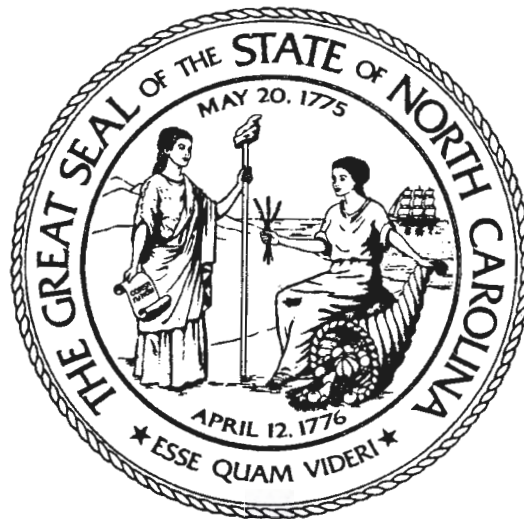


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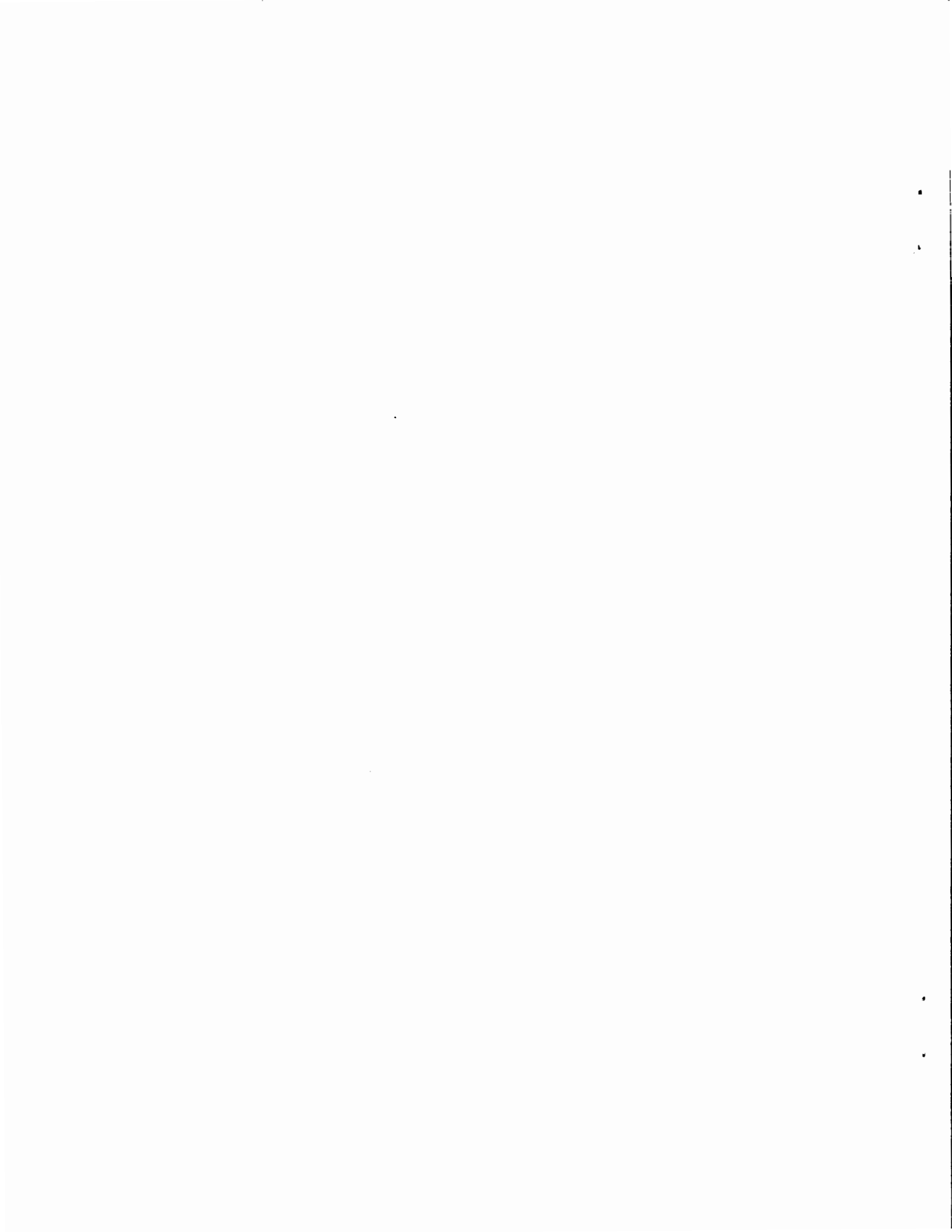
LEGISLATIVE RESEARCH COMMISSION

FIREFIGHTER'S BENEFITS STUDY COMMITTEE



REPORT TO THE
1991 GENERAL ASSEMBLY
OF NORTH CAROLINA
1991 SESSION

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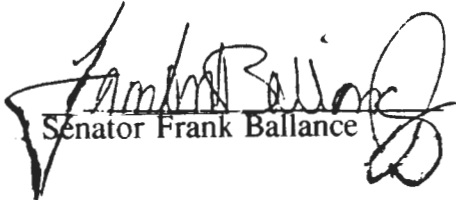


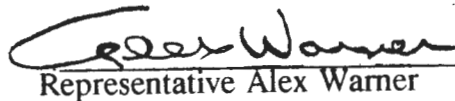
November 28, 1990

TO THE MEMBERS OF THE LEGISLATIVE RESEARCH COMMISSION:

Attached for your consideration is the report to the 1991 General Assembly on firefighters' benefits. This report was prepared by the Legislative Research Commission's Committee on Firefighters' Benefits pursuant to Section 43 of Chapter 752 of the 1989 Session Laws, Senate Bill 44.

Respectfully submitted,


Senator Frank Ballance


Representative Alex Warner

Cochairmen
Firefighter's Benefits Study Committee

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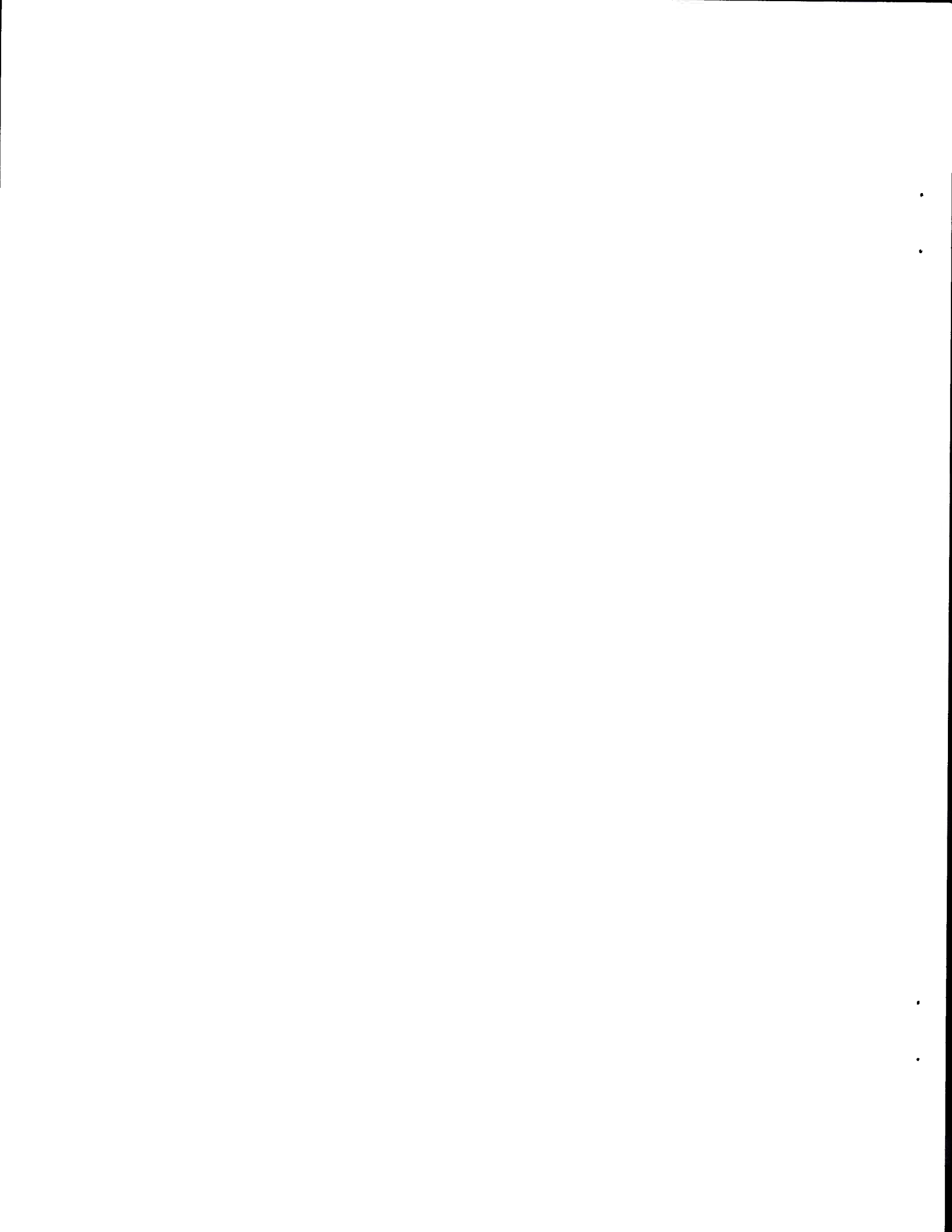
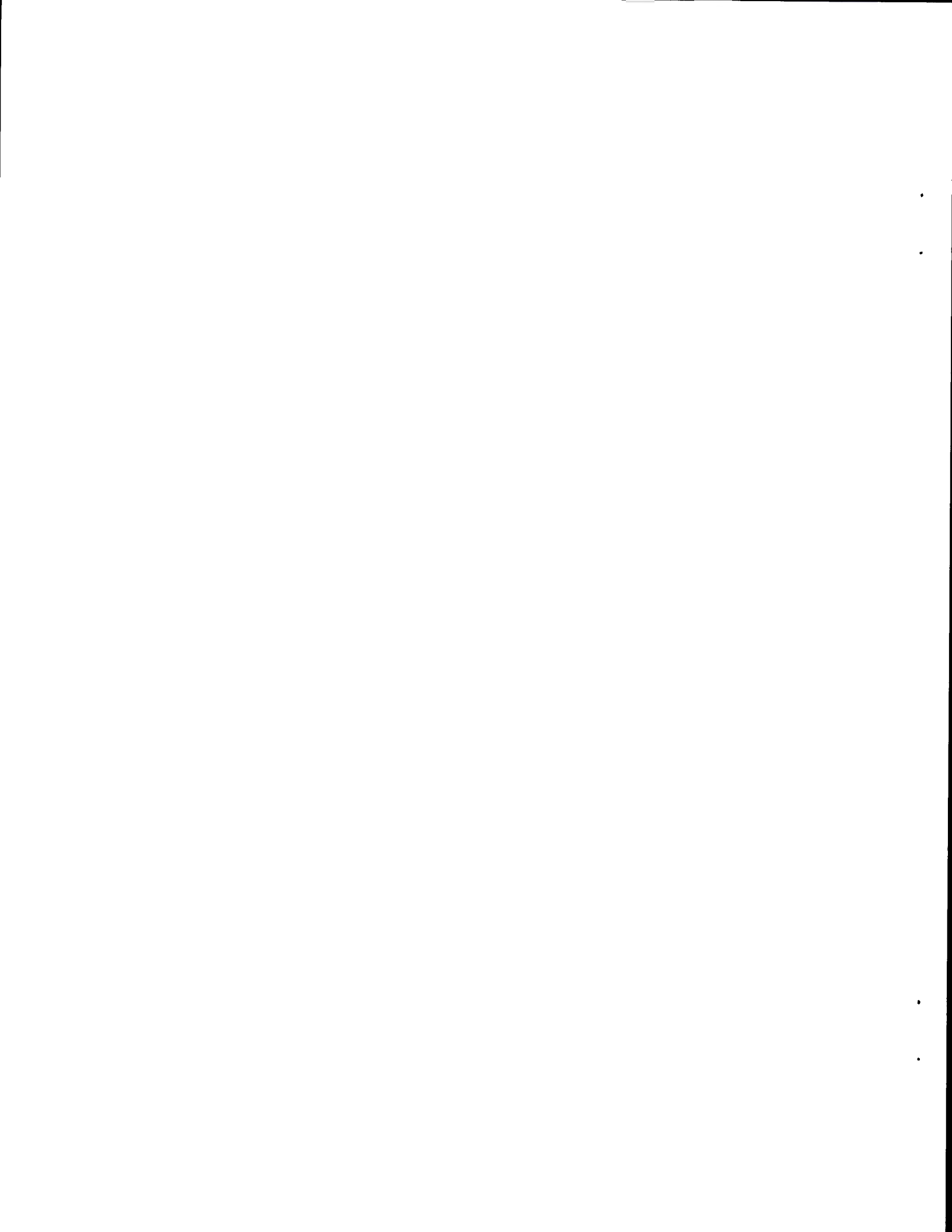


