



SENATE BILL 99: Fire, Rescue, and Safety Worker System Changes

2015-2016 General Assembly

Committee:

Introduced by:

Analysis of: S.L. 2015-88

Date:

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Legislative Analyst

SUMMARY: *S.L. 2015-88 amends the laws for the following systems: Local Firefighters' Relief Funds; Statewide Firefighters' Relief Fund; State Fire Protection Grant Fund; Volunteer Safety Workers Assistance Fund; Rescue Squad Workers' Relief Fund; NC Firefighters' and Rescue Squad Workers' Pension Fund; Law-Enforcement Officers,' Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act; and clarifies government control of certain fire departments. The following is a brief overview of the changes:*

- *Amends the definition of "fire district" and "firefighter or fireman" in five statutory Articles.*
- *Amends the powers and duties of the Board of Trustees for the Firefighters' and Rescue Squad Workers' Pension Fund.*
- *Amends the Firefighters' and Rescue Squad Workers' Pension Fund pertaining to the certification of firefighters and rescue squad workers.*
- *Makes several amendments to the Rescue Squad Worker's Relief Fund.*
- *Makes several amendments to the Law-Enforcement Officers,' Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act.*
- *Clarifies government control of certain fire departments.*

This act became effective July 1, 2015.

BILL ANALYSIS: Section 1 amends definitions in G.S. 58-84-5 which apply to the following Articles:

Article 84: Local Firefighters' Relief Funds
Article 85: Statewide Firefighters' Relief Fund
Article 85A: State Fire Protection Grant Fund
Article 87: Volunteer Safety Workers Assistance Fund
Article 88: Rescue Squad Workers' Relief Fund

- The definition of "fire district" is amended to include any federally recognized Native American tribe within the State.
- A definition is added for "firefighter or fireman" to mean a person who meets all of the following requirements:
 - Is a volunteer, employee, contractor, or member of a rated and certified fire department.
 - Performs work or training connected with fire protection, fire prevention, fire control, fire education, fire inspection, fire investigation, rescue, Emergency Medical Services, special operations, or performs the statutory duties and responsibilities of the fire chief as set forth in G.S. 160A-292.

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Senate Bill 99

Page 2

- Performs work or training at the direction of the fire chief.
- Is included on the certified roster submitted to the North Carolina State Firemen's Association pursuant to G.S. 58-86-25.

Section 2 amends the powers and duties of the Board of Trustees for the Firefighters' and Rescue Squad Workers' Pension Fund to specify that if any change or error due to the submission of fraudulent or incorrect information result in any member or beneficiary receiving from the Retirement System more or less than he would have been entitled to receive had their records been correct, the Board of Trustees will correct the error, and as far as practicable, will adjust the payment in such a manner that the actuarial equivalent of the benefit to which such member or beneficiary was correctly entitled will be paid.

Sections 3 and 4 amend the Firefighters' and Rescue Squad Workers' Pension Fund pertaining to the certification of firefighters and rescue squad workers to provide that each eligible fire department and rescue or emergency medical services squad must:

- Annually report a certified roster of the names of those individuals meeting eligibility qualifications.
- Submit the list to the NC State Firemen's Association or NC Association of Rescue and Emergency Medical Service, Inc. Submission constitutes a certification of its accuracy under accounting standards set forth by the Governmental Accounting Standards Board of the Financial Accounting Foundation.

Sections 5, 6, and 7 amend the Rescue Squad Worker's Relief Fund as follows:

- Adds "legal guardian or legal guardians" to the requirement that the parent or parents must maintain active membership in the rescue or EMS service for the continuation of educational benefits.
- Amends membership eligibility to specify that the required 36 hours must be training only and not training and meetings.
- Increases the amount of time from 30 days to 180 days that the chief or chief officer of the local department has to notify the Secretary-Treasurer that the person applying for benefits is a member of the fund and request that the necessary forms be submitted for benefits.

Sections 8 and 9 amend the Law-Enforcement Officers', Firemen's, Rescue Squad Workers' and Civil Air Patrol Members' Death Benefits Act as follows:

- Changes "fireman" to "firefighter"
- Removes the requirement that surviving spouses prove that they have not re-married every year for four years after the death is certified by the Industrial Commission in order to remain eligible to receive a benefit derived from a deceased's service.
- Makes the full \$50,000 benefit payable after certification of the death instead of spreading the payments over four years.

Section 10 requires 16 nonprofit fire departments that commenced participation in the Local Governmental Employees Retirement System between 1977 and 1992 to have a charter provision allowing the local government unit with which they have their largest service contract to remove 50% plus one member of the fire department's governing board. This change is needed to support the contention that the fire departments who entered during this time period meet an IRS test for government control in order to participate in a governmental defined benefit pension.

EFFECTIVE DATE: This act became effective July 1, 2015.