

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2007

Legislative Actuarial Note

RETIREMENT

BILL NUMBER: House Bill 1563 (First Edition)

SHORT TITLE: Extend Fire and Rescue Death Benefits.

SPONSOR(S): Representative Holliman

FUNDS AFFECTED: General Fund

SYSTEM OR PROGRAM AFFECTED: Law Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefit

EFFECTIVE DATE: When it becomes law

BILL SUMMARY: Extends the death benefit and workers' compensation benefits to fire and rescue instructors who are eligible for the benefits but who are currently not covered while conducting fire and rescue training out their own departments. This will cover those eligible while in training situations.

ESTIMATED IMPACT ON STATE: There is no data on the number of members who provide training, but Hartman and Associates do not expect the change to create a significant cost.

ASSUMPTIONS AND METHODOLOGY: Claims experience for this fund is as follows:

\$50,000 Death Benefit for Law Enforcement Officers, Firemen Rescue Squad Workers, Civil Air Patrol Members & State Forestry Employees (G. S. 143, Article 12A)

Table with 7 columns: Beginning Fiscal Year, Claims Payable, New Claims No., New Claims Amount, Total Claims Payable, Ending Claims Paid, Claims Payable. Rows for years 84-85 through 92-93.

Beginning		New Claims		Total	Ending	
Fiscal	Claims	No.	Amount	Claims	Claims	Claims
Year	Payable			Payable	Paid	Payable
93-94	155,000	6	150,000	305,000	200,000	105,000
94-95	105,000	5	125,000	230,000	140,000	90,000
95-96	90,000	7	175,000	265,000	150,000	115,000
96-97	115,000	6	150,000	265,000	160,000	105,000
97-98	105,000	4	100,000	205,000	100,000	105,000
98-99	105,000	9	225,000	330,000	120,000	210,000
99-00	210,000	12	300,000	510,000	250,000	260,000
00-01	260,000	7	175,000	435,000	210,000	225,000
01-02	225,000	6	150,000	375,000	180,000	195,000
02-03	195,000	12	300,000	495,000	270,000	225,000
03-04	225,000	14	550,000	775,000	370,000	405,000
04-05	405,000	8	400,000	805,000	385,000	420,000
05-06	375,000	7	280,000	700,000	325,000	375,000

2005-06 Estimated Coverage

Law Officers	
(State & Local Gov't.)	21,227
Firemen (Paid & Volunteer)	48,970
Rescue Squad Workers	23,653
Correctional Custody Officers	12,412
Probation Officers	1,275
Forest Firefighters	725
CAP Senior Members	854
Dept. of Insurance Employees	27
TOTAL	109,143

SOURCES OF DATA: General Assembly Actuary - Hartman & Associates, LLC

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION: (919) 733-4910. The above information is provided in accordance with North Carolina General Statute 120-114 and applicable rules of the North Carolina Senate and House of Representatives.

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Fiscal Research Division

DATE: July 24, 2007



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