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STATE OF NORTH CAROLINA
LEGISLATIVE RESEARCH COMMISSION
STATE LEGISLATIVE BUILDING
RALEIGH 27611



December 14, 1990

TO THE MEMBERS OF THE 1991 GENERAL ASSEMBLY:

The Legislative Research Commission herewith submits to you for your consideration its final report on firefighters benefits. The report was prepared by the Legislative Research Commission's Committee on Firefighters Benefits pursuant to Section 43 of Chapter 752 of the 1989 Session Laws.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "J. Mavretic".

Josephus L. Mavretic
Speaker

A handwritten signature in cursive script, appearing to read "Henson P. Barnes".

Henson P. Barnes
President Pro Tempore

Cochairmen
Legislative Research Commission

1989-1990

LEGISLATIVE RESEARCH COMMISSION

MEMBERSHIP

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Representatives
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Rep. Joanne W. Bowie

Rep. J. Fred Bowman

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Rep. James W. Crawford, Jr.

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the Senate
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Senator Robert L. Martin

Senator Lura S. Tally

Senator Russell G. Walker

PREFACE

The Legislative Research Commission, established by Article 6B of Chapter 120 of the General Statutes, is a general purpose study group. The Commission is co-chaired by the Speaker of the House and the President Pro Tempore of the Senate and has five additional members appointed from each house of the General Assembly. Among the Commission's duties is that of making or causing to be made, upon the direction of the General Assembly, "such studies of and investigations into governmental agencies and institutions and matters of public policy as will aid the General Assembly in performing its duties in the most efficient and effective manner" (G.S. 120-30.17(1)).

At the direction of the 1989 General Assembly, the Legislative Research Commission has undertaken studies of numerous subjects. These studies were grouped into broad categories and each member of the Commission was given responsibility for one category of study. The Co-chairs of the Legislative Research Commission, under the authority of G.S. 120-30.10(b) and (c), appointed committees consisting of members of the General Assembly and the public to conduct the studies. Co-chairs, one from each house of the General Assembly, were designated for each committee.

The study of Firefighters Benefits was authorized by Section 43 of Chapter 752 of the 1989 Session Laws (1989 Session). The Legislative Research Commission grouped this study in its firefighter benefits area under the direction of Representative Jim Crawford. The Committee was chaired by Senator Frank Ballance and Representative Alex Warner. The full membership of the Committee is listed in Appendix B of this report. A committee notebook containing the committee minutes and all information presented to the committee is filed in the Legislative Library.

PROCEEDINGS

The Firefighter's Benefits Study Committee held its first meeting on December 14, 1989. Presiding Co-Chairman Senator Frank Ballance read the specific concerns of both the House and Senate Committees on Pensions and Retirement regarding firefighters. Those concerns are (1) the amount of fire insurance premium tax receipts collected by the State and distributed to local fire officials that are being maintained in banks across the State; (2) The potential for duplication of medical, disability, retirement, death and related benefits provided by local fire officials, local government employers, the State of North Carolina, and agencies of the United States; (3) Eligibility requirements for firemen's receipt of benefits provided by local fire officials; and, (4) Comparisons between additional fire insurance premium tax revenues collected by the State and the amount of General Fund and other revenues expended by the State for medical, disability, retirement, death, and related benefits provided for firemen.

Mr. Ed Renfrow, State Auditor, indicated that his office is responsible for the general administration and management of the Firemen's and Rescue Squad workers Pension Fund and he also administers the \$25,000 In-Line-of-Duty Death Benefit. The pension fund was established in 1959 and was operated as an independent agent until 1971 when it became part of the State Auditor's operation. There are approximately 45,000 firefighters eligible to participate in the Pension Membership is on a volunteer basis and current active membership is 23,580.

A firefighter being at least 55 years of age and having 20 years of creditable service in the fund will receive a monthly benefit of \$100 upon retirement.

The current death benefit of \$100,000 Public Safety Officers Benefit, a federal program, is available to dependents of firemen who are killed in the line of duty. (The State Auditor indicated that the U.S. Supreme Court has ruled that the PSOB payment is "intended to give supplemental benefits to survivors." As a result, compensation from State or local agencies may not be reduced because federal benefits are paid.)

Mr. Phil Riley, Deputy Commissioner of the Department of Insurance stated that funding for both the local and State relief funds has come from a premium tax levied on insurance companies operating in North Carolina. The Department of Insurance has been given the responsibility for the collection and disbursement of these premium taxes. Currently there are 1,445 accounts statewide involving both volunteer and municipal fire departments with annual disbursements exceeding \$1.7 million. In 1984 the unexpended balance in the local relief funds exceeded \$8.0 million. In 1989 the unexpended balance exceeded \$18.0 million.

Mr. B. H. Whitehouse with the Industrial Commission stated that the maximum benefits payable to a fireman under Workers' Compensation is 66 2/3 percent of his average weekly wage in the employment wherein he earns his principal livelihood. The minimum payment per week for an injured fireman is 66 2/3 percent of the maximum weekly benefit. The maximum weekly benefit was increased to \$390 effective January 1, 1990. Under the provisions of G.S. 69-25.8, members of a volunteer fire department who are in a fire protection district must be covered by a policy of workers' compensation insurance.

Mr. Jack Pruitt with the Local Governmental Employees' Retirement System stated that a fire department, including volunteer fire departments, that serves a city or county and is supported in whole or part by municipal or county funds may elect to become a participating employer. There are twenty volunteer fire departments having paid firemen and who have elected to participate in the system. The retirement benefit for the paid firemen in a volunteer fire department would be approximately 45.5% of his final compensation (the same for other employees in the system).

Mr. Horace Moore with the North Carolina State Firemen's' Association gave a brief history of the Firemen's Relief Fund and a summary of how those funds could be expended by the local Board of Trustees. Insurance companies remit to the North Carolina Department of Insurance 1/2 of 1% tax on premiums written on fire and lightning policies protecting property in rated fire districts. Ninety-five percent of the tax monies collected is earmarked for distribution to Local Relief Funds, except an amount of about 1 1/2% that is withheld by the Commissioner of Insurance for payment of a blanket bond premium for all Local Relief Fund Treasurers. Two percent of all collections is withheld and used by the Department of Insurance to support the expenses of administration and three percent is paid to the North Carolina State Firemen's Association to support its expenses of administration, except that one-sixth of the amount received is paid over to the State Voluntary Firemen's' Association for its use. The Voluntary Firemen's' Association is an Association of black volunteer firemen.

The State Relief Fund is made up of funds that have been forfeited by those departments of the cities, towns, and districts because of their failure to meet the reporting requirements of the law. These funds are used to (1) pay benefits to a member of a department who has been injured and disabled in the line of duty and whose local funds have been exhausted; (2) fund an accidental death and dismemberment insurance program with maximum benefits of \$5,000 for each member of a fire department with less than \$10,000 in its Local Relief Fund; and, (3) fund an educational program for the children of member firemen. During fiscal year ending June 30, 1989, the fund paid benefits to members amounting to \$120,074 and had a balance of \$3,173,693 in the fund.

The Firefighter's Benefits Study Committee held its second meeting on March 2, 1990.

Mr. Sherman Pickard, Chief of the Raleigh Fire Department provided the Committee with his Treasurer's Report for the Year Ending June 30, 1989 that reflected an ending balance of \$971,833.15. He stated that the entire fund is available for disbursement for the benefit of those members who may be killed or injured in the line of duty. There are slightly more than 100 retired firemen from the Raleigh force receiving the maximum annual supplemental retirement benefit of \$800.

Mr. Frank Jones, Chief of the Greensboro Fire Department provided a financial statement which reflected a \$20,000 balance as of June 30, 1989. All funds in excess of \$20,000 are given to the Greensboro Supplemental Retirement Fund. This Supplemental Retirement Fund has a balance of \$448,030 as of November 28, 1989. These are funds that have accumulated since 1953 from State funds received.

Mr. Harrison Knites, Treasurer of the Winston-Salem Local Relief Fund presented a financial report that showed an ending balance of \$14,806.70 at June 30, 1989. The report indicated no funds received from the Department of Insurance. Mr.

Knites stated that the funds from the Insurance Department went directly into a Retirement Fund. Senator Johnson asked about the balance in that fund. Mr. Knites stated that the balance was \$2.6 million and that it had accumulated since 1947.

Mr. Luther Fincher, Chief of the Charlotte Fire Department, stated that the Charlotte Fire Department had no supplemental retirement plan. The funds received from the Department of Insurance is used to provide life insurance for its members. The Charlotte firefighters have their own retirement fund which has a current balance of approximately \$80.0 million. This fund is made up of contributions between employees and a matched contribution from the City of Charlotte.

Mr. Ben Rayford, Treasurer of the Snow Hill Local Relief Fund, presented a financial report with no disbursements for the year ending June 30, 1989. He indicated that his trustees were planning to use a portion of their receipts to purchase additional accident insurance.

The Fayetteville Fire Department had been invited to appear, but no representatives were present.

