

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

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**SENATE BILL 754  
Education/Higher Education Committee Substitute Adopted 4/19/01**

Short Title: Retired Professional Educators Return to Work.

(Public)

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Sponsors:

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Referred to:

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April 2, 2001

A BILL TO BE ENTITLED

1 AN ACT TO ENABLE RETIRED SCHOOL EMPLOYEES TO RETURN TO  
2 SCHOOLS WITHOUT LOSING RETIREMENT BENEFITS.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 135-3(8)c., as enacted by Section 28.24(a) of S.L.  
5 1998-212, and rewritten by Section 67 of S.L. 1998-217 and by Section 8.24(b) of S.L.  
6 2000-67 reads as rewritten:  
7

8 "c. **(Effective until June 30, 2003)** Should a beneficiary who  
9 retired on an early or service retirement allowance under this  
10 Chapter be reemployed, or otherwise engaged to perform  
11 services, by an employer participating in the Retirement System  
12 on a part-time, temporary, interim, or on a fee-for-service basis,  
13 whether contractual or otherwise, and if such beneficiary earns  
14 an amount in any calendar year which exceeds fifty percent  
15 (50%) of the reported compensation, excluding terminal  
16 payments, during the 12 months of service preceding the  
17 effective date of retirement, or twenty thousand dollars  
18 (\$20,000), whichever is greater, as hereinafter indexed, then the  
19 retirement allowance shall be suspended as of the first day of  
20 the month following the month in which the reemployment  
21 earnings exceed the amount above, for the balance of the  
22 calendar year. The retirement allowance of the beneficiary shall  
23 be reinstated as of January 1 of each year following suspension.  
24 The amount that may be earned before suspension shall be  
25 increased on January 1 of each year by the ratio of the  
26 Consumer Price Index to the Index one year earlier, calculated  
27 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.G.S.135-3(8)c., who has been~~

1 ~~retired at least 12 months and has not been employed in any~~  
 2 ~~capacity, except as a substitute teacher, with a public school for~~  
 3 ~~at least 12 months immediately preceding the effective date of~~  
 4 ~~reemployment, shall not include earnings while the beneficiary~~  
 5 ~~is employed to teach as a professional educator on a substitute,~~  
 6 ~~interim, or permanent basis in a public school. The Department~~  
 7 ~~of Public Instruction school if:~~

- 8 1. The beneficiary has been retired at least six months and  
 9 has not been employed in any capacity, except as a  
 10 substitute professional educator, with a public school for  
 11 at least six months immediately preceding the effective  
 12 date of reemployment; or
- 13 2. The beneficiary retired as a professional educator from a  
 14 public school during or at the end of one school year and  
 15 is employed at a different public school as a professional  
 16 educator for all or part of a subsequent school year.

17 The Department of Public Instruction shall certify to the  
 18 Retirement System that a beneficiary is employed to teach as a  
 19 professional educator by a local school administrative unit  
 20 under the provisions of this sub-subdivision and as a retired  
 21 teacher-professional educator as the term is defined under the  
 22 provisions of G.S. 115C-325(a)(5a).

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

26 **SECTION 2.** G.S. 115C-325(a)(5a), as enacted by Section 28.24(c) of S.L.  
 27 1998-212 and rewritten by Section 67.1(a) of S.L. 1998-217, reads as rewritten:

28 "(a) Definition of Terms. – As used in this section unless the context requires  
 29 otherwise:

30 ...

31 (5a) **(Effective until June 30, 2003)** "~~Retired teacher~~" ~~means professional~~  
 32 ~~educator" means:~~

- 33 a. a—A beneficiary of the Teachers' and State Employees'  
 34 Retirement System of North Carolina who was previously  
 35 employed as a (i) teacher, (ii) principal, (iii) assistant principal,  
 36 (iv) superintendent, (v) associate or assistant superintendent,  
 37 (vi) finance officer, (vii) athletic trainer, (viii) director,  
 38 supervisor, or coordinator in transportation, child nutrition,  
 39 health education, vocational education, community schools,  
 40 special education, math/science, maintenance, or other area, (ix)  
 41 school nurse, (x) school psychologist, (xi) school counselor,

(xii) school social worker, (xiii) school media specialist, (xiv) speech and language pathologist, or (xv) audiologist; and

b. Who either:

1. ~~has~~ Has been retired at least ~~12~~ six months,

2. ~~has~~ Has not been employed in any capacity, other than as a substitute ~~teacher~~, professional educator with a local board of education for at least ~~12~~ six months, immediately preceding the effective date of reemployment,

3. ~~is~~ Is determined by a local board of education to have had satisfactory performance during the last year of employment by a local board of education, and

4. ~~who is~~ Is employed ~~to teach~~ as provided in G.S. 135-3(8)c.

c. Or:

1. Retired as a professional educator from a public school during or at the end of one school year;

2. Is determined by a local board of education to have had satisfactory performance during the last year of employment at a public school; and

3. Is employed at a different public school as a professional educator for all or part of a subsequent school year as provided in G.S. 135-8(c).

A retired ~~teacher~~ professional educator shall be treated the same as a probationary teacher for purposes of the terms and conditions of the retired probationary teacher's employment contract except that a retired ~~teacher~~ professional educator is not eligible for career status."

**SECTION 3.** G.S. 115C-316(d), as enacted by Section 28.24(b) of S.L. 1998-212, reads as rewritten:

"(d) **(Expires June 30, 2003)** A local board of education may pay a retired ~~teacher~~ professional educator, as that term is defined in G.S. 115C-325(a)(5a) no more than the employee would have received on the ~~teacher~~ appropriate salary schedule, excluding longevity, had the employee not retired. If the retired professional educator is employed in a position that is not subject to a salary schedule, the local board of education may pay the retired professional educator no more than the employee received during the employee's last year of employment immediately preceding retirement."

**SECTION 4.** This act is effective when it becomes law and expires June 30, 2003.