

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1517
Second Edition Engrossed 6/24/98

Short Title: Retired Teachers/Retirement Benefits.

(Public)

Sponsors: Senators Lee; and Winner.

Referred to: Pensions and Retirement and Insurance.

May 28, 1998

1 A BILL TO BE ENTITLED
2 AN ACT TO PERMIT RETIRED TEACHERS TO WORK AS SUBSTITUTE
3 TEACHERS IN PUBLIC SCHOOLS OR AS TEACHERS IN LOW-PERFORMING
4 PUBLIC SCHOOLS WITHOUT LOSING RETIREMENT BENEFITS.

5 The General Assembly of North Carolina enacts:

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

7 "c. Should a beneficiary who retired on an early or service
8 retirement allowance under this Chapter be reemployed, or
9 otherwise engaged to perform services, by an employer
10 participating in the Retirement System on a part-time, temporary,
11 interim, or on a fee-for-service basis, whether contractual or
12 otherwise, and if such beneficiary earns an amount in any
13 calendar year which exceeds fifty percent (50%) of the reported
14 compensation, excluding terminal payments, during the 12
15 months of service preceding the effective date of retirement, or
16 twenty thousand dollars (\$20,000), whichever is greater, as
17 hereinafter indexed, then the retirement allowance shall be
18 suspended as of the first day of the month following the month in
19 which the reemployment earnings exceed the amount above, for

1 the balance of the calendar year. The retirement allowance of the
2 beneficiary shall be reinstated as of January 1 of each year
3 following suspension. The amount that may be earned before
4 suspension shall be increased on January 1 of each year by the
5 ratio of the Consumer Price Index to the Index one year earlier,
6 calculated to the nearest tenth of a percent (1/10 of 1%).

7 The computation of postretirement earnings of a beneficiary
8 under this sub-subdivision, G.S. 135-3(8)c., shall not include
9 earnings while the beneficiary is employed as a teacher in a
10 public school identified by the State Board of Education as low-
11 performing or as a substitute teacher in a public school; provided
12 the beneficiary has been retired for at least one year."

13 Section 2. This act is effective when it becomes law.