Mr. Moore, with the North Carolina State Firemen's' Association, explained the uses of the State Relief Funds for the benefit of firefighters statewide.

Mr. Phil Riley, Deputy Insurance Commissioner stated that, based on his dealings with the insurance industry, if administrative costs could be reduced for the insurance industry, the insurance industry would be willing to pass those savings on to the fire service.

Senator Ballance appointed two subcommittees to study issues in two major areas: Local and State Relief Funds and State Firemen's Pension Fund. Representative Ray Fletcher was appointed to chair the Subcommittee on Local and State Relief Funds. Named to the Subcommittee were Representative Howard Hunter, Senator James Johnson, and Senator Robert Carpenter. The State Firemen's' Pension Fund Subcommittee was chaired by Senator Speed. Named to this Subcommittee were Representative Gene Wilson, Representative Doris Lail, and Mr. Jerry Brooks.

The Subcommittee on State and Local Relief Funds met on April 27, 1990 and received reports from Mr. Bob Edgeton, Chairman of the Wayne County Local Firemen's' Relief Fund, Mr. Carl Ray Coley, Fire Marshall, Wayne County, Mr. Phil Riley, Deputy Insurance Commissioner, Mr. Ken Levenbook, Staff Attorney, Mr. Horace Moore, Executive Secretary, North Carolina State Firemen's' Association and Mr. Cloyce Anders, Insurance Agent.

After studying the issues related to the State and Local Relief Funds, the Subcommittee made the following recommendation to the full Committee:

1. Premiums from Fire and Lightning coverage collected by the Insurance Department for distribution to Fire Districts should be appropriated by the General Assembly to the Department of Insurance.
2. Premiums from Fire and Lightning coverage collected by the Insurance Department should be distributed equitably to all Fire Districts.

3. The General Assembly should establish comprehensive guidelines for the expenditure of Local Relief Funds for the benefit of the firemen.
4. The General Assembly should have oversight of the expenditures made from the State Relief Fund.
5. Provide additional benefits to both paid and volunteer firefighters. (Additional funds may be available for distribution by consolidating at the County level. Cities may elect to be exempt from the consolidation.)

The Subcommittee did not identify specific additional benefits for the firefighters.

The Subcommittee on Firemen's' Pension Fund met on September 10, 1990 and received reports from Mr. Ed Renfrow, State Auditor, Mr. Bobby Joyner, Coordinator of Emergency Services for Pitt County, Chief J. E. Hawkins, Fire Chief of Rocky Mount, and Mr. Ellis Hankins, General Counsel with the North Carolina League of Municipalities.

After studying the issues relating to the Firemen's' Pension Fund the Subcommittee made the following recommendations to the full Committee:

1. Increase the monthly firemen's' pension from \$100 to \$150.
2. Allow firemen to pay additional monies into the Pension Fund for additional benefits.
3. Allow paid firemen to receive the pension at age 55 with 20 years service whether or not they stay on the local payroll.
4. Allow paid firemen to receive disability benefits after one year's service rather than five years.

The Firemen's Benefits Study Committee held its third meeting on October 30, 1990. Chairman Frank Balance called on Senator Speed, Chairman of the Subcommittee on the Firemen's' Pension Fund to present his report and recommendations.

Mr. Jack Pruitt from the State Treasurer's Office furnished actuarial information on the cost of incorporating into the local retirement systems a one year line-of-duty disability benefit. The cost of the additional 0.02 percent of payroll would be approximately \$300,000 in addition local employer contributions to provide the one year line-of-duty benefit for firemen and EMS Rescue Squad employees.

Mr. Ed Renfrow provided actuarial information regarding additional monies paid into the pension fund voluntarily by the firemen for additional benefits at retirement.

The report and recommendations of the Subcommittee on State and Local Relief Funds were presented to the Committee.

Chief J. E. Hawkins of the Rocky Mount Fire Department recommended to the Committee the following:

1. Combine police/fire under same Local Government benefits.
2. Make it mandatory for firefighters to receive 5 percent 401(k).
3. Grant separation allowance to firefighters.

Mr. Ellis Hankins with the League of Municipalities stated that the League could probably support the recommendations of the Subcommittee on firemen's Pension Fund; however, it could not support the recommendation from Fire Chief J. E. Hawkins.

Mr. Ken Levenbook, Staff Attorney, reviewed rough drafts of proposed legislation that would implement many of the recommendations of the two Subcommittees. The Insurance Department, the North Carolina State Firemen's Association, Executive Secretary and members of the Committee were invited to a final drafting session held on November 7, 1990.

The Firemen's Benefits Study Committee held its fourth meeting on November 13, 1990. Chairman Frank Ballance called on Mr. Ken Levenbook to explain the draft legislation regarding; (1) the firemen's pension benefit increase; (2) voluntary contributions to the pension fund; (3) allowing all firemen with twenty years of paid-in service to receive monthly pension benefits; (4) allowing retirement disability payments after one year's service; (5) modification of the statutes of firemen's relief funds; and (6) allowing firemen to drive fire trucks with a Class C license. Motion was made that the draft legislation be approved. Motion carried.

The Firemen's Benefits Study Committee held its fifth meeting by teleconference on November 28, 1990. The Committee's report to the Legislative Research Commission was approved.

FINDINGS AND RECOMMENDATIONS

The Committee made the following Findings and Recommendations:

Finding 1. The Committee finds that the amount of the monthly pension benefit from the North Carolina Firemen's and Rescue Squad Workers' Pension Fund for all persons currently receiving pension benefits and persons who will receive pension benefits after the enactment of the proposed legislation should be increased from \$100.00 to \$150.00

Recommendation 1. That the attached legislation (91-LK-002) be introduced during the 1991 Session of the General Assembly and passed to provide a \$150.00 monthly pension benefit from the North Carolina Firemen's and Rescue Squad Workers' Pension Fund for all persons receiving the benefit. And further, that the 1991 General Assembly appropriate funds in the amount of approximately \$8,079,000 to pay for this monthly increase of \$50.00 per month.

Finding 2. That the statutes regulating the North Carolina Firemen's and Rescue Squad Workers' Pension Fund be amended to permit voluntary contributions by members of the pension program to provide additional benefits. The amounts of the contributions to be made and the benefits to be received should be determined by the Board of Trustees of the North Carolina Firemen's and Rescue Squad Workers' Pension Fund.

Recommendation 2. That the attached legislation (91-LK-003) be introduced during the 1991 Session of the General Assembly and enacted to implement the above finding.

Finding 3. That in 1988 the General Statutes were modified to prohibit a paid fireman who had served twenty years as a member of the North Carolina Firemen's and Rescue Squad Workers' Pension Fund but who was still on a payroll from receiving benefits from the Pension Fund until he retired from his paid position. This provision prevents a fireman from receiving benefits to which he would otherwise be entitled due to unrelated employment.

Recommendation 3. That the attached legislation (91-LK-004) be introduced during the 1991 Session of the General Assembly and enacted to remove the limitation placed in the statutes in 1988.

Finding 4. Currently all local employees covered by the North Carolina Local Governmental Employees' Retirement System, with the exception of policemen, must perform five years of service before they become eligible for disability payments. Policemen need perform service for only one year before qualifying for disability payments. The cost to make firemen eligible for the disability benefit on the same basis as policemen would be approximately \$300,000.

Recommendation 4. That the attached legislation (91-LK-005) be introduced during the 1991 Session of the General Assembly and enacted to make injured firemen, who are members of the North Carolina Local Governmental Employees' Retirement System, eligible for disability payments after one year of service.

Finding 5. The statutes governing the method of collecting, disbursing, and accounting for the fire and lightning insurance premium taxes providing benefits for firemen in this state in the form of local and state firemen relief funds needs modifying. The

Committee, and a working group of all interested parties has developed legislation to improve the statutes currently governing these funds.

Recommendation 5. That the attached legislation (91-LK-006B) be introduced during the 1991 Session of the General Assembly and enacted to modify and improve the statutes governing the use of the fire and lightning insurance premium taxes for the benefit of the firemen of this state. The proposed legislation makes the following changes:

Section 1. Provides for a continuing, annual appropriation, of the fire and lightning insurance premium taxes to the Department of Insurance for disbursement in accordance with Article 84 and Article 85 of Chapter 58 of the General Statutes. The full amount of the premium taxes collected each year are appropriated and the Commissioner of Insurance would have to report to the General Assembly about the collections and disbursements for the previous calendar year.

Section 2. Permits the consolidation of local fire relief funds on a county, regional, or other basis in accordance with the rules of the North Carolina Fire Service Relief Fund Board (created by Section 8 of the proposed legislation).

Section 3. Provides that the funds received by a local fire relief fund could be disbursed for purposes authorized in the rules of the North Carolina Fire Service Relief Fund Board (created by Section 8 of the proposed legislation). This would provide added flexibility for the uses of these funds.

Section 4. Provides for annual financial statements from local fire relief funds to be filed with the North Carolina State Firemen's Association by July 31 of each year for the preceding fiscal year, with these reports consolidated and compiled by the Firemen's Association and forwarded to the Department of Insurance and the North Carolina Fire Service Relief Fund Board (created by Section 8 of the proposed legislation). Provides that the Association will continue to investigate any irregularities involving the local relief funds and report the results of those investigations to the Commissioner of Insurance. Provides that the Board may assist any local relief fund that becomes impaired.

Section 5. Updates the requirements for the annual filing of a report of fire condition by the Clerk of the local governing body with the Commissioner of Insurance and provides that the North Carolina Fire Service Relief Fund Board (created by Section 8 of the proposed legislation) shall issue rules for appeals for the return of funds withheld due to the failure to file the report by the October 31 deadline.

Section 6. Provides that all fire departments and firemen shall be members of the North Carolina State Firemen's Association. That annual dues of \$4.00 per fireman shall be paid to the Association from the premium taxes collected and provides that the Association shall supervise the filing of the required annual reports and provide managerial support to the local fire relief funds.

Section 7. Updates the uses to which the State Fire Service Relief Fund can be put. Removes the Fund from the Association and places into the hands of the North Carolina Fire Service Relief Fund Board (created by Section 8 of the proposed legislation).

Section 8. Creates the North Carolina Fire Service Relief Fund Board to consist of the five members of the executive board of the North Carolina State Firemen's Association, the Commissioner of Insurance, the State Auditor, and the State Treasurer. The Executive Secretary of the Firemen's Association is the Secretary to the Board. Provides that staff support shall come from the Department of Insurance. Provides for the functions of the Board to manage the State Fire Service Relief Fund, issue rules regulating the recipients and uses of local fire relief funds, providing rules for consolidation of local fire relief funds, review the 125+ local modifications to the general statutes governing the use of these funds and make recommendations to the General Assembly on any changes needed, make recommendations on all new local modifications considered by the General Assembly.

Section 9. Requires an annual report from the North Carolina State Firemen's Association concerning receipt and disbursements of premium tax funds.

