

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

1

HOUSE BILL 1379

Short Title: Local Law Officers Return to Work. (Public)

Sponsors: Representatives R. Warren, McLawhorn, Burr, Spear (Primary Sponsors);
Faison, Hughes, Hurley, Setzer, and Wray.

Referred to: Pensions and Retirement.

April 13, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO ENABLE RETIREES OF THE LOCAL GOVERNMENTAL EMPLOYEES'
3 RETIREMENT SYSTEM TO RETURN TO EMPLOYMENT AS LAW ENFORCEMENT
4 OFFICERS 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 retirement
8 allowance be reemployed by, or otherwise engaged to perform
9 services for, an employer participating in the Retirement System on a
10 part-time, temporary, interim, or on fee-for-service basis, whether
11 contractual or otherwise, and if such beneficiary earns an amount
12 during the 12-month period immediately following the effective date
13 of retirement or in any calendar year which exceeds fifty percent
14 (50%) of the reported compensation, excluding terminal payments,
15 during the 12 months of service preceding the effective date of
16 retirement, or twenty thousand dollars (\$20,000), whichever is
17 greater, as 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 the
20 balance of the calendar year, except when the reemployment earnings
21 exceed the amount above in the month of December, in which case
22 the retirement allowance shall not be suspended. The retirement
23 allowance of the beneficiary shall be reinstated as of January 1 of
24 each year following suspension. The amount that may be earned
25 before suspension shall be increased on January 1 of each year by the
26 ratio of the Consumer Price Index to the Index one year earlier,
27 calculated to the nearest tenth of a percent (1/10 of 1%).

28 The computation of postretirement earnings of a beneficiary
29 under this sub-subdivision, G.S. 128-24(5)c., who has been retired at
30 least six months and has not been employed in any capacity with a
31 local law enforcement agency for at least six months immediately
32 preceding the effective date of reemployment, shall not include
33 earnings while the beneficiary is employed as a law enforcement
34 officer in a permanent full-time or part-time capacity that exceeds
35 fifty percent (50%) of the applicable workweek with a local law
36 enforcement agency. The local law enforcement agency shall certify



* H 1 3 7 9 - V - 1 *

1 to the Retirement System that a beneficiary is employed as a law
2 enforcement officer by a local law enforcement agency under the
3 provisions of this sub-subdivision.

4 As used in this section, 'local law enforcement agency' means a
5 municipal police department, a county police department, or a
6 sheriff's office.

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

10 **SECTION 2.** Notwithstanding any other provision of law, each local law
11 enforcement agency shall pay to the Local Governmental Employees' Retirement System a
12 Reemployed Law Enforcement Officer Contribution Rate of eleven and seventy-hundredths
13 percent (11.70%) as a percentage of covered salaries being paid to retired law enforcement
14 officers who are exempt from the earnings cap under this act. Each local law enforcement
15 agency shall report monthly to the Retirement Systems Division on payments made pursuant to
16 this section.

17 **SECTION 3.** This act becomes effective July 1, 2009.