

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 756

Short Title: Firemen's/Rescue/Funds.

(Public)

Sponsors: Representatives DeVane, Warner, Tart; H. Hunter and Bowman.

Referred to: Pensions & Retirement.

March 20, 1989

A BILL TO BE ENTITLED

AN ACT TO AMEND THE FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION FUND.

The General Assembly of North Carolina enacts:

Section 1. G.S. 118-41.1 reads as rewritten:

"§ 118-41.1. Additional retroactive membership.

(a) Any fireman or rescue squad worker who is now eligible and is a member of a fire department or rescue squad chartered by the State of North Carolina and who has not previously elected to become a member may make application through the board of trustees for membership in the fund on or before March 31, 1987. The person shall make a lump sum payment of five dollars (\$5.00) per month retroactively to the time he first became eligible to become a member, plus interest at an annual rate of eight percent (8%), for each year of his retroactive payments. Upon making the lump sum payment, the person shall be given credit for all prior service in the same manner as if he had made application for membership at the time he first became eligible. Any member who made application for membership subsequent to the time he was first eligible and did not receive credit for prior service may receive credit for this prior service upon lump sum payment of five dollars (\$5.00) per month retroactively to the time he first became eligible, plus interest at an annual rate of eight percent (8%), for each year of his retroactive payments. Upon making this lump sum payment, the date of membership shall be the same as if he had made application for membership at the time he was first eligible. Any fireman or rescue squad worker who has applied for prior service under this subsection shall have until October 1, 1989, to pay for this prior

1 service and, if this payment is not made by October 1, 1989, he shall not receive credit
2 for this service.

3 (b) Effective April 1, 1987, any fireman or rescue squad worker who has not
4 reached his thirty-fifth birthday who is eligible and who has not previously elected to
5 become a member may make application through the board of trustees for membership
6 in the fund at any time. The person shall make a lump sum payment of five dollars
7 (\$5.00) per month retroactively to the time he first became eligible to become a
8 member, plus interest at an annual rate to be set by the board of trustees, for each year
9 of his retroactive payments. Upon making this lump sum payment, the person shall be
10 given credit for all prior service in the same manner as if he had made application for
11 membership at the time he first became eligible. Any member who has not reached his
12 thirty-fifth birthday who made application for membership subsequent to the time he
13 was first eligible and did not receive credit for prior service may receive credit for such
14 prior service upon lump sum payment of five dollars (\$5.00) per month retroactively to
15 the time he first became eligible, plus interest at an annual rate to be set by the board of
16 trustees, for each year of his retroactive payments. Upon making this lump sum
17 payment, the date of membership shall be the same as if he had made application for
18 membership at the time he was first eligible. Any fireman or rescue squad worker who
19 applies for prior service under this subsection shall have six months from the date of his
20 application to pay for this prior service and if the payment is not made within that time
21 he shall not receive credit for the prior service."

22 Sec. 2. Effective July 1, 1989, G.S. 118-42 reads as rewritten:

23 **"§ 118-42. Monthly pensions upon retirement.**

24 Any member who has served 20 years as an 'eligible fireman' or 'eligible rescue
25 squad worker' in the State of North Carolina, as provided in G.S. 118-38 and G.S. 118-
26 39, and who has attained the age of 55 years is entitled to be paid a monthly pension
27 from this fund. The monthly pension shall be in the amount of ~~one hundred dollars~~
28 ~~(\$100.00)~~ one hundred ten dollars (\$110.00) per month. Any retired fireman receiving a
29 pension of fifty dollars (\$50.00) per month shall, effective July 1, 1981, receive a
30 pension of ~~one hundred dollars (\$100.00)~~ one hundred ten dollars (\$110.00) per month.

31 Members shall pay five dollars (\$5.00) per month as required by G.S. 118-40 and
32 G.S. 118-41 for a period of no longer than 20 years. No 'eligible rescue squad member'
33 shall receive a pension prior to July 1, 1983. ~~No person shall be entitled to a pension~~
34 ~~hereunder until his official duties as a fireman or rescue squad worker for which he is paid~~
35 ~~compensation shall have been terminated and he shall have retired as such according to~~
36 ~~standards or rules fixed by the board of trustees.~~

37 Any member who is totally and permanently disabled while in the discharge of his
38 official duties as a result of bodily injuries sustained or as a result of extreme exercise or
39 extreme activity experienced in the course and scope of his official duties and who
40 leaves the fire or rescue squad service because of this disability shall be entitled to be
41 paid from the fund a monthly benefit in an amount of ~~one hundred dollars (\$100.00)~~ one
42 hundred ten dollars (\$110.00) per month beginning the first month after his fifty-fifth
43 birthday. All applications for disability are subject to the approval of the board who may
44 appoint physicians to examine and evaluate the disabled member prior to approval of

1 his application, and annually thereafter. Any disabled member shall not be required to
2 make the monthly payment of five dollars (\$5.00) as required by G.S. 118-40 and G.S.
3 118-41.

4 Any member who is totally and permanently disabled for any cause, other than line
5 of duty, who leaves the fire or rescue squad service because of this disability and who
6 has at least 10 years of service with the pension fund, may be permitted to continue
7 making a monthly contribution of five dollars (\$5.00) to the fund until he has paid into
8 the fund the sum of one thousand two hundred dollars (\$1,200). The member shall upon
9 attaining the age of fifty-five years be entitled to receive a pension as provided by this
10 section. All applications for disability are subject to the approval of the board who may
11 appoint physicians to examine and evaluate the disabled member prior to approval of
12 his application annually thereafter.