Section 10. Provides that firemen eligible for benefits under the State Fund shall be those injured or killed in the line of duty as defined in G.S. 143-166.2(f) which provides:

"(f) The term "official duties" means those duties performed while enroute to, engaged in, or returning from training, or in the course of responding to, engaged in or returning from a call by the department of which he is a member, or from a call for assistance from any department or such organization within the State of North Carolina or within a service area contiguous to the borders of the State of North Carolina, when served or aided by a department from within the State of North Carolina. While within the State of North Carolina, any eligible person, as defined in this section or in G.S. 118-38 [NOW G.S. 58-85-15], who renders service or assistance, of his own volition, at the scene of an emergency, is performing his official duties when:

- (1) Reasonably apparent circumstances require prompt decisions and actions to protect persons and property; and
- (2) The necessity of immediate action is so reasonably apparent that any delay in acting would seriously worsen the property damage or endanger any person's life."

Section 11. Provides that all firemen in the state shall be members of the North Carolina State Firemen's Association.

Section 12. Repeals the annual appropriation to the North Carolina State Volunteer Firemen's Association.

Section 13. Provides for effective dates.
Finding 7. That in the enactment of the changes to the Commercial Driver's License law in 1989, an exemption to allow firemen to drive fire trucks, in the course of their duties, with their Class C licenses was repealed. This repeal has caused an undue hardship on firemen and confusion for firemen and should be reversed.

Recommendation 7. That the attached legislation (91-LK-007) be introduced during the 1991 Session of the General Assembly and passed to reinstate the exemption for firemen and rescue squad members to allow them to operate the fire trucks and ambulances and other public safety vehicles with their Class C licenses.



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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91-LK-002

(THIS IS A DRAFT AND NOT READY FOR INTRODUCTION)

Short Title: Fire Pension Benefits Upped.

(Public)

Sponsors: Senator Ballance.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE MONTHLY BENEFITS FROM THE NORTH CAROLINA
3 FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION FUND.
4 The General Assembly of North Carolina enacts:
5 Section 1. G.S. 58-86-55 reads as rewritten:
6 "§ 58-86-55. Monthly pensions upon retirement.
7 Any member who has served 20 years as an 'eligible fireman' or
8 'eligible rescue squad worker' in the State of North Carolina, as
9 provided in G.S. 58-86-25 and G.S. 58-36-30, and who has attained
10 the age of 55 years is entitled to be paid a monthly pension from
11 this fund. The monthly pension shall be in the amount of one
12 hundred fifty dollars ~~(\$100.00)~~ (\$150.00) per month. Any retired
13 fireman receiving a pension of fifty dollars (\$50.00) per month
14 shall, effective July 1, 1981, receive a pension of one hundred
15 fifty dollars ~~(\$100.00)~~ (\$150.00) per month.
16 Members shall pay five dollars (\$5.00) per month as required by
17 G.S. 58-86-35 and G.S. 58-86-40 for a period of no longer than 20
18 years. No 'eligible rescue squad member' shall receive a pension
19 prior to July 1, 1983. No person shall be entitled to a pension
20 hereunder until his official duties as a fireman or rescue squad
21 worker for which he is paid compensation shall have been
22 terminated and he shall have retired as such according to
23 standards or rules fixed by the board of trustees.

1 Any member who is totally and permanently disabled while in the
2 discharge of his official duties as a result of bodily injuries
3 sustained or as a result of extreme exercise or extreme activity
4 experienced in the course and scope of his official duties and
5 who leaves the fire or rescue squad service because of this
6 disability shall be entitled to be paid from the fund a monthly
7 benefit in an amount of one hundred fifty dollars ~~(\$100.00)~~
8 (\$150.00) per month beginning the first month after his
9 fifty-fifth birthday. All applications for disability are subject
10 to the approval of the board who may appoint physicians to
11 examine and evaluate the disabled member prior to approval of his
12 application, and annually thereafter. Any disabled member shall
13 not be required to make the monthly payment of five dollars
14 (\$5.00) as required by G.S. 58-86-35 and G.S. 58-86-40.

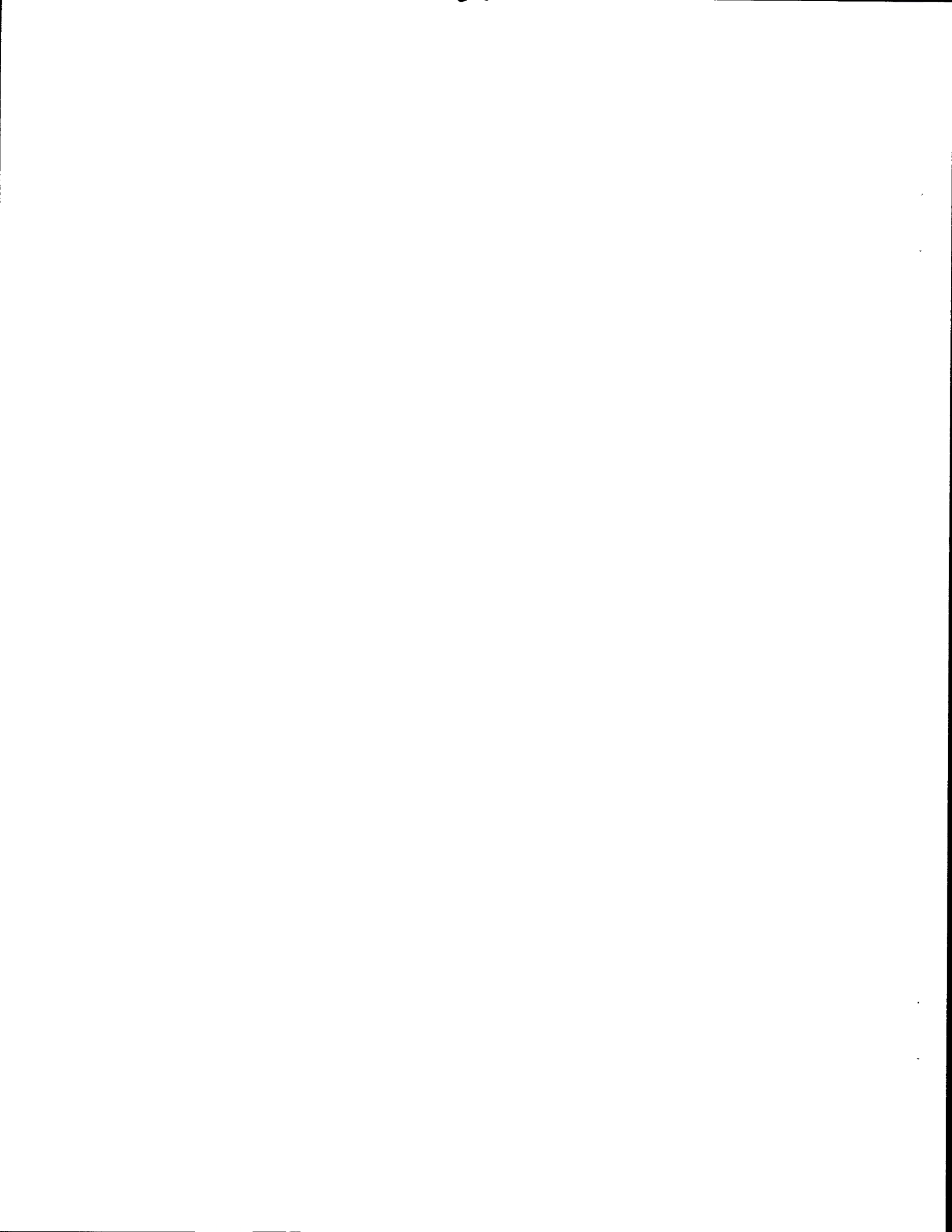
15 Any member who is totally and permanently disabled for any
16 cause, other than line of duty, who leaves the fire or rescue
17 squad service because of this disability and who has at least 10
18 years of service with the pension fund, may be permitted to
19 continue making a monthly contribution of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

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

42 The pensions provided shall be in addition to all other
43 pensions or benefits under any other statutes of the State of
44 North Carolina or the United States, notwithstanding any

1 exclusionary provisions of other pensions or retirement systems
2 provided by law."

3 Sec. 2. This act becomes effective July 1, 1991.



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

H

D

91-LK-003

(THIS IS A DRAFT AND NOT READY FOR INTRODUCTION)

Short Title: Vol. Fire Pension Contributions. (Public))

Sponsors: Representative Warner.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PERMIT VOLUNTARY CONTRIBUTIONS TO THE NORTH CAROLINA
3 FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION FUND.
4 The General Assembly of North Carolina enacts:
5 Section 1. G.S. 58-86-35 reads as rewritten:
6 "§ 58-86-35. Firemen's application for membership in fund;
7 monthly payments by members; payments credited to separate
8 accounts of members.
9 Those firemen who are eligible pursuant to G.S. 58-86-25 may
10 make application for membership to the ~~board~~ Board of Trustees of
11 the Firemen's Pension Fund. Each fireman upon becoming a member
12 of the fund shall pay the director of the fund the sum of five
13 dollars (\$5.00) per month. The monthly payments shall be credited
14 to the separate account of the member and shall be kept by the
15 custodian so it is available for payment on withdrawal from
16 membership or retirement. Firemen may make additional
17 contributions to the fund in amounts to be determined by the
18 Board and receive additional benefits from the fund as determined
19 by the Board."
20 Sec. 2. This act becomes effective July 1, 1991.



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

S

D

91-LK-004

(THIS IS A DRAFT AND NOT READY FOR INTRODUCTION)

Short Title: Paid Firemen Pension Benefits.

(Public)

Sponsors: Senator Ballance.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PERMIT PAID FIREMEN TO RECEIVE PENSION BENEFITS FROM
3 THE NORTH CAROLINA FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION
4 FUND WHETHER OR NOT THEY STAY ON A LOCAL PAYROLL.
5 The General Assembly of North Carolina enacts:
6 Section 1. G.S. 58-86-55 reads as rewritten:
7 "§ 58-86-55. Monthly pensions upon retirement.
8 Any member who has served 20 years as an 'eligible fireman' or
9 'eligible rescue squad worker' in the State of North Carolina, as
10 provided in G.S. 58-86-25 and G.S. 58-36-30, and who has attained
11 the age of 55 years is entitled to be paid a monthly pension from
12 this fund. The monthly pension shall be in the amount of one
13 hundred dollars (\$100.00) per month. Any retired fireman
14 receiving a pension of fifty dollars (\$50.00) per month shall,
15 effective July 1, 1981, receive a pension of one hundred dollars
16 (\$100.00) per month.
17 Members shall pay five dollars (\$5.00) per month as required by
18 G.S. 58-86-35 and G.S. 58-86-40 for a period of no longer than 20
19 years. No "eligible rescue squad member" shall receive a pension
20 prior to July 1, 1983. ~~No person shall be entitled to a pension~~
21 ~~hereunder until his official duties as a fireman or rescue squad~~
22 ~~worker for which he is paid compensation shall have been~~
23 ~~terminated and he shall have retired as such according to~~
24 ~~standards or rules fixed by the board of trustees.~~

1 Any member who is totally and permanently disabled while in the
2 discharge of his official duties as a result of bodily injuries
3 sustained or as a result of extreme exercise or extreme activity
4 experienced in the course and scope of his official duties and
5 who leaves the fire or rescue squad service because of this
6 disability shall be entitled to be paid from the fund a monthly
7 benefit in an amount of one hundred dollars (\$100.00) per month
8 beginning the first month after his fifty-fifth birthday. All
9 applications for disability are subject to the approval of the
10 board who may appoint physicians to examine and evaluate the
11 disabled member prior to approval of his application, and
12 annually thereafter. Any disabled member shall not be required to
13 make the monthly payment of five dollars (\$5.00) as required by
14 G.S. 58-86-35 and G.S. 58-86-40.

