

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 956
Committee Substitute Favorable 5/21/07
Third Edition Engrossed 5/22/07

Short Title: Retired Teachers Work.

(Public)

Sponsors:

Referred to:

March 22, 2007

A BILL TO BE ENTITLED

AN ACT TO 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. Subsection (d) of Section 28.24 of S.L. 1998-212, as rewritten
by Section 28.10 of S.L. 2002-126, subsection (a) of Section 31.18A of S.L. 2004-124,
and Section 7A.1 of S.L. 2005-144, reads as rewritten:

"(d) This section becomes effective January 1, 1999, and expires ~~June 30, 2007.~~
October 31, 2009."

SECTION 2. The introductory language of Section 67 of S.L. 1998-217, as
rewritten by Section 28.10 of S.L. 2002-126, subsection (b) of Section 31.18A of S.L.
2004-124, and Section 7A.1 of S.L. 2005-144, reads as rewritten:

"**SECTION 67.** Effective January 1, 1999, through ~~June 30, 2007,~~ October 31,
2009, G.S. 135-3(8)c., as rewritten by Section 28.24(a) of S.L. 1998-212 reads as
rewritten:"

SECTION 3. Subsection (b) of Section 67.1 of S.L. 1998-217, as rewritten
by Section 28.10 of S.L. 2002-126, subsection (c) of Section 31.18A of S.L. 2004-124,
and Section 7A.1 of S.L. 2005-144, reads as rewritten:

"(b) This section becomes effective January 1, 1999, and expires ~~June 30, 2007.~~
October 31, 2009."

SECTION 4. Subsection (c) of Section 32.25 of S.L. 2001-424, as rewritten
by Section 28.10 of S.L. 2002-126, subsection (d) of Section 31.18A of S.L. 2004-124,
and Section 7A.1 of S.L. 2005-144, reads as rewritten:

"**SECTION 32.25.(c)** This section becomes effective July 1, 2001, and expires ~~June~~
~~30, 2007.~~ October 31, 2009."

SECTION 5. Notwithstanding any other provision of law, effective July 1,
2007, each local school administrative unit shall pay to the Teachers' and State

1 Employees' Retirement System a Reemployed Teacher Contribution Rate of eleven and
2 seventy-hundredths percent (11.70%) as a percentage of covered salaries that the retired
3 teachers, who are exempt from the earnings cap, are being paid. Each local school
4 administrative unit shall report monthly to the Retirement Systems Division on
5 payments made pursuant to this section.

6 Notwithstanding any other provision of law, effective July 1, 2007, any
7 portion of the payment made by a local school administrative unit to a reemployed
8 teacher who is exempt from the earnings cap, consisting of salary plus the Reemployed
9 Teacher Contribution rate, that exceeds the State-supported salary level for that position
10 shall be paid from local funds.

11 **SECTION 6.** If the Internal Revenue Service determines that the provisions
12 of G.S. 135-3(8)c. relating to the computation of postretirement earnings of retired
13 teachers jeopardize the status of the Teachers' and State Employees' Retirement System
14 of North Carolina under the Internal Revenue Code, then the final two paragraphs of
15 G.S. 135-3(8)c. are repealed.

16 **SECTION 7.** This act is effective when it becomes law.