GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

H.B. 37 Feb 3, 2025 HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40038-MRp-20

Short Title: Enhance Firefighter Benefits & Representation. (Public)

Sponsors: Representative Howard.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENHANCE BENEFITS AND REPRESENTATION FOR NORTH CAROLINA FIREFIGHTERS AND RESCUE SQUAD WORKERS.

The General Assembly of North Carolina enacts:

PART I. ENHANCE BENEFITS UNDER NORTH CAROLINA FIREFIGHTERS' AND RESCUE SQUAD WORKERS' PENSION FUND AND MAKE TECHNICAL CHANGES TO THE RELATED STATUTES

SECTION 1.(a) G.S. 58-86-55 reads as rewritten:

"§ 58-86-55. Monthly pensions upon attaining the age of 55 years.

- (a) The monthly pension benefit under this section is one hundred eighty dollars (\$180.00) and is payable per month from the Pension Fund unless otherwise provided.
- (a1) Any member who has served 20 years as an "eligible firefighter" or "eligible eligible firefighter or eligible rescue squad worker" worker in the State of North Carolina, as provided in G.S. 58-86-25 and G.S. 58-86-30, this Article, and who has attained the age of 55 years is entitled to be paid a monthly pension from this fund. The monthly pension shall be in the amount of one hundred seventy five dollars (\$175.00) per month. Any retired firefighter receiving a pension shall, effective January 1, 2025, receive a pension of one hundred seventy five dollars (\$175.00) per month. benefit under this section.
- (b) Members shall pay fifteen dollars (\$15.00) per month as required by G.S. 58-86-35 and G.S. 58-86-40 for a period of no longer than 20 years. No "eligible rescue squad member" shall receive a pension prior to July 1, 1983.
- (c) A member who is totally and permanently disabled while in the discharge of the member's official duties as a result of bodily injuries sustained or as a result of extreme exercise or extreme activity experienced in the course and scope of those official duties and who leaves the fire or rescue squad service because of this disability shall be entitled to be paid from the fund a monthly benefit in an amount of one hundred seventy five dollars (\$175.00) per month a monthly pension benefit under this section beginning the first month after the member's fifty-fifth birthday. All applications for disability are subject to the approval of the board who Board, and the Board may appoint physicians to examine and evaluate the disabled member prior to approval of the application, and annually thereafter. Any G.S. 58-86-41 shall not apply to a disabled member shall not be required to make the monthly payment of fifteen dollars (\$15.00) as required by G.S. 58-86-35 and G.S. 58-86-40.member.
- (d) A member who is totally and permanently disabled for any <u>eause</u>, <u>cause</u> other than <u>line of duty</u>, <u>those under subsection (c) of this section and</u> who leaves the fire or rescue squad service because of this disability and who has at least 10 years of service with the <u>pension fund</u>,



<u>Pension Fund</u> may be permitted to continue making a monthly contribution of fifteen dollars (\$15.00) in the amount required under G.S. 58-86-41 to the fund until the member has made contributions for a total of 240 months. The <u>Upon attaining the age of 55, that member shall upon attaining the age of 55 years</u> be entitled to receive a <u>monthly pension as provided by benefit under this section</u>. All applications for disability are subject to the approval of the <u>board who Board</u>, and the <u>Board may appoint physicians to examine and evaluate the disabled member prior to approval of the <u>application application</u>, and annually thereafter.</u>