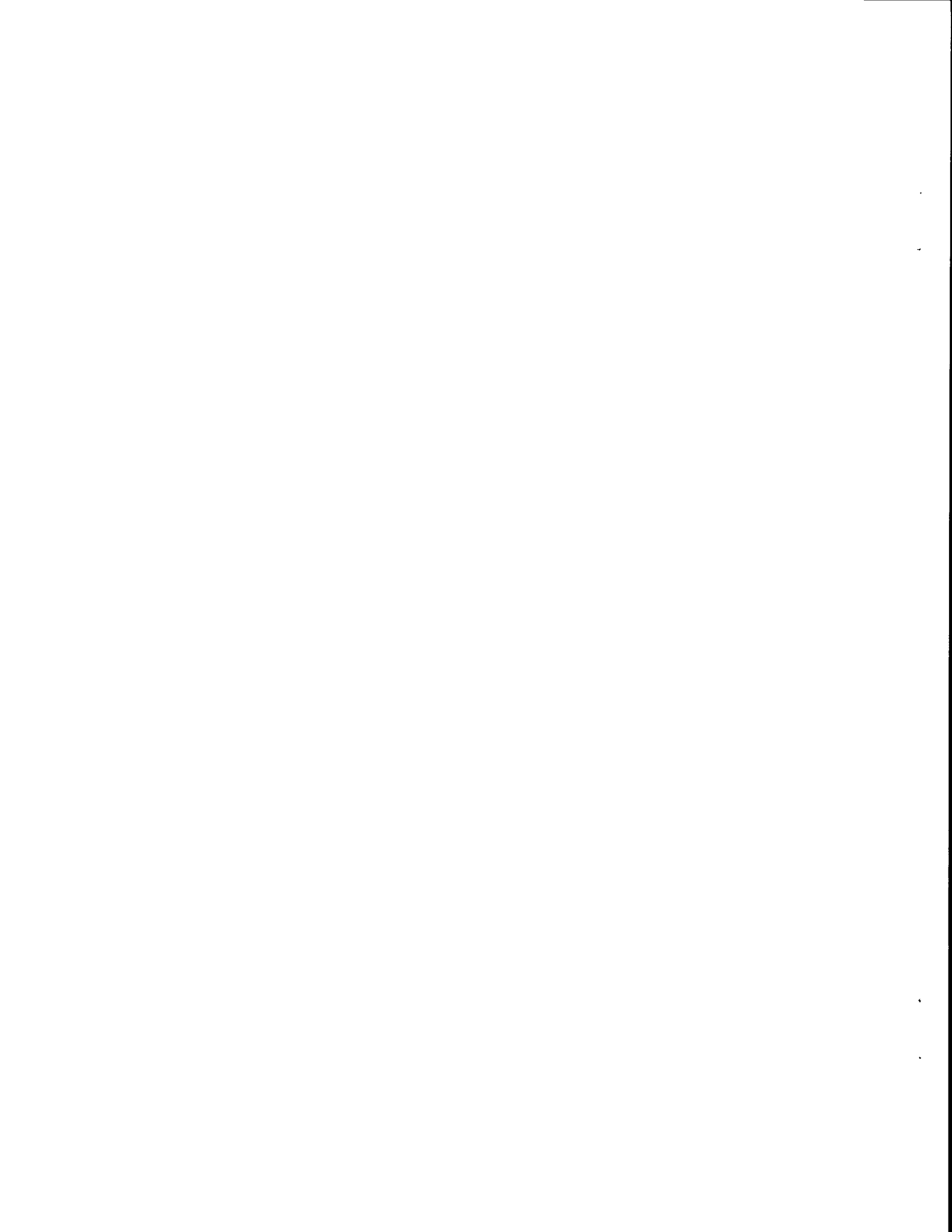
15 Any member who is totally and permanently disabled for any
16 cause, other than line of duty, who leaves the fire or rescue
17 squad service because of this disability and who has at least 10
18 years of service with the pension fund, may be permitted to
19 continue making a monthly contribution of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

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

42 The pensions provided shall be in addition to all other
43 pensions or benefits under any other statutes of the State of
44 North Carolina or the United States, notwithstanding any

1 exclusionary provisions of other pensions or retirement systems
2 provided by law."

3 Sec. 2. This act becomes effective July 1, 1991.



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

H

D

91-LK-005

(THIS IS A DRAFT AND NOT READY FOR INTRODUCTION)

Short Title: 1 Year Firemen Disability Paym'ts. (Public)

Sponsors: Representative Warner.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PERMIT INJURED FIREMEN TO RECEIVE DISABILITY PAYMENTS
3 UNDER THE NORTH CAROLINA LOCAL GOVERNMENTAL EMPLOYEES'
4 RETIREMENT SYSTEM AFTER ONE YEAR'S SERVICE.
5 The General Assembly of North Carolina enacts:
6 Section 1. G.S. 128-27(c) reads as rewritten:
7 "(c) Disability Retirement Benefits. -- Upon the application of a
8 member or of his employer, any member who has had five or more
9 years of creditable service may be retired by the Board of
10 Trustees, on the first day of any calendar month, not less than
11 one day nor more than 90 days next following the date of filing
12 such application, on a disability retirement allowance: Provided,
13 that the medical board, after a medical examination of such
14 member, shall certify that such member is mentally or physically
15 incapacitated for the further performance of duty, that such
16 incapacity was incurred at the time of active employment and has
17 been continuous thereafter, that such incapacity is likely to be
18 permanent, and that such member should be retired; Provided
19 further the medical board shall determine if the member is able
20 to engage in gainful employment and, if so, the member may still
21 be retired and the disability retirement allowance as a result
22 thereof shall be reduced as in subsection (e) below. Provided
23 further, that the Medical Board shall not certify any member as
24 disabled who:

1 (1) Applies for disability retirement based upon a
2 mental or physical incapacity which existed when
3 the member first established membership in the
4 system; or

5 (2) Is in receipt of any payments on account of the
6 same disability which existed when the member first
7 established membership in the system.

8 The Board of Trustees shall require each employee upon
9 enrolling in the retirement system to provide information on the
10 membership application concerning any mental or physical
11 incapacities existing at the time the member enrolls.

12 Notwithstanding the requirement of five or more years of
13 creditable service to the contrary, a member who is a law
14 enforcement officer or a fireman and who has had one year or more
15 of creditable service and becomes incapacitated for duty as the
16 natural and proximate result of an accident occurring while in
17 the actual performance of duty, and meets all other requirements
18 for disability retirement benefits, may be retired by the Board
19 of Trustees on a disability retirement allowance."

20 Sec. 2. This act becomes effective July 1, 1991.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

S

D

91-LK-006C

(THIS IS A DRAFT AND NOT READY FOR INTRODUCTION)

Short Title: Modify Fire Relief Funds.

(Public)

Sponsors: Senator Ballance.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE STATUTES GOVERNING FIRE RELIEF FUNDS.
3 The General Assembly of North Carolina enacts:
4 Section 1. G.S. 58-84-25 reads as rewritten:
5 "§ 58-84-25. Disbursement of funds by Insurance Commissioner.
6 There is annually appropriated the funds collected pursuant to
7 G.S. 58-84-10 to be distributed in accordance with this section.
8 The Commissioner of Insurance shall report the funds received
9 pursuant to G.S. 58-84-10 and the disbursements made in
10 accordance with this section as part of his annual budget request
11 and report to the General Assembly.
12 The Insurance Commissioner shall deduct the sum of three
13 percent (3%) from the money so collected from the insurance
14 companies, corporations, or association, as aforesaid, and pay
15 the same over to the treasurer of the State Firemen's Association
16 for general purposes. The Insurance Commissioner shall deduct
17 the sum of two percent (2%) from the money so collected from the
18 insurance companies, corporations, or associations, as aforesaid,
19 and retain the same in the budget of the Department of Insurance
20 for the purpose of administering the disbursement of funds by the
21 board of trustees in accordance with the provisions of G.S.
22 58-84-35. The remainder of the money so collected from the
23 insurance companies, corporations, or associations, as aforesaid,
24 doing business in the towns and cities in the State having or

1 that may hereafter have organized fire departments as provided in
2 this Article, said Insurance Commissioner shall pay to the
3 treasurer of each town or city to be held by him as a separate
4 and distinct fund, and he shall immediately pay the same to the
5 treasurer of the local board of trustees upon his election and
6 qualification, for the use of the board of trustees of the
7 firemen's local relief fund in each town or city, which board
8 shall be composed of five members, residents of said city or town
9 as hereinafter provided for, to be used by it for the purposes as
10 named in G.S. 58-84-35."

11 Sec. 2. G.S. 58-84-30 reads as rewritten:

12 § 58-84-30. Trustees appointed; organization.

13 (a) For each county, town or city complying with and deriving
14 benefits from the provisions of this Article, there shall be
15 appointed a local board of trustees, known as the trustees of the
16 firemen's relief fund, to be composed of five members, two of
17 whom shall be elected by the members of the local fire department
18 or departments who are qualified as beneficiaries of such fund,
19 two of whom shall be elected by the mayor and board of aldermen
20 or other local governing body, and one of whom shall be named by
21 the Commissioner of Insurance. Their selection and term of office
22 shall be as follows:

23 (1) The members of the fire department shall hold an
24 election each January to elect their
25 representatives to above board. In January 1950,
26 the firemen shall elect one member to serve for two
27 years and one member to serve for one year, then
28 each year in January thereafter, they shall elect
29 only one member and his term of office shall be for
30 two years.

31 (2) The mayor and board of aldermen or other local
32 governing body shall appoint, in January 1950, two
33 representatives to above board, one to hold office
34 for two years and one to hold office for one year,
35 and each year in January thereafter they shall
36 appoint only one representative and his term of
37 office shall be for two years.

38 (3) The Commissioner of Insurance shall appoint one
39 representative to serve as trustee and he shall
40 serve at the pleasure of the Commissioner.

41 All of the above trustees shall hold office for their elected
42 or appointed time, or until their successors are elected or
43 appointed, and shall serve without pay for their services. They
44 shall immediately after election and appointment organize by

1 electing from their members a chairman and a secretary and
2 treasurer, which two last positions may be held by the same
3 person. The treasurer of said board of trustees shall give a good
4 and sufficient surety bond in a sum equal to the amount of moneys
5 in his hand, to be approved by the Commissioner of Insurance. The
6 cost of this bond may be deducted by the Insurance Commissioner
7 from the receipts collected pursuant to G.S. 58-84-10 before
8 distribution is made to local relief funds. If the chief or
9 chiefs of the local fire departments are not named on the board
10 of trustees as above provided, then they shall serve as ex
11 officio members without privilege of voting on matters before the
12 board.

