided by this section. Any application to make monthly contributions
5 under this section shall be subject to a finding of eligibility by the Board of Trustees upon
6 application of the member.

7 The pensions provided shall be in addition to all other pensions or benefits under any
8 other statutes of the State of North Carolina or the United States, notwithstanding any
9 exclusionary provisions of other pensions or retirement systems provided by law."

10 Sec. 5. The General Assembly finds that the firemen and rescue squad workers
11 (both paid and volunteer) of North Carolina provide a valuable service to the State, which
12 results in saving hundreds of lives and millions of dollars in property value each year.

13 Sec. 6. The General Assembly further finds that North Carolina is fortunate to
14 have so many dedicated individuals who are willing to serve voluntarily, and that there is
15 no way the State could afford to pay these volunteers for their service.

16 Sec. 7. The North Carolina Firemen's and Rescue Squad Workers' Pension
17 Fund was created as a means of saying thank you to these individuals for their many
18 faithful years of service to the people of the State.

19 Sec. 8. It is the intent of the General Assembly to provide cost-of-living
20 increases to members and retirees of the Firemen's and Rescue Squad Workers' Pension
21 Fund at a rate equal to any cost-of-living increases provided to beneficiaries of the
22 Teachers' and State Employees' Retirement System, to the extent funds are available.

23 Sec. 9. This act becomes effective July 1, 1995.