

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1517

Second Edition Engrossed 6/24/98

Pensions & Retirement and Insurance Committee Substitute Adopted 6/29/98

Short Title: Retired Teachers/Retirement Benefits.

(Public)

Sponsors:

Referred to: Appropriations.

May 28, 1998

A BILL TO BE ENTITLED

AN ACT TO PERMIT RETIRED TEACHERS TO WORK AS SUBSTITUTE TEACHERS IN PUBLIC SCHOOLS OR AS TEACHERS IN LOW-PERFORMING PUBLIC SCHOOLS WITHOUT LOSING RETIREMENT BENEFITS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-3(8)c. 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 the balance of the calendar year. The retirement allowance of the beneficiary shall be reinstated as of January 1

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

6 The computation of postretirement earnings of a beneficiary  
7 under this sub-subdivision, G.S 135-3(8)c., who is or has been  
8 certified to teach in North Carolina, shall not include earnings  
9 while:

- 10 1. The beneficiary is employed as a substitute or interim  
11 teacher in a public school identified by the State Board  
12 of Education as low-performing; or
- 13 2. A beneficiary who has been retired for at least 12 months  
14 who is employed to teach in a public school identified by  
15 the State Board of Education as low-performing, until  
16 the school is no longer identified as low-performing; or
- 17 3. A beneficiary who has been retired for at least 12 months  
18 who is employed to teach in a public school that  
19 qualifies for 'low-wealth supplemental funding'; or
- 20 4. A beneficiary who has been retired for at least 12 months  
21 who is employed to teach in a subject area and a  
22 geographical area in which the State Board of Education  
23 finds that there is a shortage of teachers, until the local  
24 board of education locates and hires a teacher certified to  
25 teach in the subject area.

26 A beneficiary subject to the provisions of G.S. 135-3(8)c. 1., 2.,  
27 3., or 4. shall notify the retirement system when the beneficiary  
28 is hired by a local school administrative unit."

29 Section 2. This act is effective when it becomes law.