13 (b) Nothing in this section shall prohibit the consolidation
14 of local relief funds in a county, a region, or otherwise. The
15 State Fire Service Relief Fund Board shall issue rules regulating
16 these consolidations."

17 Sec. 3. G.S. 58-84-35 reads as rewritten:

18 "§ 58-84-35. Disbursement of funds by trustees.

19 The board of trustees of the local fire relief funds shall have
20 ~~entire~~ control of the funds derived from the provisions of this
21 Article, subject to review by the State Fire Service Relief Fund
22 Board, and shall disburse the funds only for ~~the following~~
23 ~~purposes:~~

24 ~~(1) To safeguard any fireman in active service from~~
25 ~~financial loss, occasioned by sickness contracted~~
26 ~~or injury received while in the performance of his~~
27 ~~duties as a fireman.~~

28 ~~(2) To provide a reasonable support for those actually~~
29 ~~dependent upon the services of any fireman who may~~
30 ~~lose his life in the fire service of his town,~~
31 ~~city, or State, either by accident or from disease~~
32 ~~contracted or injury received by reason of such~~
33 ~~service. The amount is to be determined according~~
34 ~~to the earning capacity of the deceased.~~

35 ~~(2.1) To provide assistance, upon approval by the~~
36 ~~Secretary of the State Firemen's Association,~~
37 ~~to a destitute member fireman who has served~~
38 ~~honorably for at least five years.~~

39 ~~(3) Repealed by Session Laws 1985, c. 666, s. 61.~~

40 ~~(4) To provide for the payment of any fireman's~~
41 ~~assessment in the Firemen's Fraternal Insurance~~
42 ~~Fund of the State of North Carolina if the board of~~
43 ~~trustees finds as a fact that said fireman is~~

1 ~~unable to pay the said assessment by reason of~~
2 ~~disability.~~

3 ~~(5) To provide for benefits of supplemental retirement,~~
4 ~~workers compensation, and other insurance and~~
5 ~~pension protection for firemen otherwise qualifying~~
6 ~~for benefits from the Firemen's Relief Fund as set~~
7 ~~forth in Article 85 of this Chapter.~~

8 ~~(6) To provide for educational benefits to firemen and~~
9 ~~their dependents who otherwise qualify for benefits~~
10 ~~from the Firemen's Relief Fund as set forth in~~
11 ~~Article 85 of this Chapter.~~

12 ~~Notwithstanding any other provisions of law, no expenditures~~
13 ~~shall be made pursuant to subsections (5) and (6) of this section~~
14 ~~unless the State Firemen's Association has certified that such~~
15 ~~expenditures will not render the Fund actuarially unsound for the~~
16 ~~purposes of providing the benefits set forth in subsections (1),~~
17 ~~(2), and (4) of this section. If, for any reason, funds made~~
18 ~~available for subsections (5) and (6) of this section shall be~~
19 ~~insufficient to pay in full any benefits, the benefits pursuant~~
20 ~~to subsections (5) and (6) shall be reduced pro rata for as long~~
21 ~~as the amount of insufficient funds exists. No claim shall accrue~~
22 ~~with respect to any amount by which a benefit under subsections~~
23 ~~(5) and (6) shall have been reduced. purposes authorized by rules~~
24 ~~issued by the State Fire Service Relief Fund Board."~~

25 Sec. 4. G.S. 58-84-40 reads as rewritten:

26 "§ 58-84-40. Trustees to keep account and file certified
27 reports.

28 (a) Each local board of trustees shall keep a correct account
29 of all moneys received and disbursed by them. On a form
30 prescribed by the North Carolina State Firemen's Association,
31 each local board shall certify by ~~October 31~~ July 31 of each year
32 the following to the Association: the balance of the local fund,
33 ~~proof of sufficient bonding, fund and~~ a full accounting of the
34 previous fiscal year's receipts and expenditures, and a full
35 ~~accounting of membership qualifications. expenditures.~~ The
36 annual financial statement shall provide sufficient information
37 to track the tax funds received through to the firemen receiving
38 the funds as direct benefits or to the purchase of insurance or
39 other indirect benefits for the firemen. Such certification
40 shall be made concurrently with the local unit's statement of
41 Fire Readiness.

42 (b) ~~In turn, the~~ The North Carolina State Firemen's
43 Association shall certify compile and consolidate the information
44 contained in the required annual financial statements and forward

1 that information to the Department of Insurance by January 1
2 October 31 of each year on a form in the manner prescribed by the
3 Department, the local units which have complied with the
4 requirements of subsection (a) of this section. Department. The
5 North Carolina State Firemen's Association shall also furnish
6 this information to the members of the State Fire Service Relief
7 Fund Board.

8 (c) In the event that any board of trustees in any of the
9 towns and cities benefited by this Article shall neglect or fail
10 to perform their duties, or shall willfully misappropriate the
11 funds entrusted in their care by obligating or disbursing such
12 funds for any purpose other than those ~~set forth in G.S. 58-84-35~~
13 and authorized by the rules of the State Fire Service Relief Fund
14 Board, then the Insurance Commissioner of Insurance shall
15 withhold any and all further payments to such board of trustees,
16 or their successors, until the matter has been fully investigated
17 by an official of the North Carolina State Firemen's Association,
18 and adjusted to the satisfaction of the Insurance Commissioner of
19 Insurance.

20 (d) In the event that any local relief fund provided for in
21 this Article becomes impaired, then the Firemen's State Fire
22 Service Relief Fund Board may in the discretion of its board of
23 ~~trustees~~ assist the local unit administering the fund in
24 providing for relief to injured firemen and their dependents or
25 survivors; provided, however, that any funds so provided to such
26 impaired units shall be repaid in full at the statutory rate of
27 interest from future local unit receipts if the impairment
28 resulted from violations of this Article."

29 Sec. 5. G.S. 58-84-45 reads as rewritten:

30 "§ 58-84-45. Municipal clerk to certify list of fire companies;
31 effect of failure.

32 The clerk of any city, town, village, or other municipal
33 corporation having an organized fire department shall, on or
34 before ~~the thirty-first day of~~ October 31 in each year, make and
35 file with the Commissioner of Insurance his certificate, stating
36 the existence of ~~such department, the number of steam, hand, or~~
37 ~~other engines, hook and ladder trucks, and hose cars in actual~~
38 ~~use, the number of organized companies, and the system of water~~
39 ~~supply in use for such departments, that department together with~~
40 such other facts as the Commissioner of Insurance may require, on
41 a blank to be furnished by ~~him~~ the Commissioner of Insurance.
42 If the certificate required by this section is not filed with the
43 Commissioner of Insurance on or before October 31 in any year,
44 ~~the city, town or village so failing to file such certificate~~

~~1 shall forfeit the payment next due to be paid to said board of
2 trustees, and the Commissioner of Insurance shall pay over said
3 amount to the treasurer of the North Carolina State Firemen's
4 Association and same shall constitute a part of the firemen's
5 relief fund: then the premium tax funds due to the departments
6 listed in that certificate shall be forfeited to the State Fire
7 Service Relief Fund unless the clerk and the affected fire
8 departments file an appeal with the State Fire Service Relief
9 Fund Board pursuant to rules issued by the Board. Provided, that
10 the Commissioner of Insurance is authorized and empowered to pay
11 over to the local board of trustees of the firemen's relief fund
12 for the benefit of the fire department of any city, town, village
13 or other municipal corporation having an organized fire
14 department, which has otherwise complied with the provisions of
15 Articles 84 through 88 of this Chapter, the proper allocation or
16 share of the funds derived under the provisions of Articles 84
17 through 88 of this Chapter for the year 1953, and which funds up
18 to this time have been withheld because the clerk of such city,
19 town, village or other municipal corporation having an organized
20 fire department failed to file the certificate required by this
21 section or failed to file same on or before October 31, 1953; the
22 certificates filed subsequent to October 31, 1953, shall be
23 deemed to have been filed in substantial compliance with this
24 section, and as to those organized fire departments which have
25 not yet filed any certificate for 1953, the Commissioner of
26 Insurance may pay to such department its proper share of the
27 funds derived under Articles 84 through 88 of this Chapter, upon
28 the filing of such certificate for said year; all other
29 requirements of Articles 84 through 88 of this Chapter must have
30 been complied with and this proviso applies only to the funds of
31 the year 1953."~~

32 Sec. 6. G.S. 58-84-50 reads as rewritten:

33 "§ 58-84-50. Fire departments to be members of North Carolina
34 State Firemen's Association.

35 (a) For the purpose of supervision and as a guaranty that
36 provisions of this Article shall be honestly administered in a
37 businesslike manner, it is provided that every department
38 enjoying the benefits of this law shall be a member of the North
39 Carolina State Firemen's Association and comply with its
40 constitution and bylaws. ~~If the fire department of any city,
41 town or village shall fail to comply with the constitution and
42 bylaws of said Association, said city, town or village shall
43 forfeit its right to the next annual payment due from the funds
44 mentioned in this Article, and the The Commissioner of Insurance~~

1 shall pay over ~~said~~ an amount to the treasurer of the North
2 Carolina State Firemen's Association sufficient to pay the dues
3 in the Association for every member of a fire department and same
4 shall constitute a part of the firemen's relief fund, from the
5 proceeds of the premium tax collected in accordance with G.S.
6 58-84-10.

7 (b) The North Carolina State Firemen's Association shall have
8 supervisory authority for the filing of the annual financial
9 statements to be filed by the local relief fund boards.

10 (c) The North Carolina State Firemen's Association shall
11 furnish managerial support to the local fire relief fund boards."

12 Sec. 7. G.S. 58-85-1 reads as rewritten:

13 "§ 58-85-1. Application of fund.

14 The money paid into the hands of the ~~treasurer of the North~~
15 ~~Carolina State Firemen's Association State Fire Service Relief~~
16 ~~Fund Board~~ shall be known and remain as the "Firemen's State Fire
17 Service Relief Fund" of North Carolina, and shall be used as a
18 fund for the relief of firemen, ~~members of such Association, who~~
19 may be injured or rendered sick by disease contracted in the
20 actual discharge of duty as ~~firemen, and for the relief of~~
21 ~~widows, children, and if there be no widow or children, then~~
22 ~~dependent mothers of such firemen killed or dying from disease so~~
23 ~~contracted in such discharge of duty; firemen;~~ to be paid in such
24 manner and in such sums to such individuals of the classes herein
25 ~~named and described as may be provided for and determined upon in~~
26 ~~accordance with the constitution and bylaws of said Association,~~
27 ~~and such provisions and determinations made pursuant to said~~
28 ~~constitution and bylaws shall be final and conclusive as to the~~
29 ~~persons entitled to benefits and as to the amount of benefit to~~
30 ~~be received, and no action at law shall be maintained against~~
31 ~~said Association to enforce any claim or recover any benefit~~
32 ~~under this Article or under the constitution and bylaws of said~~
33 ~~Association; but if any officer or committee of said Association~~
34 ~~omit or refuse to perform any duty imposed upon him or them,~~
35 ~~nothing herein contained shall be construed to prevent any~~
36 ~~proceedings against said officer or committee to compel him or~~
37 ~~them to perform such duty, by the State Fire Service Relief Fund~~
38 Board. No fireman shall be entitled to receive any benefits
39 under this section until the firemen's relief fund of his city or
40 town shall have been exhausted. ~~Notwithstanding the above~~
41 ~~provisions, the Executive Board of the North Carolina State~~
42 ~~Firemen's Association is hereby authorized to grant educational~~
43 ~~scholarships to the children of members, to subsidize premium~~
44 ~~payments of members over 65 years of age to the Firemen's~~

~~1 Fraternal Insurance Fund of the North Carolina State Firemen's
2 Association, and to provide accidental death and dismemberment
3 insurance for members of those fire departments not eligible for
4 benefits pursuant to standards of certification adopted by the
5 State Firemen's Association for the use of local relief funds."~~

6 Sec. 8. A new section is added to Article 85 of Chapter
7 58 of the General Statutes to read:

8 § 58-85-5. State Fire Service Relief Fund Board.