13 Any member who, because his residence is annexed by a city under Part 2 or Part 3
14 of Article 4 of Chapter 160A of the General Statutes, or whose department is closed
15 because of an annexation by a city under Part 2 or Part 3 of Article 4 of Chapter 160A
16 of the General Statutes, and because of such annexation is unable to perform as a
17 fireman of any status, and if the member has at least 10 years of service with the
18 pension fund, may be permitted to continue making a monthly contribution of five
19 dollars (\$5.00) to the fund until he has paid into the fund the sum of one thousand two
20 hundred dollars (\$1,200). The member upon attaining the age of 55 years and
21 completion of such contributions shall be entitled to receive a pension as provided by
22 this section. Any application to make monthly contributions under this section shall be
23 subject to a finding of eligibility by the Board of Trustees upon application of the
24 member.

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

28 Sec. 3. Effective July 1, 1990, G.S. 118-42, as rewritten by Section 2 of this
29 act, reads as rewritten:

30 **"§ 118-42. Monthly pensions upon retirement.**

31 Any member who has served 20 years as an 'eligible fireman' or 'eligible rescue
32 squad worker' in the State of North Carolina, as provided in G.S. 118-38 and G.S. 118-
33 39, and who has attained the age of 55 years is entitled to be paid a monthly pension
34 from this fund. The monthly pension shall be in the amount of ~~one hundred ten dollars~~
35 ~~(\$110.00)~~ one hundred thirty dollars (\$130.00) per month. Any retired fireman receiving
36 a pension of fifty dollars (\$50.00) per month shall, effective July 1, 1981, receive a
37 pension of ~~one hundred ten dollars (\$110.00)~~ one hundred thirty dollars (\$130.00) per
38 month.

39 Members shall pay five dollars (\$5.00) per month as required by G.S. 118-40 and
40 G.S. 118-41 for a period of no longer than 20 years. No 'eligible rescue squad member'
41 shall receive a pension prior to July 1, 1983.

42 Any member who is totally and permanently disabled while in the discharge of his
43 official duties as a result of bodily injuries sustained or as a result of extreme exercise or
44 extreme activity experienced in the course and scope of his official duties and who

1 leaves the fire or rescue squad service because of this disability shall be entitled to be
2 paid from the fund a monthly benefit in an amount of ~~one hundred ten dollars (\$110.00)~~
3 one hundred thirty dollars (\$130.00) per month beginning the first month after his fifty-
4 fifth birthday. All applications for disability are subject to the approval of the board who
5 may appoint physicians to examine and evaluate the disabled member prior to approval
6 of his application, and annually thereafter. Any disabled member shall not be required
7 to make the monthly payment of five dollars (\$5.00) as required by G.S. 118-40 and
8 G.S. 118-41.

9 Any member who is totally and permanently disabled for any cause, other than line
10 of duty, who leaves the fire or rescue squad service because of this disability and who
11 has at least 10 years of service with the pension fund, may be permitted to continue
12 making a monthly contribution of five dollars (\$5.00) to the fund until he has paid into
13 the fund the sum of one thousand two hundred dollars (\$1,200). The member shall upon
14 attaining the age of fifty-five years be entitled to receive a pension as provided by this
15 section. All applications for disability are subject to the approval of the board who may
16 appoint physicians to examine and evaluate the disabled member prior to approval of
17 his application annually thereafter.

18 Any member who, because his residence is annexed by a city under Part 2 or Part 3
19 of Article 4 of Chapter 160A of the General Statutes, or whose department is closed
20 because of an annexation by a city under Part 2 or Part 3 of Article 4 of Chapter 160A
21 of the General Statutes, and because of such annexation is unable to perform as a
22 fireman of any status, and if the member has at least 10 years of service with the
23 pension fund, may be permitted to continue making a monthly contribution of five
24 dollars (\$5.00) to the fund until he has paid into the fund the sum of one thousand two
25 hundred dollars (\$1,200). The member upon attaining the age of 55 years and
26 completion of such contributions shall be entitled to receive a pension as provided by
27 this section. Any application to make monthly contributions under this section shall be
28 subject to a finding of eligibility by the Board of Trustees upon application of the
29 member.

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

33 Sec. 4. There is appropriated from the General Fund to the Department of
34 State Auditor the sum of two million six hundred thirty-six thousand seven hundred
35 fifteen dollars (\$2,636,715) for the 1989-90 fiscal year and the sum of four million two
36 hundred ninety-four thousand seven hundred fifteen dollars (\$4,294,715) for the 1990-
37 91 fiscal year, to implement this act as follows:

38 (1) 1989-90: nine hundred seventy-nine thousand seven hundred fifteen
39 dollars (\$979,715) to reduce the period of unfunded liability from 13
40 years to nine years, and one million six hundred fifty-seven thousand
41 dollars (\$1,657,000) to implement section two of this act, which raises
42 the monthly benefit to one hundred ten dollars (\$110.00) effective July
43 1, 1989;

1 (2) 1990-91: nine hundred seventy-nine thousand seven hundred fifteen
2 dollars (\$979,715) to reduce the period of unfunded liability from 13
3 years to nine years, and three million three hundred fifteen thousand
4 dollars (\$3,315,000) to implement section three of this act, which
5 raises the monthly benefit to one hundred thirty dollars (\$130.00)
6 effective July 1, 1990.

7 Sec. 5. This act shall become effective July 1, 1989.