

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 1142

Short Title: Fire and Rescue Pension Fund Changes. (Public)

Sponsors: Representatives Braxton; Faison, Rapp, and Wray.

Referred to: State Government/State Personnel, if favorable, Pensions and Retirement.

April 7, 2009

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAW AFFECTING TERMINATION OF MEMBERSHIP IN
THE FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION FUND.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 58-86-35 reads as rewritten:

"§ 58-86-35. Firemen's application for membership in fund; monthly payments by members; payments credited to separate accounts of members; termination of membership.

Those firemen who are eligible pursuant to G.S. 58-86-25 may make application for membership to the board. Each fireman upon becoming a member of the fund shall pay the director of the fund the sum of ten dollars (\$10.00) per month. The monthly payments shall be credited to the separate account of the member and shall be kept by the custodian so it is available for payment on withdrawal from membership or retirement.

A member may elect to terminate membership in the fund at anytime and request the refund of payments previously made to the fund. However, a member's delinquency in making the monthly payments required by this section does not result in the termination of membership without ~~such either~~ an election by the ~~member.~~ member or certification by the Board that the member's department has made all reasonable efforts to locate the member without success."

SECTION 2. G.S. 58-86-40 reads as rewritten:

"§ 58-86-40. Rescue squad worker's application for membership in funds; monthly payments by members; payments credited to separate accounts of members; termination of membership.

Those rescue squad workers eligible pursuant to G.S. 58-86-30 may apply to the board for membership. Each eligible rescue squad worker upon becoming a member shall pay the director of the fund the sum of ten dollars (\$10.00) per month. The monthly payments shall be credited to the separate account of the member and shall be kept by the custodian so it is available for payment on withdrawal from membership or retirement.

A member may elect to terminate membership in the fund at anytime and request the refund of payments previously made to the fund. However, a member's delinquency in making the monthly payments required by this section does not result in the termination of membership without ~~such either~~ an election by the ~~member.~~ member or certification by the Board that the member's rescue squad has made all reasonable efforts to locate the member without success."

SECTION 3. G.S. 58-86-60(4) reads as rewritten:

(4) Any member withdrawing from the fund shall, upon proper application, be paid all moneys the individual contributed to the fund without accumulated earnings on the payments after the time they were made less an administrative fee equal to the lesser of the amount the individual



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1 contributed to the fund or twenty-five dollars (\$25.00). The administrative
2 fees collected by the fund shall be retained by the Board to defray
3 administrative expenses, including salaries. Notwithstanding the foregoing,
4 if any person, firm, corporation, or other entity has made contributions on
5 behalf of a member and that member withdraws from the ~~fund~~, fund or is
6 declared by the Board to have withdrawn, upon its certification that the fire
7 department or rescue squad, despite all reasonable efforts, has been unable to
8 contact the member, then the person, firm, corporation, or other entity shall
9 be entitled to a refund equal to the amount of contributions made by ~~them~~
10 ~~after it. In order to receive this refund, the contributor must notify the Board~~
11 ~~has been notified~~ of the contributor's desire to be refunded its contributions
12 upon the member's ~~withdrawal~~. withdrawal or the Board's declaration of
13 withdrawal. Any refunds to a contributor other than a member shall also be
14 subject to the twenty-five dollar (\$25.00) administrative fee. If a refund is to
15 be shared by a member and another party the administrative fee shall be
16 applied to each portion on a pro rata basis."

17 **SECTION 4.** This act becomes effective July 1, 2009.