- (d1) Benefits <u>payable from the Pension Fund</u> shall be paid in the following manner when a member is killed in the line of duty and the requirements of Article 12A of Chapter 143 of the General Statutes are met:
 - (1) If the member had been receiving a monthly pension fund benefit under this section prior to being killed in the line of duty, then there shall be paid to the member's principal beneficiary, if only one principal beneficiary is eligible and has not accepted a return of contributions, an amount of one hundred seventy five dollars (\$175.00) per month the monthly pension benefit amount beginning the month following the member's month of death, payable until the beneficiary's death. If the member became a member prior to July 1, 2018, and had not designated a principal beneficiary prior to being killed in the line of duty, there shall be paid to the member's living spouse upon the spouse's application to the Board, an amount of one hundred seventy five dollars (\$175.00) per month the monthly pension benefit amount beginning the month following the member's month of death, payable until the spouse's death.
 - (2) If the member had been receiving a monthly pension fund-benefit under this section prior to being killed in the line of duty and the beneficiary is not payable as described in subdivision (1) of this subsection, then a lump sum payment equal to the difference between the amount paid into the member's separate account by or on behalf of the member and the amount received by the member as a pensioner will shall be paid to the eligible beneficiaries, or if there are no eligible beneficiaries, shall be paid to the member's estate.
 - (3) If the member had not yet begun receiving a monthly pension benefit under this section prior to being killed in the line of duty, then there shall be paid to the member's principal beneficiary, if only one principal beneficiary is eligible and has not accepted a return of contributions, an amount of one hundred seventy-five dollars (\$175.00) per month the monthly pension benefit amount beginning the month following the month the member would have attained age 55, or if the member had already attained age 55, beginning the month following the member's month of death, payable until the beneficiary's death. If the member became a member prior to July 1, 2018, and had not designated a principal beneficiary prior to being killed in the line of duty, then there shall be paid to the member's living spouse upon the spouse's application to the Board, an amount of one hundred seventy-five dollars (\$175.00) per month the monthly pension benefit amount beginning the month following the month the member would have attained age 55, or if the member had attained age 55, beginning the month following the member's month of death, payable until the spouse's death.
 - (4) If the member had not <u>yet</u> begun receiving a monthly <u>pension</u> benefit <u>under</u> this section prior to being killed in the line of duty and the beneficiary is not payable as described in subdivision (3) of this subsection, <u>then</u> a lump sum payment equal to the member's contributions will be paid to the eligible beneficiaries, or if there are no eligible beneficiaries, a return of the contributions shall be paid to the member's estate.

A beneficiary under this subsection shall not be required to make the monthly payment of fifteen dollars (\$15.00) as required by G.S. 58-86-35 and G.S. 58-86-40 G.S. 58-86-41 shall not apply after the a member has been killed in the line of duty.

- (e) A member who, because the If a member has at least 10 years of service with the Pension Fund and that member's (i) residence is annexed by a city under Part 2 or Part 3 of Article 4A of Chapter 160A of the General Statutes, or whose (ii) department is closed because of an annexation by a city under Part 2 or Part 3 of Article 4A of Chapter 160A of the General Statutes, or whose (iii) volunteer department is taken over by a city or county, and because of such the annexation or takeover the member is unable to perform as a firefighter or rescue squad worker of any status, and if the member has at least 10 years of service with the pension fund, may then the member shall be permitted to continue making a monthly contribution of fifteen dollars (\$15.00) in the amount required under G.S. 58-86-41 to the fund until the member has made contributions for a total of 240 months. The Upon completion of the total 240 months of contributions, and upon a member upon attaining the age of 55 years and completion of such contributions age 55, the member shall be entitled to receive a monthly pension as provided by benefit under this section. Any application to make monthly contributions under this section shall be subject to a finding of eligibility by the Board of Trustees upon application of the member.
- (f) The <u>pensions benefits</u> provided <u>under this Article</u> shall be in addition to all other pensions or benefits under any other statutes of the State of North Carolina or the United States, notwithstanding any exclusionary provisions of other pensions or retirement systems provided by law."

SECTION 1.(b) Article 86 of Chapter 58 of the General Statutes is amended by adding a new section to read:

"§ 58-86-41. Amount due for membership; payments credited to separate member accounts.

- (a) Unless otherwise provided under this Article, each member of the Pension Fund shall pay the sum of fifteen dollars (\$15.00) per month to the Pension Fund for membership in the fund for a period not to exceed 20 years.
- (b) <u>Unless otherwise provided under this Article, all payments due in any calendar year shall be made no later than March 31 subsequent to the end of the calendar year in which the payment was due.</u>
- (c) The Pension Fund shall not award fully credited service based on payments received later than March 31 subsequent to the end of the calendar year in which the month occurred unless the payment is applied as provided in G.S. 58-86-45(a1).
- (d) Payments made in accordance with this section shall be credited to the separate account of the member and shall be kept by the custodian in a manner that allows the payments to be made available upon a member's withdrawal from membership or retirement."

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

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

(a) Those firefighters Firefighters who are eligible for membership in the Pension Fund pursuant to G.S. 58-86-25 may apply to the board Board for membership. Each firefighter upon becoming a member of the fund shall pay the director of the fund the sum of fifteen dollars (\$15.00) per month; each payment shall be made no later than March 31 subsequent to the end of the calendar year in which the month occurred. The Pension Fund shall not award fully credited service based on payments received later than March 31 subsequent to the end of the calendar year in which the month occurred unless the payment is applied as provided in G.S. 58-86-45(a1). 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.

