GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2001

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SENATE BILL 805 **Education/Higher Education Committee Substitute Adopted 4/19/01**

Short Title:	Encourage Retired Teachers to Teach.	(Public)
Sponsors:		
Referred to:		
	April 3, 2001	

A BILL TO BE ENTITLED

1 2 AN ACT TO ENCOURAGE RETIRED TEACHERS TO RETURN TO THE 3 CLASSROOM.

The General Assembly of North Carolina enacts:

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SECTION 1. G.S. 135-3(8)c., as rewritten by Section 28.24(a) of S.L. 1998-212, Section 67 of S.L. 1998-217, and Section 8.24(a) of S.L. 2000-67, reads as rewritten:

> (Effective until June 30, 2003) 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 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%).

The computation of postretirement earnings of a beneficiary under this sub-subdivision, G.S 135-3(8)c., who has been

2003.

retired at least 42-six months and has not been employed in any capacity, except as a substitute teacher, with a public school for at least 42-six months immediately preceding the effective date of reemployment, shall not include earnings while the beneficiary is employed to teach 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 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), as enacted by Section 28.24(c) of S.L. 1998-212 and rewritten by Section 67.1 of S.L. 1998-217 and Section 8.24(b) of S.L. 2000-67, reads as rewritten:

"(5a) (Effective until June 30, 2003) "Retired teacher" means a beneficiary of the Teachers' and State Employees' Retirement System of North Carolina who has been retired at least 12-six months, has not been employed in any capacity, other than as a substitute teacher, with a local board of education for at least 12-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 shall be treated the same as a probationary teacher except that a retired teacher is not eligible for career status."

SECTION 3. This act becomes effective July 1, 2001, and expires July 1,