

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 1226
Corrected Copy 3/28/07
Pensions, Retirement & Aging Committee Substitute Adopted 7/19/07

Short Title: Retired Nurses Return to Work.

(Public)

Sponsors:

Referred to:

March 26, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO ENABLE RETIRED NURSES TO RETURN TO EMPLOYMENT
3 WITH LOCAL HEALTH DEPARTMENTS IN CLEVELAND COUNTY
4 WITHOUT LOSING RETIREMENT BENEFITS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 128-24(5)c. reads as rewritten:

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

27 The computation of postretirement earnings of a beneficiary
28 under this sub-subdivision, G.S. 128-24(5)c., who has been

1 retired at least six months and has not been employed in any
2 capacity with a local health department for at least six months
3 immediately preceding the effective date of reemployment,
4 shall not include earnings while the beneficiary is employed as
5 a nurse in a permanent full-time or part-time capacity that
6 exceeds fifty percent (50%) of the applicable workweek in a
7 local health department. The local health department shall
8 certify to the Retirement System that a beneficiary is employed
9 as a nurse by a local health department under the provisions of
10 this sub-subdivision.

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

15 As used in this section, 'retired nurse' is a beneficiary of the
16 Local Governmental Employees' Retirement System of North
17 Carolina who:

- 18 1. Was previously employed as a licensed or certified
19 nurse;
- 20 2. Has been retired at least six months;
- 21 3. Has not been employed in any capacity for at least six
22 months, immediately preceding the effective date of
23 reemployment;
- 24 4. Is determined by a local health department to have had
25 satisfactory performance during the last year of
26 employment by the local health department; and
- 27 5. Is employed to provide professional health care services
28 in Cleveland County.

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

32 **SECTION 2.** Notwithstanding any other provision of law, Cleveland County
33 shall pay to the Local Governmental Employees' Retirement System a Reemployed
34 Nurse Contribution Rate of eleven and seventy-hundredths percent (11.70%) as a
35 percentage of covered salaries being paid to retired nurses who are exempt from the
36 earnings cap under this act. Cleveland County shall report monthly to the Retirement
37 Systems Division on payments made pursuant to this section.

38 **SECTION 3.** This act becomes effective June 30, 2007, and expires June 30,
39 2009.