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(b) A member may elect to terminate membership in the <u>fund-Pension Fund at</u> any time and request the refund of payments previously made to the fund. <u>However, a A member's</u> delinquency in making the monthly payments required by this <u>section-Article</u> does not result in the termination of membership without <u>such-an election to terminate membership in the Pension</u> Fund made by the member."

SECTION 1.(d) 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; Pension Fund; termination of membership.
- (a) Those rescue Rescue squad workers eligible for membership in the Pension Fund pursuant to G.S. 58-86-30 may apply to the board for 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 fifteen dollars (\$15.00) per month; each payment shall be made no later than March 31 subsequent to the end of the calendar year in which the month occurred. The Pension Fund shall not award fully credited service based on payments received later than March 31 subsequent to the end of the calendar year in which the month occurred unless the payment is applied as provided in G.S. 58-86-45(a1). 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.
- (b) A member may elect to terminate membership in the <u>fund-Pension Fund at</u> any time and request the refund of payments previously made to the fund. <u>However, a A member's</u> delinquency in making the monthly payments required by this <u>section-Article</u> does not result in the termination of membership without <u>such-an election to terminate membership in the Pension Fund made</u> by the member."

SECTION 1.(e) G.S. 58-86-45 reads as rewritten:

"§ 58-86-45. Additional retroactive membership.

- (a1) Any firefighter or rescue squad worker who is 35 years of age or older and who is a current or former member of a fire department or rescue squad chartered by the State of North Carolina may purchase credit for any periods of service to any chartered fire department or rescue squad not otherwise creditable by making a lump sum payment to the Annuity Savings Fund equal to the full liability of the service credits calculated on the basis of the assumptions used for purposes of the actuarial valuation of the system's liabilities, which payment shall take into account the retirement allowance arising on account of the additional service credit commencing at the earliest age at which the member could retire on a retirement allowance, as determined by the board of trustees upon the advice of the consulting actuary, plus an administrative fee to be set by the board of trustees. This provision for the payment of a lump sum for service "not otherwise creditable" shall apply, inter alia, to all purchases of service credits for months as to which timely payments were not previously made pursuant to G.S. 58-86-35 or G.S. 58-86-40, whichever is applicable.in accordance with G.S. 58-86-41.
- (b) An eligible firefighter or rescue squad worker who is not yet 35 years old may apply to the Board for membership in the <u>fund Pension Fund</u> at any time. Upon becoming a member, the worker may make a lump sum payment of <u>fifteen dollars</u> (\$15.00) per month in the amount required under G.S. 58-86-41 at the time of the payment for each month retroactively to the time the worker first became eligible to become a member, plus interest at an annual rate to be set by the <u>board Board</u> upon advice from actuary for each year of retroactive payments. Upon making this lump sum payment, the worker shall be given credit for all prior service in the same manner as if the worker had applied for membership upon first becoming eligible.
- (c) A member of the Pension Fund who is not yet 35 years old may receive credit for the prior service upon making a lump sum payment of fifteen dollars (\$15.00) in the amount required under G.S. 58-86-41 at the time of the payment for each month since the worker first became

 eligible, plus interest at an annual rate to be set by the Board for each year of retroactive payments. Upon making this lump sum payment, the date of membership shall be the same as if the worker had applied for membership upon first becoming eligible. This provision for the payment of a lump sum for service "not otherwise creditable" shall apply, inter alia, to all purchases of service credits for months as to which timely payments were not previously made pursuant to G.S. 58-86-35 or G.S. 58-86-40, whichever is applicable, for any firefighter or rescue squad worker who is not yet 35 years of age or older and who is a current or former member of a fire department or rescue squad chartered by the State of North Carolina."

SECTION 1.(f) The Revisor of Statutes shall replace the phrase "G.S. 58-86-35 or G.S. 58-86-40" with the phrase "G.S. 58-86-41" in each instance it appears in G.S. 58-86-2.

