



# HOUSE BILL 58: Charlotte Firefighters' Retirement System.

2017-2018 General Assembly

<b>Committee:</b> House Pensions and Retirement	<b>Date:</b> March 7, 2017
<b>Introduced by:</b> Reps. Dulin, Autry, Belk, R. Moore	<b>Prepared by:</b> Tawanda N. Foster
<b>Analysis of:</b> Second Edition	Committee Counsel

**OVERVIEW:** *House Bill 58 amends the definition of "final average salary" in the Charlotte Firefighters' Retirement System for purposes of calculating retirement benefits for entitled uniformed employees of the Charlotte Fire Department.*

[As introduced, this bill was identical to S54, as introduced by Sens. Waddell, Tarte, Bishop, which is currently in Senate Appropriations on Pensions, Compensation, and Benefits.]

**CURRENT LAW:** The Charlotte Firefighters Retirement System was established by Chapter 926 of the 1947 Session Laws (The Charlotte Firefighters Retirement System Act) as amended. Under Section 2(11) of S.L. 2001-22, the Act's most recent amendment, "final average salary" for calculating an eligible member's retirement benefit was defined as the monthly average compensation received by an eligible member during any two consecutive plan years of service which produced the highest average within the member's last five years of service. Those with less than two years of service used the average of their monthly salary.

**BILL ANALYSIS:** House Bill 59 amends the definition of "final average salary" under Section 2(11) of S.L. 2001-22, the *Charlotte Firefighters Retirement System Act*, to define "final average salary" with respect to Plan Years beginning on and after July 1, 2001, as *the higher amount of*:

- (i) the monthly average compensation received during the two highest consecutive plan years of the Member's last five years of Membership Service; **or**
- (ii) the monthly average compensation received during the 104 weeks preceding the end of the Member's membership service.

This bill applies only to the City of Charlotte.

**EFFECTIVE DATE:** This bill becomes effective July 1, 2017.

**BACKGROUND:** This legislation is supported by the City of Charlotte and is included within the City's 2017-18 State Legislative Agenda.

*Billy Godwin, Legislative Analysis Division substantially contributed to this summary.*

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