

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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SENATE DRS75247-LN-61 (1/31)

Short Title: Retired Health Professionals Return to Work. (Local)

Sponsors: Senator Dalton.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENABLE RETIRED HEALTH CARE PROFESSIONALS TO RETURN
TO EMPLOYMENT WITH LOCAL HEALTH DEPARTMENTS WITHOUT
LOSING RETIREMENT BENEFITS.

The General Assembly of North Carolina enacts:

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

"c. **(Effective until June 30, 2007)** 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%).

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 months and has not been employed in any
4 capacity with a public school for at least six months
5 immediately preceding the effective date of reemployment,
6 shall not include earnings while the beneficiary is employed to
7 teach in a permanent full-time or part-time capacity that
8 exceeds fifty percent (50%) of the applicable workweek in a
9 public school. The Department of Public Instruction shall
10 certify to the Retirement System that a beneficiary is employed
11 to teach by a local school administrative unit under the
12 provisions of this sub-subdivision and as a retired teacher as the
13 term is defined under the provisions of G.S. 115C-325(a)(5a).

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

17 The computation of postretirement earnings of a beneficiary
18 under this sub-subdivision, G.S. 135-3(8)c., who has been
19 retired at least six months and has not been employed in any
20 capacity with a local health department for at least six months
21 immediately preceding the effective date of reemployment,
22 shall not include earnings while the beneficiary is employed to
23 provide health care services in a permanent full-time or
24 part-time capacity that exceeds fifty percent (50%) of the
25 applicable workweek in a local health department. The local
26 health department shall certify to the Retirement System that a
27 beneficiary is employed to provide health care services by a
28 local health department under the provisions of this
29 sub-subdivision and as a retired health care professional.

30 As used in this section, 'local health department' includes a
31 district health department, consolidated human services agency,
32 or a public health authority as those entities are established
33 under Article 2 of Chapter 130A of the General Statutes.

34 As used in this section, 'retired health care professional' is a
35 beneficiary of the Teachers' and State Employees' Retirement
36 System of North Carolina who:

- 37 1. Was previously employed as a health director, medical
38 specialist, or licensed or certified: nurse, health
39 educator, nutritionist, dentist, dental assistant, health
40 administrator, or environmental health specialist;
- 41 2. Has been retired at least six months;
- 42 3. Has not been employed in any capacity for at least six
43 months, immediately preceding the effective date of
44 reemployment;

1 4. Is determined by a local health department to have had
2 satisfactory performance during the last year of
3 employment by the local health department; and

4 5. Is employed to provide professional health care services.
5 Beneficiaries employed under this sub-subdivision are not
6 entitled to any benefits otherwise provided under this Chapter
7 as a result of this period of employment."

8 **SECTION 2.** Notwithstanding any other provision of law, each local health
9 department shall pay to the Teachers' and State Employees' Retirement System a
10 Reemployed Health Care Professional Contribution Rate of eleven and
11 seventy-hundredths percent (11.70%) as a percentage of covered salaries that the retired
12 health care professionals, who are exempt from the earnings cap, are being paid. Each
13 local health department shall report monthly to the Retirement Systems Division on
14 payments made pursuant to this section.

15 **SECTION 3.** This act becomes effective June 30, 2007.