SECTION 1.(g) This section applies to pension benefit amounts payable from the Pension Fund due to a member or beneficiary on or after January 1, 2026. If a member or beneficiary becomes eligible to receive a pension benefit from the Pension Fund on or before December 31, 2025, but the pension benefit amount is paid from the Pension Fund on or after January 1, 2026, then the pension benefit amount due to the member or beneficiary shall be the amount applicable to the pension benefit amount that was effective for each respective month to which the benefit applies.

SECTION 1.(h) This section is effective January 1, 2026.

PART II. ADD REPRESENTATION FROM THE NORTH CAROLINA STATE FIREFIGHTERS' ASSOCIATION TO THE NORTH CAROLINA EMERGENCY MEDICAL SERVICES ADVISORY COUNCIL

SECTION 2.(a) G.S. 143-510 reads as rewritten:

"§ 143-510. North Carolina Emergency Medical Services Advisory Council.

(a) There is created the North Carolina Emergency Medical Services Advisory Council to consult with the Secretary of the Department of Health and Human Services in the administration of this Article.

The North Carolina Emergency Medical Services Advisory Council shall consist of 25 members appointed as follows:

- (1) Twenty-one of the members shall be appointed by the Secretary of the Department of Health and Human Services as follows:
 - a. Three of the members shall represent the North Carolina Medical Society and include one licensed pediatrician, one surgeon, and one public health physician.
 - b. Three members shall represent the North Carolina College of Emergency Physicians, two of whom shall be current local EMS Medical Directors.
 - c. One member shall represent the North Carolina Chapter of the American College of Surgeons Committee on Trauma.
 - d. One member shall represent the North Carolina Association of Rescue and Emergency Medical Services.
 - e. One member shall represent the North Carolina Association of EMS Administrators.
 - f. One member shall represent the North Carolina Hospital Association.
 - g. One member shall represent the North Carolina Nurses Association.
 - h. One member shall represent the North Carolina Association of County Commissioners.
 - i. One member shall represent the North Carolina Medical Board.
 - j. One member shall represent the American Heart Association, North Carolina Council.
 - k. One member shall represent the American Red Cross.

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One member shall represent the North Carolina State Firefighters' 1 k1. 2 Association. 3 l. The remaining six-five members shall be appointed so as to fairly 4 represent the general public, credentialed and practicing EMS 5 personnel, EMS educators, local public health officials, and other 6 EMS interest groups in North Carolina. 7 Two members shall be appointed by the General Assembly upon the (2) 8 recommendation of the Speaker of the House of Representatives. 9 Two members shall be appointed by the General Assembly upon the (3) 10 recommendation of the President Pro Tempore of the Senate. 11 The membership of the Council shall, to the extent possible, reflect the gender and racial makeup of the population of the State. 12 The members of the Council appointed pursuant to subsection (a) of this section shall 13 14 serve initial terms as follows: 15 (1) The members appointed by the Secretary of the Department of Health and Human Services shall serve initial terms as follows: 16 17 Five members shall serve initial terms of one year; year. 18 b. Five members shall serve initial terms of two years; years. 19 Five members shall serve initial terms of three years; and years. c. 20 d. Six members shall serve initial terms of four years. 21 (2) The members appointed by the General Assembly upon the recommendation 22 of the President Pro Tempore of the Senate shall serve initial terms as follows: 23 One member shall serve an initial term of two years; and years. a. 24 b. One member shall serve an initial term of four years. 25 The members appointed by the General Assembly upon the recommendation (3) 26 of the Speaker of the House of the Representatives shall serve initial terms as 27 follows: 28 One member shall serve an initial term of two years; and years. a. 29 One member shall serve an initial term of four years. Thereafter, all b. 30 terms shall be four years." 31 32 **SECTION 2.(b)** To minimize the impact of this section on the work of the North 33 Carolina Emergency Medical Services Advisory Council, the Secretary of Health and Human 34 Services shall not appoint a successor to the member of the Council appointed under 35 G.S. 143-510(a)(1)l. whose term expires on December 31, 2025. Instead, the Secretary of Health 36 and Human Services shall appoint one representative of the North Carolina State Firefighters' 37 Association to the Council in accordance with G.S. 143-510(a)(1)k1., as enacted by this section, 38 to succeed the member of the Council appointed under G.S. 143-510(a)(1)l. whose term expires 39 on December 31, 2025.

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PART III. EFFECTIVE DATE

SECTION 3. Except as otherwise provided, this act is effective when it becomes law.

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