

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015**

**SESSION LAW 2016-51
HOUSE BILL 19**

AN ACT TO AMEND ARTICLE 84 OF CHAPTER 58 OF THE GENERAL STATUTES TO MAKE A TECHNICAL CORRECTION TO THE DEFINITION OF FIREFIGHTER TO INCLUDE FIREFIGHTERS EMPLOYED BY COUNTY FIRE MARSHAL OFFICES, TO CLARIFY THE AUTHORITY OF LOCAL BOARDS OF TRUSTEES TO PAY EXPENSES OF LOCAL FIREFIGHTERS' RELIEF FUNDS, TO UPDATE THE APPOINTMENT PROCEDURES FOR LOCAL FIREFIGHTERS' RELIEF FUND BOARDS OF TRUSTEES, TO CHANGE THE NAME OF THE NORTH CAROLINA STATE FIREMEN'S ASSOCIATION TO THE NORTH CAROLINA STATE FIREFIGHTERS' ASSOCIATION, AND TO CLARIFY THAT FIRE ALARMS THAT ARE UNINTENTIONAL AND RESULT IN NO DAMAGE ARE NOT CONSIDERED WHEN CALCULATING MINIMUM RESPONSE REQUIREMENTS FOR INITIAL RATING OR CLASSIFICATION UNDER G.S. 58-36-10(3).

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-84-5(3a) reads as rewritten:

"(3a) ~~Firefighter or Fireman.~~Firefighter. – Any person who meets all of the following requirements:

- a. Is a volunteer, employee, contractor, or member of a rated and certified fire ~~department.~~department, or employee of a County Fire Marshal's Office whose sole duty is to act as fire marshal, deputy fire marshal, assistant fire marshal, or firefighter of the county.

...."

SECTION 2. G.S. 58-84-25(d) reads as rewritten:

"(d) Administration. – These funds shall be held by the treasurer of a fire district as a separate and distinct fund. The fire district shall immediately pay the funds to the treasurer of the local board of trustees upon the treasurer's election and qualification, for the use of the board of trustees of the ~~firemen's local relief fund~~local Firefighters' Relief Fund in each fire district to be used by it for the purposes provided in G.S. 58-84-35."

SECTION 3. G.S. 58-84-30 reads as rewritten:

"§ 58-84-30. Trustees appointed; organization.

For each county, town or city complying with and deriving benefits from the provisions of this Article, there shall be appointed a local board of trustees, known as the trustees of the local Firefighters' Relief Fund, to be composed of five members, two of whom shall be elected by the members of the local fire department who are qualified as beneficiaries of such fund, two of whom shall be elected by the mayor and board of aldermen or other local governing body, and one of whom shall be named by the Commissioner of Insurance. Their selection and term of office shall be as follows:

- (1) The members of the fire department shall hold an election ~~each January to elect their two representatives to above board. In January 1950, the firefighters shall elect one member to serve for two years and one member to serve for one year, then each year in January thereafter, they shall elect only one member and his term of office shall be for two years. the board to serve at the pleasure of the members of the department. The elected representatives may serve until their resignation or until the department holds an election to replace them. Members-Board members~~ elected pursuant to this ~~section~~subdivision shall be either (i) residents of the fire district or (ii) active or retired members of the fire department.



- (2) The mayor and board of aldermen or other local governing body shall ~~appoint, in January 1950, appoint two representatives to above board, one to hold office for two years and one to hold office for one year, and each year in January thereafter they shall appoint only one representative and his term of office shall be for two years. the board to serve at the pleasure of the governing body. Members-Board members appointed pursuant to this section~~ subdivision shall be residents of the fire district.
- (3) The Commissioner of Insurance shall appoint one representative to serve as trustee ~~and he who~~ shall serve at the pleasure of the Commissioner. The member appointed pursuant to this ~~section~~ subdivision shall be either (i) a resident of the fire district or (ii) an active or retired member of the fire department.

