

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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SENATE BILL 686

Short Title: Retired Educators Return to Work. (Public)

Sponsors: Senators Tillman; Allran, Apodaca, Bingham, Blake, Brock, Carpenter, Forrester, Foxx, Garwood, Hargett, Holloman, Horton, Metcalf, Pittenger, Queen, Shubert, Sloan, Smith, and Stevens.

Referred to: Education/Higher Education.

April 2, 2003

A BILL TO BE ENTITLED

AN ACT TO ENABLE RETIRED EDUCATORS TO RETURN TO THE 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 during the 12-month period immediately following the effective date of retirement or 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 Consumer Price Index to the Index one year earlier, calculated to the nearest tenth of a percent (1/10 of 1%).

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

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

18 **SECTION 2.** G.S. 115C-325(a)(5a) reads as rewritten:

19 "(5a) "Retired ~~teacher~~ educator" means a beneficiary of the Teachers' and
20 State Employees' Retirement System of North Carolina ~~who~~ who:

- 21 a. ~~Was previously employed as a (i) teacher, (ii) principal, or (iii)~~
22 ~~assistant principal,~~
23 b. ~~has~~ Has been retired at least ~~six~~ two months,
24 c. ~~has~~ Has not been employed in any capacity, other than as a
25 substitute ~~teacher or a part-time tutor,~~ teacher or other substitute
26 employee, with a local board of education for at least ~~six~~ two
27 months, immediately preceding the effective date of
28 reemployment,
29 d. ~~is~~ Is determined by a local board of education to have had
30 satisfactory performance during the last year of employment by
31 a local board of education, and
32 e. ~~who is~~ Is employed to teach as provided in G.S. 135-3(8)c. A
33 retired ~~teacher~~ educator who is a teacher as defined in
34 subdivision (6) of this subsection shall be treated the same as a
35 probationary teacher except that (i) a retired ~~teacher~~ educator is
36 not eligible for career status and (ii) the performance of a retired
37 ~~teacher~~ educator who had attained career status prior to
38 retirement shall be evaluated in accordance with a local board
39 of education's policies and procedures applicable to career
40 teachers."

41 **SECTION 3.** G.S. 115C-316(d) reads as rewritten:

42 "(d) A local board of education may pay a retired ~~teacher,~~ educator, as that term is
43 defined in G.S. 115C-325(a)(5a) no more than the employee would have received on the
44 ~~teacher~~ appropriate salary schedule, excluding longevity, had the employee not retired."

1 **SECTION 4.** Subsection (d) of Section 28.24 of S.L. 1998-212, as rewritten
2 by Section 28.10 of S.L. 2002-126, reads as rewritten:

3 "(d) This section becomes effective January 1, ~~1999, and expires June 30, 2004.~~
4 1999."

5 **SECTION 5.** The introductory language of Section 67 of S.L. 1998-217, as
6 rewritten by Section 28.10 of S.L. 2002-126, reads as rewritten:

7 "**SECTION 67.** Effective January 1, 1999, ~~through June 30, 2004,~~ G.S. 135-3(8)c.,
8 as rewritten by Section 28.24(a) of S.L. 1998-212 reads as rewritten:"

9 **SECTION 6.** Subsection (b) of Section 67.1 of S.L. 1998-217, as rewritten
10 by Section 28.10 of S.L. 2002-126, reads as rewritten:

11 "(b) This section becomes effective January 1, ~~1999, and expires June 30, 2004.~~
12 1999."

13 **SECTION 7.** Subsection (c) of Section 32.25 of S.L. 2001-424, as rewritten
14 by Section 28.10 of S.L. 2002-126, reads as rewritten:

15 "**SECTION 32.25.(c)** This section becomes effective July 1, ~~2001, and expires June~~
16 ~~30, 2004.~~ 2001."

17 **SECTION 8.** This act becomes effective July 1, 2003.