9 (a) There is created a State Fire Service Relief Fund Board
10 for the purpose of managing the State Fire Service Relief Fund
11 and overseeing the management and uses of the various local
12 relief funds and local supplementary relief and pension funds, by
13 whatever name, receiving the proceeds of the fire and lightning
14 insurance premium tax imposed by G.S. 58-84-10.

15 (b) Composition.--The State Fire Service Relief Fund Board
16 shall be composed of:

17 (1) Voting members:

18 A. The President of the North Carolina State
19 Firemen's Association,

20 B. The First Vice-President of the North Carolina
21 State Firemen's Association,

22 C. The Second Vice-President of the North
23 Carolina State Firemen's Association,

24 D. The Secretary of the North Carolina State
25 Firemen's Association,

26 E. The Treasurer of the North Carolina State
27 Firemen's Association,

28 F. The Commissioner of Insurance or his designee,

29 G. The State Auditor or his designee, and

30 H. The State Treasurer or his designee.

31 (2) The Executive Secretary of the North Carolina State
32 Firemen's Association shall serve as the secretary
33 to the Board.

34 (3) Term of office.--Each member shall have one vote
35 and shall serve one Board while filling the named
36 position.

37 (4) Board Officers.--The members of the Board shall
38 select from among its membership a chairman and a
39 vice-chairman, who shall serve for one year and may
40 not hold the same position for more than one year.

41 (b) Staff support, including assistance in the issuance of
42 rules and regulations, legal assistance, and issuance of per diem
43 and travel expense drafts, shall be provided by the Department of
44 Insurance. Per diem and travel expenses shall be reimbursed in

1 accordance with G.S. 138-5. Expenses of the Board shall be paid
2 from funds derived from the premium tax collected pursuant to
3 G.S. 58-84-10.

4 (c) Functions.--The Board shall:

5 (1) Manage the State Fire Service Relief Fund.

6 (2) Issue rules and regulations, pursuant to Chapter
7 150B of the General Statutes, for the management of
8 the local fire relief funds and any other relief or
9 pension funds, by whatever name, receiving funds
10 derived from the premium tax collected pursuant to
11 G.S. 58-84-10, including:

12 A. Reducing restrictions on the use of the funds
13 so that the local relief funds and the State
14 Fire Service Relief Fund can be used to
15 provide the maximum benefits for all firemen
16 in a manner consistent with sound actuarial
17 and business practices.

18 B. Providing for consolidation of local funds on
19 a county, regional, or other basis to allow
20 for the pooling of the local funds to provide
21 benefits to covered firemen.

22 C. Providing needed flexibility so that local
23 modifications of the general laws governing
24 the use of relief funds would not be
25 necessary.

26 D. Providing for the receipt of annual financial
27 reports from local fire relief funds and all
28 other relief or pension funds, by whatever
29 name, to provide oversight of the use of tax
30 funds for the benefit of firemen.

31 (3) Review of the uses of the premium tax funds
32 collected pursuant to G.S. 58-84-10 and currently
33 received or held by local relief, local
34 supplemental relief or pension funds, by whatever
35 name, pursuant to local modifications of the
36 general laws to insure that these funds are being
37 used in the most efficient manner to provide
38 benefits to the covered firemen; make
39 recommendations to the General Assembly concerning
40 any changes or repeal of any local modifications
41 enacted prior the the enactment of this section;
42 and make recommendations to the General Assembly on
43 all local modifications to the general laws

1 regulating the use of relief funds introduced after
2 the enactment of this section.

3 (d) The Board shall meet at least quarterly for the transaction
4 of business, upon the call of the Chairman. The Board shall
5 report quarterly to the Joint Legislative Commission on
6 Governmental Operations and to the Fiscal Research Division of
7 the Legislative Services Office."

8 Sec. 9. G.S. 58-85-10 reads as rewritten:

9 "§ 58-85-10. Treasurer of North Carolina State Firemen's
10 Association to file report and give bond. report.

11 The treasurer of the North Carolina State Firemen's Association
12 shall make a detailed report to the State Treasurer of the yearly
13 expenditures of the ~~appropriation under Articles 84 through 88 of~~
14 ~~this Chapter~~ funds derived from the premium tax collected
15 pursuant to G.S. 58-84-10 on or before the end of the fiscal
16 year, showing the total amount of money in his hands at the time
17 of the filing of the report, and shall give a bond to the State
18 of North Carolina with good and sufficient sureties to the
19 satisfaction of the Treasurer of the State of North Carolina in a
20 sum not less than the amount of money on hand as shown by said
21 report. year.

22 Sec. 10. G.S. 58-85-15 reads as rewritten:

23 "§ 58-85-15. Who shall participate in the fund.

24 The line of duty entitling one to participate in the fund shall
25 ~~be so construed as to mean actual fire duty only, and any actual~~
26 ~~duty connected with the fire department when directed to perform~~
27 ~~the same by an officer in charge. 'official duties' as defined in~~
28 G.S. 143-166.2(f)."

29 Sec. 11. G.S. 58-85-20

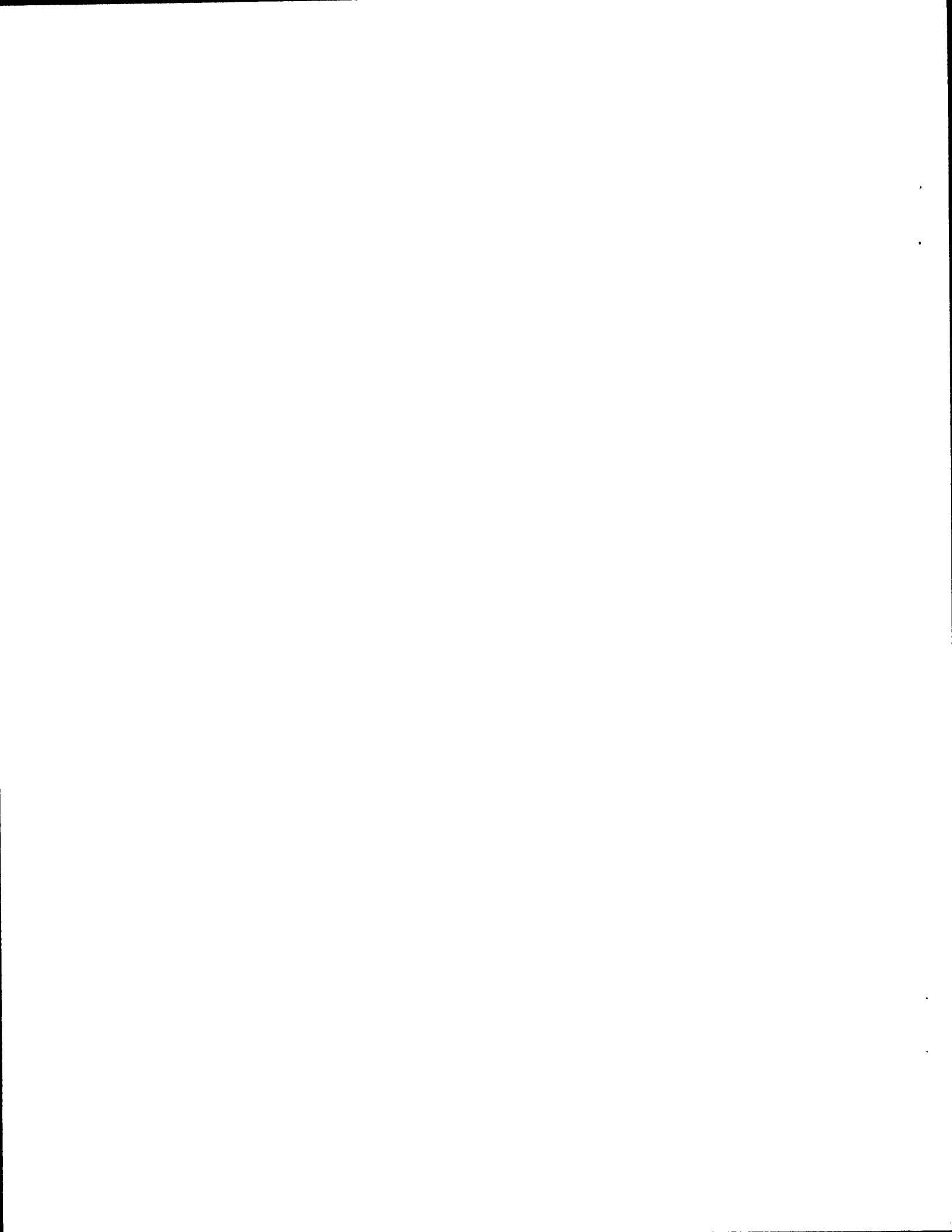
30 "§ 58-85-20. Who may shall become members.

31 ~~Any organized fire company in North Carolina, holding itself~~
32 ~~ready for duty, may, upon compliance with the requirements of~~
33 ~~said constitution and bylaws, become a member of the North~~
34 ~~Carolina State Firemen's Association, and any Any fireman of good~~
35 ~~moral character in North Carolina, and belonging to an organized~~
36 ~~fire company, who will comply with the requirements of the~~
37 ~~constitution and bylaws of the North Carolina State Firemen's~~
38 ~~Association, may shall become a member of said Association."~~

39 Sec. 12. G.S. 58-85-30 is repealed.

40 Sec. 13. Section 8 of this act becomes effective
41 January 1, 1992. Sections 1 through 7 and 9 through 12 become
42 effective July 1, 1992. Funds in the possession of the Treasurer
43 of the North Carolina State Firemen's Association and designated
44 as the "Firemen's Relief Fund" shall be transferred to the North

1 Carolina State Fire Service Relief Fund Board for the "State Fire
2 Service Relief Fund" on July 1, 1992. Section 13 of this act is
3 effective upon ratification.



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

H

D

91-LK-007

(THIS IS A DRAFT AND NOT READY FOR INTRODUCTION)

Short Title: Driver License Exemptions.