All of the above trustees shall hold office for their elected or appointed time, or until their successors are elected or appointed, and shall serve without pay for their services. They shall immediately after election and appointment organize by electing from their members a chairman and a secretary and treasurer, which two last positions may be held by the same person. The treasurer of said board of trustees shall give a good and sufficient surety bond in a sum equal to the amount of moneys in his hand, to be approved by the Commissioner of Insurance. The cost of this bond may be deducted by the Insurance Commissioner from the receipts collected pursuant to G.S. 58-84-10 before distribution is made to local relief funds. If the chief or chiefs of the local fire departments are not named on the board of trustees as above provided, then they shall serve as ex officio members without privilege of voting on matters before the board."

SECTION 4. G.S. 58-84-33(a) reads as rewritten:

"§ 58-84-33. Maximum fund balances.

(a) The balance of a local fire department's ~~Firefighter's~~ Firefighters' Relief Fund for a given year shall not exceed the product of multiplying the number of members on the department's roster as of January 1 for that year by the sum of two thousand five hundred dollars (\$2,500)."

SECTION 5. G.S. 58-84-35(a) reads as rewritten:

"§ 58-84-35. Disbursement of funds by trustees.

(a) The board of trustees shall have entire control of the funds derived from the provisions of this Article, and shall disburse the funds only for the following purposes:

- ...
- (8) To cover necessary management and investment costs that are reasonable and appropriate in relation to the assets, purpose, and financial security of the local Firefighters' Relief Fund."

SECTION 6. Chapter 251 of the Private Laws of 1889 is hereby amended by replacing the words "North Carolina State Firemen's Association" with the words "North Carolina State Firefighters' Association."

The entity formerly known as the North Carolina State Firemen's Association, and now known as the North Carolina State Firefighters' Association, is hereby authorized to amend its corporate documents to conform them to the association's new name by an appropriate filing with the Secretary of State.

The Revisor of Statutes is hereby authorized to replace any occurrences in the General Statutes of the words "North Carolina State Firemen's Association," "North Carolina Firemen's Association," "State Firemen's Association," or any reasonable derivative thereof, with the words "North Carolina State Firefighters' Association," including the following sections of the General Statutes: G.S. 58-2-121, 58-78-1, 58-80-5, 58-80-25, 58-80-60, 58-84-5, 58-84-25, 58-84-33, 58-84-35, 58-84-40, 58-84-41, 58-84-46, 58-84-50, 58-84-52, 58-85-1, 58-85-10, 58-85-20, 58-85-25, 58-85-30, 58-85-35, 58-86-25, 58-87-10, 135-27, 143-136, 143B-1401, 166A-26, and 166A-69.

SECTION 7. G.S. 58-36-10(3) reads as rewritten:

- (3) In the case of property insurance rates under this Article, consideration may be given to the experience of property insurance business during the most recent five-year period for which that experience is available. In the case of property insurance rates under this Article, consideration shall be given to the insurance public protection classifications of fire districts established by the Commissioner. The Commissioner shall establish and modify from time

to time insurance public protection districts for all rural areas of the State and for cities with populations of 100,000 or fewer, according to the most recent annual population estimates certified by the State Budget Officer. In establishing and modifying these districts, the Commissioner shall use standards at least equivalent to those used by the Insurance Services Office, Inc., or any successor ~~organization-organization~~, except that fire alarms that are unintentional or the result of malfunction and result in no damage or fire shall not be considered in calculating minimum response requirements for initial rating or classification. The standards developed by the Commissioner are subject to Article 2A of Chapter 150B of the General Statutes. The insurance public protection classifications established by the Commissioner issued pursuant to the provisions of this Article shall be subject to appeal as provided in G.S. 58-2-75, et seq. The exceptions stated in G.S. 58-2-75(a) do not apply."

SECTION 8. This act becomes effective July 1, 2016.

In the General Assembly read three times and ratified this the 23rd day of June, 2016.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

s/ Pat McCrory
Governor

Approved 9:16 a.m. this 30th day of June, 2016