H HOUSE DRH70355-LL-234 (04/02)

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

Sponsors: Representative R. Warren.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENABLE RETIREES OF THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM TO RETURN TO EMPLOYMENT AS LAW ENFORCEMENT OFFICERS WITHOUT LOSING RETIREMENT BENEFITS.

The General Assembly of North Carolina enacts:

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

Should a beneficiary who retired on an early or service retirement allowance be reemployed by, or otherwise engaged to perform services for, an employer participating in the Retirement System on a part-time, temporary, interim, or on 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, except when the reemployment earnings exceed the amount above in the month of December, in which case the retirement allowance shall not be suspended. 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. 128-24(5)c., who has been retired at least six months and has not been employed in any capacity with a local law enforcement agency for at least six months immediately preceding the effective date of reemployment, shall not include earnings while the beneficiary is employed as a law enforcement officer in a permanent full-time or part-time capacity that exceeds fifty percent (50%) of the applicable workweek with a local law



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result of this period of employment."

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

Beneficiaries employed under this sub-subdivision are not

entitled to any benefits otherwise provided under this Chapter as a

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

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