

SENATE BILL NO. 2057

Introduced by

Senators Grindberg, C. Nelson

Representative Hawken

- 1 A BILL for an Act to amend and reenact section 18-11-26 of the North Dakota Century Code,
2 relating to alternate firefighters relief association plan benefits.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1. AMENDMENT.** Section 18-11-26 of the 1999 Supplement to the North
5 Dakota Century Code is amended and reenacted as follows:

6 **18-11-26. Service pensions - Formulation of optional plan.** With the consent of the
7 governing body of the city involved, and in substitution for a pension payment schedule
8 provided in section 18-11-15, a firefighters relief association may adopt a monthly service
9 pension plan for members of the association as provided in this section.

- 10 1. Retirement date is the first day of the month next following the month in which the
11 member attains the age of fifty-five years.
- 12 2. Retirement benefits for members reaching the retirement date equal an annual
13 amount, payable monthly, comprised of a service benefit that equals two and
14 ~~thirty-three~~ fifty hundredths percent of ~~a first-class firefighter's final~~ salary at the
15 time of the member's retirement multiplied by the number of years of service
16 employment up to a maximum of thirty years. For purposes of this subsection,
17 final salary for a first-class firefighter is the final salary at the time of the member's
18 retirement and for officers or members of higher rank is the average salary for the
19 last five years of employment. As used in this subsection, salary does not include
20 overtime or longevity payments.
- 21 3. Upon termination of employment after completing ten years of eligible employment
22 but before the retirement date, a member is eligible to receive deferred vested
23 retirement benefits payable commencing on the retirement date equal to one
24 hundred percent of the member's accrued benefits.

4. Members participating in a firefighters relief association paying a monthly service pension to members of the association under this section must serve ten years before they are eligible for a service pension.

5. Members participating in a firefighters relief association who have been active members for at least one year, and who are not receiving salary or accumulated sick leave from the city and who are unable, because of physical or mental disability, to perform the duties of a firefighter, are eligible to receive a disability pension from the association. Disability benefits are not payable for a disability that occurs in a firefighter's first year of membership in the association. The disability pension amount is equal to a percentage of the monthly salary of a first-class firefighter on January 31 of the year that the pension is paid, unless the member is eligible for a larger service pension, in which case the member is entitled to draw an annual pension amount equal to the member's service pension. The percentage of the monthly salary of a first-class firefighter which is payable as a disability pension is dependent upon the member's years of service as follows:

<u>Years of</u>	<u>Maximum</u>
<u>Completed Service</u>	<u>Percentage</u>
<u>0</u>	<u>0%</u>
<u>1</u>	<u>10%</u>
<u>2</u>	<u>20%</u>
<u>3</u>	<u>30%</u>
<u>4</u>	<u>40%</u>
<u>5</u>	<u>50%</u>

Benefits may not be increased by reason of increases in salary of a first-class firefighter occurring after the initial calculation of pension benefits. The payments must remain fixed, except the benefit earned by years of service computation. If a member is receiving workers' compensation benefits or other similar benefits, the sum of the member's disability pension payable from the association and amounts received in workers' compensation benefits or other similar benefits may not be greater than one hundred percent of the monthly salary of the member at the time the member's disability began. However, when a member is no longer receiving

1 workers' compensation benefits or other similar benefits, the member's disability
2 pension is payable in the amount as determined under this subsection without
3 regard to workers' compensation benefits or other similar benefits, including the
4 greater of the amount of the disability pension or the service pension, if applicable.
5 6. Upon the recommendation of the association's actuary, a firefighters relief
6 association may provide a thirteenth check to pensioners and beneficiaries under
7 the plan. Payment of the thirteenth check is contingent upon portfolio performance
8 as determined by the association's actuary and may not be issued without approval
9 of the actuary.