

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

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**HOUSE BILL 547**

Short Title: Postretirement Earnings.

(Public)

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Sponsors: Representatives Arnold; Adams, Cansler, Culp, Daughtry, Davis, Dockham, Harrington, Hurley, Mitchell, Morris, Preston, Rayfield, Russell, Sexton, Smith, and Walend.

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Referred to: Pensions and Retirement.

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March 12, 2001

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE LAW GOVERNING POSTRETIREMENT EARNINGS  
BY RETIREES OF THE TEACHERS' AND STATE EMPLOYEES'  
RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 135-3(8)c., as amended by Section 28.24(a) of S.L. 1998-212 and Section 8.24(a) of S.L. 2000-67, reads as rewritten:

"c. Should a beneficiary who retired on an early or service retirement allowance under this Chapter be reemployed, or otherwise engaged to perform services, by an employer participating in the Retirement System on a part-time, temporary, interim, or on a 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 after retirement 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. 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

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1 by the ratio of the Consumer Price Index to the Index one year  
2 earlier, calculated to the nearest tenth of a percent (1/10 of 1%).

3 The computation of postretirement earnings of a beneficiary  
4 under this sub-subdivision, ~~G.S. 135-3(8)e.~~, G.S. 135-3(8)c.  
5 who has been retired at least ~~12~~ 6 months and has not been  
6 employed in any capacity, except as a substitute teacher, with a  
7 public school for at least ~~12~~ 6 months immediately preceding  
8 the effective date of reemployment, shall not include earnings  
9 while the beneficiary is employed to teach on a substitute,  
10 interim, or permanent basis in a public school. ~~The Department~~  
11 ~~of Public Instruction~~ Each local school administrative unit shall  
12 certify to the Retirement System that a beneficiary is employed  
13 to teach by a ~~local school administrative~~ that unit under the  
14 provisions of this sub-subdivision and as a retired teacher as the  
15 term is defined under the provisions of G.S. 115C-325(a)(5a).

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

19 **SECTION 2.** This act becomes effective July 1, 2001.