

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 236

Short Title: Firemen's Pension Fund Change.

(Public)

Sponsors: Senators Speed; Plyler, Sherron, Odom, Ward, Walker, Soles, Daniel, Martin of Guilford, and Smith.

Referred to: Pensions and Retirement.

February 18, 1993

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW ADDITIONAL RETROACTIVE MEMBERSHIP IN THE
2 NORTH CAROLINA FIREMEN'S AND RESCUE SQUAD WORKERS'
3 PENSION FUND.
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5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 58-86-45 reads as rewritten:

7 "**§ 58-86-45. Additional retroactive membership.**

8 (a) Any fireman or rescue squad worker who is now eligible and is a member of
9 a fire department or rescue squad chartered by the State of North Carolina and who has
10 not previously elected to become a member may make application through the board of
11 trustees for membership in the fund on or before March 31, ~~1987-~~1994. The person
12 shall make a lump sum payment of five dollars (\$5.00) per month retroactively to the
13 time he first became eligible to become a member, plus interest at an annual rate of
14 eight percent (8%), for each year of his retroactive payments. Upon making the lump
15 sum payment, the person shall be given credit for all prior service in the same manner as
16 if he had made application for membership at the time he first became eligible. Any
17 member who made application for membership subsequent to the time he was first
18 eligible and did not receive credit for prior service may receive credit for this prior
19 service upon lump sum payment of five dollars (\$5.00) per month retroactively to the
20 time he first became eligible, plus interest at an annual rate of eight percent (8%), for
21 each year of his retroactive payments. Upon making this lump sum payment, the date of
22 membership shall be the same as if he had made application for membership at the time
23 he was first eligible. Any fireman or rescue squad worker who has applied for prior

1 service under this subsection shall have until October 1, ~~1989, 1994,~~ to pay for this prior
2 service and, if this payment is not made by October 1, ~~1989, 1994,~~ he shall not receive
3 credit for this ~~service.~~ service, except as provided in subsection (a1) of this section.

4 (a1) Effective April 1, 1994, any fireman or rescue squad worker who is a current
5 or former member of a fire department or rescue squad chartered by the State of North
6 Carolina may purchase credit for any periods of service to any chartered fire department
7 or rescue squad not otherwise creditable by making a lump sum payment to the Annuity
8 Savings Fund equal to the full liability of the service credits calculated on the basis of
9 the assumptions used for purpose of the actuarial valuation of the system's liabilities,
10 which payment shall take into account the retirement allowance arising on account of
11 the additional service credit commencing at the earliest age at which the member could
12 retire on a retirement allowance, as determined by the board of trustees upon the advice
13 of the consulting actuary, plus an administrative fee to be set by the board of trustees.

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

33 Sec. 2. This act becomes effective July 1, 1993.