(Public)

Sponsors: Representative Warner.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REINSTATE THE EXEMPTION FOR CERTAIN DRIVER'S LICENSES
3 FOR PUBLIC SAFETY WORKERS.
4 The General Assembly of North Carolina enacts:
5 Section 1. G.S. 20-7(a) reads as rewritten:
6 "(a) Except as otherwise provided in this Chapter, no person
7 shall operate a motor vehicle on a highway unless such person is
8 a resident of this State and has first been licensed by the
9 Division under the provisions of this Article or Article 2C for
10 the class of vehicle being driven. Driver licenses shall be
11 classified under this Article as follows:
12 (1) Class "A" which entitles a licensee to drive any
13 vehicle or combination of vehicles with a gross
14 vehicle weight rating (GVWR) of 26,001 pounds or
15 more, provided the GVWR of the vehicle or vehicle
16 being towed are in excess of 10,000 pounds; and are
17 exempt from Article 2C of this Chapter. A Class A
18 license entitles the licensee to operate Class B
19 and C vehicles except motorcycles.
20 (2) Class "B" which entitles a licensee to drive a
21 single vehicle with a GVWR of 26,001 pounds or
22 more, or any such vehicle towing a single vehicle
23 not in excess of 10,000 pounds provided the towed
24 vehicle is exempt from Article 2C of this Chapter.

1 A Class B license entitles the licensee to operate
2 Class C vehicles except motorcycles.

3 (3) Class "C" which entitles a licensee to drive a
4 single vehicle with a GVWR of less than 26,001
5 pounds or any such vehicle towing another vehicle
6 with a GVWR not in excess of 10,000 pounds, both of
7 which are exempt from Article ~~2C~~ 2C, and a
8 fire-fighting vehicle or rescue vehicle or
9 combination of vehicles (regardless of gross
10 vehicle weight) when operated by any member of a
11 municipal or rural fire department or a rescue
12 squad in the performance of his duty. A Class C
13 license does not entitle the licensee to drive a
14 motorcycle.

15 Any unusual vehicle shall be assigned by the Commissioner to
16 the most appropriate class under this subsection or Article 2C
17 with suitable special restrictions if they appear to be
18 necessary.

19 Any person who takes up residence in this State on a permanent
20 basis is exempt from the provisions of this subsection for 30
21 days from the date that residence is established, if he is
22 properly licensed in the jurisdiction of which he is a former
23 resident."

24 Sec. 2. This act is effective upon ratification.

APPENDIX A

GENERAL ASSEMBLY OF NORTH CAROLINA
1989 SESSION
RATIFIED BILL

CHAPTER 752
SENATE BILL 44

AN ACT TO MAKE EXPANSION BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.

The General Assembly of North Carolina enacts:

Requested by: Senator Royall, Representative Diamont

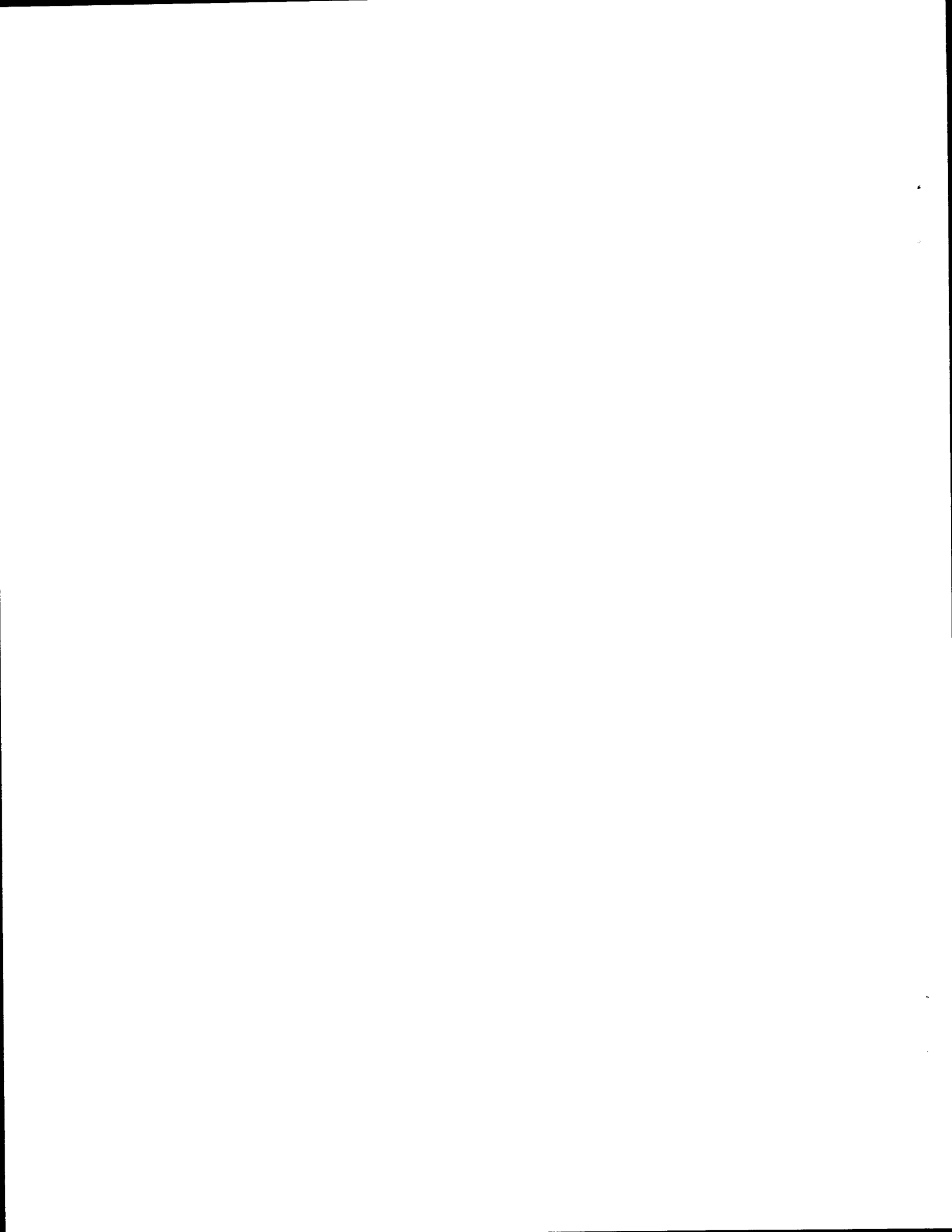
-----STUDY OF MEDICAL, DISABILITY, DEATH, RETIREMENT, AND RELATED BENEFITS PROVIDED BY FEDERAL, STATE, AND LOCAL GOVERNMENTS FOR FIREMEN

Sec. 43. Of the funds appropriated to the General Assembly in Section 3 of Chapter 500 of the 1989 Session Laws, the Current Operations Appropriations Act of 1989, the sum of \$5,000 for the 1989-90 fiscal year and the sum of \$5,000 for the 1990-91 fiscal year shall be used by the Legislative Research Commission to study, with the staff assistance of the Legislative Services Office and the Department of Insurance, the receipt and disposition of premium taxes levied by the State on fire and lightning insurance policies issued within the State in accordance with Articles 1 and 2 of Chapter 118 of the North Carolina General Statutes. This study shall include, but not be limited to, the amount of premium tax receipts and earnings thereon maintained by trustees, the coordination of medical, disability, death, retirement, and related benefits provided by trustees with similar benefits provided in the course of a fireman's employment or otherwise provided by the State of North Carolina or agencies of the United States, and eligibility requirements administered by trustees for firemen's receipt of the foregoing types of benefits. The study shall also include a review of the revenue collections on other premium taxes levied by the State on fire and lightning insurance policies issued within the State in accordance with Article 8B of Chapter 105 of the North Carolina General Statutes, in comparison with the amount of General Fund and other revenues expended annually by the State for medical, disability, death, retirement, and related benefits for firemen. The Legislative Research Commission shall complete its study and make a report of its findings and recommendations to the General Assembly upon the convening of the 1991 Session of the General Assembly.

-----EFFECTIVE DATE

Sec. 168. Except as otherwise provided, this act shall become effective July 1, 1989.

In the General Assembly read three times and ratified this the 10th day of August, 1989.



APPENDIX B

MEMBERSHIP OF LRC COMMITTEE ON FIREFIGHTER'S BENEFITS

LRC Member in Charge:

Rep. James W. "Jim" Crawford, Jr.
509 College Street
Oxford, NC 27565
(919)693-6119

Members

**President Pro Tempore's
Appointments**

Sen. Frank W. Ballance, Jr.
Co-Chairman
P. O. Box 616
Warrenton, NC 27589
(919)257-1012

Mr. Richard Bennett
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(919)734-4488

Mr. Jerry A. Brooks
6010 Bluebonnet Lane
Winston-Salem, NC 27103
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Sen. Robert C. "Bob" Carpenter
180 Georgia Road
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(704)524-5009

Sen. James C. "Jim" Johnson, Jr.
247 Church Street, North
Concord, NC 28025
(704)784-8404

Sen. James D. "Jim" Speed
Route 6, Box 542
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(919)853-2167

Sen. Herbert L. Hyde
P. O. Box 7266
Asheville, NC 28802
(704)255-0975

**Speaker's
Appointments**

Rep. E. A. "Alex" Warner, Jr.
Co-Chairman
3610 Frierson Street
Hope Mills, NC 28348
(919)424-5350

Rep. Ray C. Fletcher
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Valdese, NC 28690
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Rep. Pryor A. Gibson
Route 2, Box 382
Wadesboro, NC 28170
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Rep. Howard J. Hunter, Jr.
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(919)398-5630

Rep. Marty E. Kimsey
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Rep. Doris L. Lail
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(704)735-3868

Rep. W. Eugene "Gene" Wilson
704 Queen Street
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(704)264-8657

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(919)733-4910

Ken Levenbook
Bill Drafting Division
(919)733-6660

Clerk:

Becky Hedspeth
Legislative Building, Room 2303
Office: (919)733-5608
Home: (919)851-4603

APPENDIX C

LIST OF THOSE MAILED NOTICES OF THE COMMITTEE'S MEETING

Richard L. O'Brien
Professional Fire Fighters
2118 Hubbard Street
Greensboro, NC 27405

Honorable Jim Long
Commissioner of Insurance
Dobbs Building

Clara Murphrey
Auditor's Office
Legislative Office Building

Horace Moore, Executive Director
N.C. Firemen's Association
Post Office Box 188
Farmville, NC 27828

Phil Thomas, President
PFFNC
104 S. Estes Drive, Suite 10
Chapel Hill, NC 27514

W. H. Copley
3117 Winston Road
Durham, NC 27704-2048

Honorable Ed Renfrow
State Auditor
Legislative Office Building

Chief J. E. Hawkins
Rocky Mount Fire Department
101 S. George Street
Rocky Mount, NC 27801

David Anders
Professional Firefighters
Route 1, Box 484B
Asheville, NC 28804

W. Frank Jones
1514 N. Church Street
Greensboro, NC 27405

Tim Bradley
Department of Insurance
Dobbs Building

Natalie O'Meara
LRC Report
Post Office Box 26
Raleigh, NC 27603-0026

Ellis Hankins
N.C. League of Municipalities
Post Office Box 3069
Raleigh, NC 27602

Honorable Harlan Boyles
State Treasurer
Albemarle Building

Library
the Legislative Building
North Carolina