

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1687

Short Title: Retired Teachers/Compensation.

(Public)

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Sponsors: Representatives Arnold; Barefoot, Berry, Brown, Cox, Culp, Davis, Hunter, Morris, Sexton, Thompson, and Warner.

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Referred to: Pensions and Retirement.

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May 24, 2000

A BILL TO BE ENTITLED

AN ACT TO ALLOW RETIRED TEACHERS TO TEACH WITHOUT LOSING  
THEIR RETIREMENT BENEFITS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-3(8)c., as amended by Section 28.24(a) of S.L. 1998-212,  
reads as rewritten:

"c. 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

1 the balance of the calendar year. The retirement allowance of the  
2 beneficiary shall be reinstated as of January 1 of each year  
3 following suspension. The amount that may be earned before  
4 suspension shall be increased on January 1 of each year by the  
5 ratio of the Consumer Price Index to the Index one year earlier,  
6 calculated to the nearest tenth of a percent (1/10 of 1%).

7 The computation of postretirement earnings of a beneficiary  
8 under this sub-subdivision, G.S. 135-3(8)c., who has been retired  
9 at least 12 months and has not been employed in any capacity,  
10 except as a substitute teacher, with a public school for at least 12  
11 ~~months, months immediately preceding the effective date of~~  
12 ~~reemployment,~~ shall not include earnings while:

- 13 1. ~~The beneficiary is employed to teach on a substitute or interim~~  
14 ~~basis, and not on a permanent basis, in a public school;~~
- 15 2. ~~The beneficiary is employed to teach in the teacher's area of~~  
16 ~~certification in a low performing school. As used in this sub-~~  
17 ~~subdivision, a low performing school is a public elementary or~~  
18 ~~middle school at which forty eight percent (48%) or more of the~~  
19 ~~students were below grade level during either of the prior two~~  
20 ~~school years or a public high school identified by the State Board~~  
21 ~~of Education as low performing. If the designation of low-~~  
22 ~~performing is removed while the beneficiary is employed to~~  
23 ~~teach at the school, the provisions of this sub-subdivision apply~~  
24 ~~for the next two school years after the designation is removed; or~~
- 25 3. ~~The beneficiary is employed to teach in a public school in the~~  
26 ~~teacher's area of certification in a geographical area in which the~~  
27 ~~State Board of Education determines that there is a shortage of~~  
28 ~~teachers in the beneficiary's area of certification. while the~~  
29 ~~beneficiary is employed to teach in a public school or is~~  
30 ~~employed to teach on a substitute or interim basis in a public~~  
31 ~~school.~~

32 The Department of Public Instruction shall certify to the  
33 Retirement System that a beneficiary is employed to teach by a  
34 local school administrative unit under the provisions of this sub-  
35 subdivision and as a retired teacher as the term is defined under  
36 the provisions of G.S. 115C-325(a)(5a).

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

40 Section 2. G.S. 115C-325(a)(5a), as enacted by Section 28.24(c) of S.L. 1998-  
41 212, reads as rewritten:

42 "(5a) "Retired teacher" means a beneficiary of the Teachers' and State  
43 Employees' Retirement System of North Carolina who has been retired

1 at least 12 months, has not been employed in any capacity, other than as  
2 a substitute teacher, with a local board of education for at least 12  
3 ~~months,~~ months immediately preceding the effective date of  
4 reemployment, is determined by a local board of education to have had  
5 satisfactory performance during the last year of employment by a local  
6 board of education, and who is employed to teach as provided in G.S.  
7 135-3(8)c. A retired teacher shall be treated the same as a probationary  
8 teacher except that a retired teacher is not eligible for career status."

9 Section 3. This act becomes effective July 1, 2000. Sections 1 and 2 apply to  
10 school years beginning with the 2000-2001 school year.