

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 344

Short Title: Pension Open Enrollment Period.

(Public)

Sponsors: Representatives Redwine; Hill, Buchanan, Sutton, and Pate.

Referred to: Pensions and Retirement.

March 2, 1995

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW ADDITIONAL RETROACTIVE MEMBERSHIP IN THE
2 NORTH CAROLINA FIREMEN'S AND RESCUE SQUAD WORKERS' PENSION
3 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 a
9 fire department or rescue squad chartered by the State of North Carolina and who has not
10 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, ~~1987-1996.~~ The person shall
12 make a lump sum payment of five dollars (\$5.00) per month retroactively to the time he
13 first became eligible to become a member, plus interest at an annual rate of eight percent
14 (8%), for each year of his retroactive payments. Upon making the lump sum payment,
15 the person shall be given credit for all prior service in the same manner as if he had made
16 application for membership at the time he first became eligible. Any member who made
17 application for membership subsequent to the time he was first eligible and did not
18 receive credit for prior service may receive credit for this prior service upon lump sum
19 payment of five dollars (\$5.00) per month retroactively to the time he first became
20 eligible, plus interest at an annual rate of eight percent (8%), for each year of his

1 retroactive payments. Upon making this lump sum payment, the date of membership
2 shall be the same as if he had made application for membership at the time he was first
3 eligible. Any fireman or rescue squad worker who has applied for prior service under
4 this subsection shall have until ~~October 1, 1989~~, June 30, 1996, to pay for this prior service
5 and, if this payment is not made by ~~October 1, 1989~~, June 30, 1996, he shall not receive
6 credit for this service, except as provided in subsection (a1) of this section.

7 (a1) Effective July 1, 1993, any fireman or rescue squad worker who is a current or
8 former member of a fire department or rescue squad chartered by the State of North
9 Carolina may purchase credit for any periods of service to any chartered fire department
10 or rescue squad not otherwise creditable by making a lump sum payment to the Annuity
11 Savings Fund equal to the full liability of the service credits calculated on the basis of the
12 assumptions used for purposes of the actuarial valuation of the system's liabilities, which
13 payment shall take into account the retirement allowance arising on account of the
14 additional service credit commencing at the earliest age at which the member could retire
15 on a retirement allowance, as determined by the board of trustees upon the advice of the
16 consulting actuary, plus an administrative fee to be set by the board of trustees.

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

33 Sec. 2. This act becomes effective October 1, 1995.