

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

H

1

HOUSE BILL 1208

Short Title: Retired Sch. Personnel Encouraged to Work. (Public)

Sponsors: Representatives Shubert; Harrington, Morris, Russell, Thompson, and Davis.

Referred to: Education.

April 12, 2001

A BILL TO BE ENTITLED

AN ACT TO ENABLE RETIRED SCHOOL EMPLOYEES TO RETURN TO THE PUBLIC SCHOOLS AFTER SIX MONTHS WITHOUT LOSING RETIREMENT BENEFITS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 135-3(8)c., as enacted by Section 28.24(a) of S.L. 1998-212, and rewritten by Section 67 of S.L. 1998-217 and by Section 8.24(b) of S.L. 2000-67 reads as rewritten:

"c. **(Effective until June 30, 2003)** Should a beneficiary who retired on an early or service retirement allowance under this Chapter be reemployed, or otherwise engaged to perform services, by an employer participating in the Retirement System on a part-time, temporary, interim, or on a fee-for-service basis, whether contractual or otherwise, and if such beneficiary earns an amount in any calendar year which exceeds fifty percent (50%) of the reported compensation, excluding terminal payments, during the 12 months of service preceding the effective date of retirement, or twenty thousand dollars (\$20,000), whichever is greater, as hereinafter indexed, then the retirement allowance shall be suspended as of the first day of the month following the month in which the reemployment earnings exceed the amount above, for the balance of the calendar year. The retirement allowance of the beneficiary shall be reinstated as of January 1 of each year following suspension. The amount that may be earned before suspension shall be increased on January 1 of each year by the ratio of the

1 Consumer Price Index to the Index one year earlier, calculated
2 to the nearest tenth of a percent (1/10 of 1%).

3 The computation of postretirement earnings of a beneficiary
4 under this sub-subdivision, G.S. 135-3(8)c., who has been
5 retired at least ~~12~~six months and has not been employed in any
6 capacity, except as a substitute ~~teacher~~, teacher or other
7 substitute employee, with a public school for at least ~~12~~six
8 months immediately preceding the effective date of
9 reemployment, shall not include earnings while the beneficiary
10 is employed ~~to teach~~ on a substitute, interim, or permanent basis
11 in a public school. ~~The Department of Public Instruction~~ A local
12 board of education shall certify to the Retirement System that a
13 beneficiary is employed ~~to teach~~ by a that local school
14 administrative unit under the provisions of this sub-subdivision
15 and as a retired ~~teacher~~ professional educator as the term is
16 defined under the provisions of G.S. 115C-325(a)(5a).

17 Beneficiaries employed under this sub-subdivision are not
18 entitled to any benefits otherwise provided under this Chapter
19 as a result of this period of employment."

20 **SECTION 2.** G.S. 115C-325(a)(5a), as enacted by Section 28.24(c) of S.L.
21 1998-212 and rewritten by Section 67.1(a) of S.L. 1998-217, reads as rewritten:

22 "(a) Definition of Terms. – As used in this section unless the context requires
23 otherwise:

24 ...

25 (5a) **(Effective until June 30, 2003)** "Retired ~~teacher~~" professional
26 educator" means a beneficiary of the Teachers' and State Employees'
27 Retirement System of North Carolina ~~who~~ who:

28 a. Was previously employed as a (i) teacher, (ii) principal, (iii)
29 assistant principal, (iv) superintendent, (v) associate or assistant
30 superintendent, (vi) finance officer, (vii) athletic trainer, (viii)
31 director, supervisor, or coordinator in transportation, child
32 nutrition, health education, vocational education, community
33 schools, special education, math/science, maintenance, or other
34 area, (ix) school nurse, (x) school psychologist, (xi) school
35 counselor, (xii) school social worker, (xiii) school media
36 specialist, (xiv) speech and language pathologist, or (xv)
37 audiologist,

38 b. ~~has~~ Has been retired at least ~~12~~six months,

39 c. ~~has~~ Has not been employed in any capacity, other than as a
40 substitute ~~teacher~~, teacher or other substitute employee, with a
41 local board of education for at least ~~12~~six months, immediately
42 preceding the effective date of reemployment,

1 d. ~~is~~ Is determined by a local board of education to have had
2 satisfactory performance during the last year of employment by
3 a local board of education, and

4 e. ~~who is~~ Is employed ~~to teach~~ as provided in G.S. 135-3(8)c.

5 A retired ~~teacher~~ professional educator who is a teacher as
6 defined in subdivision (6) of this subsection shall be treated the
7 same as a probationary teacher except that a retired ~~teacher~~
8 professional educator is not eligible for career status.

9 "

10 **SECTION 3.** G.S. 115C-316(d), as enacted by Section 28.24(b) of S.L. 998-
11 212, reads as rewritten:

12 "(d) **(Expires June 30, 2003)** A local board of education may pay a retired
13 ~~teacher, professional educator,~~ as that term is defined in G.S. 115C-325(a)(5a) no more
14 than the employee would have received on the ~~teacher~~ appropriate salary schedule,
15 excluding longevity, had the employee not retired."

16 **SECTION 4.** The Board of Trustees of the North Carolina Teachers' and
17 State Employees' Retirement System through the Office of the Attorney General shall
18 request a letter of determination or ruling from the Internal Revenue Service, United
19 States Department of Treasury, as to whether the status of the North Carolina Local
20 Governmental Employees' Retirement System as a governmental plan would be
21 adversely affected if the waiting period before a retired (i) teacher, (ii) principal, (iii)
22 assistant principal, (iv) superintendent, (v) associate or assistant superintendent, (vi)
23 finance officer, (vii) athletic trainer, (viii) director, supervisor, or coordinator in
24 transportation, child nutrition, health education, vocational education, community
25 schools, special education, math/science, maintenance, or other area, (ix) school nurse,
26 (x) school psychologist, (xi) school counselor, (xii) school social worker, (xiii) school
27 media specialist, (xiv) speech and language pathologist, or (xv) audiologist, can return
28 to work in less than six months without losing retirement benefits and, if so, how much
29 the waiting period can be reduced. The request shall be made to the Internal Revenue
30 Service no later than 30 days after this act becomes law.

31 **SECTION 5.** This act becomes effective July 1, 2001, and expires June 30,
32 2003.