

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 59

Short Title: Retired School Professionals Return to Work. (Public)

Sponsors: Representatives McLawhorn, Bordsen, Warren (Primary Sponsors); Adams, Alexander, B. Allen, Coleman, Faison, Farmer-Butterfield, Glazier, Goforth, Harrison, Jones, Langdon, LaRoque, Lewis, Lucas, Pate, Tolson, and Williams.

Referred to: Pensions and Retirement.

February 3, 2005

A BILL TO BE ENTITLED

AN ACT TO ENABLE RETIRED SCHOOL GUIDANCE COUNSELORS AND MEDIA SPECIALISTS TO RETURN TO EMPLOYMENT WITH 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

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

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

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

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

21 "(5a) "Retired ~~teacher~~ professional educator" means a beneficiary of the
22 Teachers' and State Employees' Retirement System of North Carolina
23 ~~who~~ who:

- 24 a. Was previously employed as a (i) teacher, (ii) school guidance
25 counselor, or (iii) school media specialist,
26 b. ~~has~~ Has been retired at least six months,
27 c. ~~has~~ Has not been employed in any capacity, other than as a
28 substitute ~~teacher or a part-time tutor,~~ teacher or other substitute
29 employee, with a local board of education for at least six
30 months, immediately preceding the effective date of
31 reemployment,
32 d. ~~is~~ Is determined by a local board of education to have had
33 satisfactory performance during the last year of employment by
34 a local board of education, and
35 e. ~~who~~ Who is employed to teach as provided in G.S. 135-3(8)c.

36 A retired ~~teacher~~ professional educator who is a teacher as defined
37 in subdivision (6) of this subsection shall be treated the same as a
38 probationary teacher except that (i) a retired ~~teacher~~ professional
39 educator is not eligible for career status and (ii) the performance of a
40 retired ~~teacher~~ professional educator who had attained career status
41 prior to retirement shall be evaluated in accordance with a local board
42 of education's policies and procedures applicable to career teachers."

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

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

5 **SECTION 4.** Subsection (d) of Section 28.24 of S.L. 1998-212, as rewritten
6 by Section 28.10 of S.L. 2002-126 and by Section 31.18A of S.L. 2004-124, reads as
7 rewritten:

8 "(d) This section becomes effective January 1, 1999, and expires June 30, ~~2005-~~
9 2006."

10 **SECTION 5.** The introductory language of Section 67 of S.L. 1998-217, as
11 rewritten by Section 28.10 of S.L. 2002-126 and by Section 31.18A of S.L. 2004-124,
12 reads as rewritten:

13 "**SECTION 67.** Effective January 1, 1999, through June 30, ~~2005,~~2006,
14 G.S. 135-3(8)c., as rewritten by Section 28.24(a) of S.L. 1998-212 reads as rewritten:".

15 **SECTION 6.** Subsection (b) of Section 67.1 of S.L. 1998-217, as rewritten
16 by Section 28.10 of S.L. 2002-126 and by Section 31.18A of S.L. 2004-124, reads as
17 rewritten:

18 "(b) This section becomes effective January 1, 1999, and expires June 30, ~~2005-~~
19 2006."

20 **SECTION 7.** Subsection (c) of Section 32.25 of S.L. 2001-424, as rewritten
21 by Section 28.10 of S.L. 2002-126 and by Section 31.18A of S.L. 2004-124, reads as
22 rewritten:

23 "**SECTION 32.25.(c)** This section becomes effective July 1, 2001, and expires June
24 30, ~~2005.~~ 2006."

25 **SECTION 8.** This act becomes effective June 30, 2005.