## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

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## **HOUSE DRH10262-RHz-14** (4/22)

Short Title: Retired Teachers Changes. (Public)

Sponsors: Representatives Yongue, Warner (Primary Sponsors); Bell, Gorman, Insko, Pate, Sauls, and Tolson.

Referred to:

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A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT THE RECOMMENDATION OF THE JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE TO MODIFY AND EXTEND THE PROVISION THAT PERMITS RETIRED TEACHERS TO RETURN TO THE CLASSROOM WITHOUT A LOSS OF RETIREMENT BENEFITS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 135-3(8)c. reads as rewritten:

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

<u>2010.</u>"

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%).

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

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

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

"(5a) "Retired teacher" educator" means a beneficiary of the Teachers' and State Employees' Retirement System of North Carolina who has been retired at least six months, has not been employed in any capacity, other than as a substitute teacher or a part-time tutor, with a local board of education for at least six months, immediately preceding the effective date of reemployment, is determined by a local board of education to have had satisfactory performance during the last year of employment by a local board of education, and who is employed to teach as provided in G.S. 135-3(8)c. A retired teacher educator who is a teacher shall be treated the same as a probationary teacher except that (i) a retired teacher is not eligible for career status and (ii) the performance of a retired teacher who had attained career status prior to retirement shall be evaluated in accordance with a local board of education's policies and procedures applicable to career teachers."

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

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

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

"(d) This section becomes effective January 1, 1999, and expires June 30, <del>2004.</del> 110."

1	SECTION 5. The introductory language of Section 67 of S.L. 1998-217, as
2	rewritten by Section 28.10 of S.L. 2002-126, reads as rewritten:
3	"SECTION 67. Effective January 1, 1999, through June 30, <del>2004, 2010,</del>
4	G.S. 135-3(8)c., as rewritten by Section 28.24(a) of S.L. 1998-212 reads as rewritten:"
5	SECTION 6. Subsection (b) of Section 67.1 of S.L. 1998-217, as rewritten
6	by Section 28.10 of S.L. 2002-126, reads as rewritten:
7	"(b) This section becomes effective January 1, 1999, and expires June 30,
8	<del>2004.</del> 2010."
9	<b>SECTION 7.</b> Subsection (c) of Section 32.25 of S.L. 2001-424, as rewritten
10	by Section 28.10 of S.L. 2002-126, reads as rewritten:
11	"SECTION 32.25.(c) This section becomes effective July 1, 2001, and expires June
12	30, <del>2004.</del> <u>2010.</u> "
13	<b>SECTION 8.</b> This act becomes effective July 1, 2004.