

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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HOUSE BILL 1327

Short Title: Retired Teachers Return to Teaching. (Public)

Sponsors: Representatives Underhill, McLawhorn (Primary Sponsors); Russell, Harrington, Wainwright, Adams, and Thompson.

Referred to: Pensions and Retirement.

April 12, 2001

1 A BILL TO BE ENTITLED
2 AN ACT TO ENABLE SOME RETIRED TEACHERS TO RETURN TO THE
3 CLASSROOM AFTER NINETY DAYS OF RETIREMENT WITHOUT LOSING
4 RETIREMENT BENEFITS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 135-3(8)c., as enacted by Section 28.24(a) of S.L.
7 1998-212, and rewritten by Section 67 of S.L. 1998-217 and by Section 8.24(b) of S.L.
8 2000-67, reads as rewritten:

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

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

3 The computation of postretirement earnings of a beneficiary
4 under this sub-subdivision, G.S. 135-3(8)c., shall not include
5 earnings while the beneficiary is employed to teach on a
6 substitute, interim, or permanent basis in a public school, if:

- 7 1. ~~who~~ The beneficiary has been retired at least 12 months
8 and has not been employed in any capacity, except as a
9 substitute teacher, with a public school for at least 12
10 months immediately preceding the effective date of
11 reemployment, shall not include earnings while the
12 beneficiary is employed to teach on a substitute, interim,
13 or permanent basis in a public school. reemployment; or
14 2. The beneficiary has been retired at least ninety days, has
15 not been employed in any capacity, except as a substitute
16 teacher, with a public school for at least 90 days
17 immediately preceding the effective date of
18 reemployment, and is an employee for whom the
19 principal and the local superintendent certify there is a
20 critical need.

21 ~~The Department of Public Instruction~~ A local board of education
22 shall certify to the Retirement System that a beneficiary is
23 employed to teach by a that local school administrative unit
24 under the provisions of this sub-subdivision and as a retired
25 teacher as the term is defined under the provisions of G.S.
26 115C-325(a)(5a).

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

30 **SECTION 2.** G.S. 115C-325(a)(5a), as enacted by Section 28.24(c) of S.L.
31 1998-212 and rewritten by Section 67.1(a) of S.L. 1998-217, reads as rewritten:

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

34 ...

- 35 (5a) "Retired teacher" means a beneficiary of the Teachers' and State
36 Employees' Retirement System of North Carolina who (i) has been
37 retired at least 12 months, has not been employed in any capacity,
38 other than as a substitute teacher, with a local board of education for at
39 least 12 months, immediately preceding the effective date of
40 reemployment, is determined by a local board of education to have had
41 satisfactory performance during the last year of employment by a local
42 board of education, and who is employed to teach as provided in ~~G.S.~~
43 ~~135-3(8)c.~~ G.S. 135-3(8)c., or (ii) has been retired at least 90 days, has
44 not been employed in any capacity, other than as a substitute teacher,

1 with a local board of education for at least 90 days immediately
2 preceding the effective date of reemployment, is determined by a local
3 board of education to have had satisfactory performance during the last
4 year of employment by a local board of education, is an employee for
5 whom the principal and the local superintendent certify there is a
6 critical need, and is employed to teach as provided in G.S. 135-3(8)c.

7 A retired teacher shall be treated the same as a probationary teacher
8 except that a retired teacher is not eligible for career status."

9 **SECTION 3.** Section 28.24(d) of S.L. 1998-212 reads as rewritten:

10 "(d) This section becomes effective January 1, 1999, and expires ~~June 30, 2003.~~
11 June 30, 2005."

12 **SECTION 4.** The prefatory language to Section 67 of S.L. 1998-217 reads
13 as rewritten:

14 "Section 67. Effective January 1, 1999, through ~~June 30, 2003,~~ June 30, 2005, G.S.
15 135-3(8)c., as rewritten by Section 28.24(a) of Senate Bill 1366 of the 1997 General
16 Assembly, as enacted, reads as rewritten:

17 "

18 **SECTION 5.** Section 67.1(b) of S.L. 1998-217 reads as rewritten:

19 "(b) This section becomes effective January 1, 1999, and expires ~~June 30, 2003.~~
20 June 30, 2005."

21 **SECTION 6.** Section 8.24 of S.L. 2000-67 is amended by adding a new
22 subsection to read:

23 "Section 8.24.(c) This section becomes effective July 1, 2000, and expires June 30,
24 2005."

25 **SECTION 7.** This act becomes effective July 1, 2001, and expires June 30,
26 2005.