

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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SENATE BILL 311
Pensions and Retirement and Aging Committee Substitute Adopted 5/10/21
House Committee Substitute Favorable 8/18/21
House Committee Substitute #2 Favorable 10/20/21

Short Title: No Waiting Period Under LGERS/VFDF Grants.

(Public)

Sponsors:

Referred to:

March 17, 2021

1 A BILL TO BE ENTITLED
2 AN ACT PROHIBITING MEMBERSHIP WAITING PERIODS FOR ELIGIBLE
3 EMPLOYEES UNDER THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT
4 SYSTEM AND UPDATING THE VOLUNTEER FIRE DEPARTMENT FUND
5 MATCHING REQUIREMENTS.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 128-24 is amended by adding a new subdivision to read:

8 "(1b) A participating employer is prohibited from imposing a waiting period on any
9 employees who are otherwise eligible to become members of the Retirement
10 System."

11 **SECTION 2.** G.S. 58-87-1 reads as rewritten:

12 "Article 87.

13 "Volunteer Safety Workers Assistance.

14 **"§ 58-87-1. Volunteer Fire Department Fund.**

15 (a) Fund. – The Volunteer Fire Department Fund is created as an interest-bearing,
16 nonreverting fund in the Department to provide ~~matching~~ grants to volunteer fire departments to
17 purchase equipment and make capital improvements. The Commissioner shall administer the
18 Fund. Up to one percent (1%) of the Fund may be used for additional staff and resources to
19 administer the Fund in each fiscal year.

20 (a1) Grant Program. – An eligible fire department may apply to the Commissioner for a
21 grant under this section. In awarding grants under this section, the Commissioner must, to the
22 extent possible, select applicants from all parts of the State based upon need. The Commissioner
23 must award the grants on May 15, or on the first business day after May 15 if May 15 falls on a
24 weekend or a holiday, of each year subject to the following limitations:

25 (1) The size of a grant may not exceed thirty thousand dollars (\$30,000).

26 ~~(2) The applicant shall match the grant on a dollar for dollar basis, unless the~~
27 ~~applicant receives less than fifty thousand dollars (\$50,000) per year from~~
28 ~~municipal and county funding, in which case the applicant shall match one~~
29 ~~dollar (\$1.00) for each three dollars (\$3.00) of grant funds.~~

30 (2a) The applicant shall match the grant as follows:

31 a. Applicants receiving less than or equal to fifty thousand dollars
32 (\$50,000) per year from municipal and county funding are not required
33 to match the grant funding.



- 1 b. Applicants receiving more than fifty thousand dollars (\$50,000) but
2 less than or equal to seventy-five thousand dollars (\$75,000) per year
3 from municipal and county funding shall match one dollar (\$1.00) for
4 each three dollars (\$3.00) of grant funds.
- 5 c. Applicants receiving more than seventy-five thousand dollars
6 (\$75,000) per year from municipal and county funding shall match the
7 grant on a dollar-for-dollar basis.
- 8 (3) The grant may be used only for equipment purchases, payment of highway
9 use taxes on those purchases, costs of putting property acquired from the
10 Department of Defense through the Firefighter Property (FFP) and federal
11 Excess Property (FEPP) programs in service, or capital expenditures
12 necessary to provide fire protection services.
- 13 (4) An applicant may receive no more than one grant per fiscal year.
- 14 (b) Eligible Fire Department. – A fire department is eligible for a grant under this section
15 if it meets all of the conditions of this subsection. No fire department may be declared ineligible
16 for a grant solely because it is classified as a municipal fire department. [The required conditions
17 are:]
- 18 (1) Repealed by Session Laws 2016-78, s. 2.1(a), effective June 30, 2016.
- 19 (2) It consists entirely of volunteer members, with the exception that the unit may
20 have paid members to fill the equivalent of six full-time paid positions.
- 21 (3) It has been certified by the Department of Insurance.
- 22 (c) Report. – The Commissioner must submit a written report to the General Assembly
23 within 60 days after the grants have been made. This report must contain the following:
- 24 (1) The amount of the grant and the name of the recipient.
- 25 (2) The Fund balance at the beginning of the grant cycle.
- 26 (3) Cash receipts through the previous grant cycle.
- 27 (4) Cash disbursements through the previous grant cycle.
- 28 (5) The Fund balance at the beginning and end of the previous grant cycle.
- 29 (d) Any funding on deposit with the State Treasury for the purposes defined herein is
30 appropriated up to the amount needed to reimburse volunteer fire departments for grants awarded
31 during the most recent grant cycle."

32 **SECTION 3.** This act becomes effective December 1, 2021.