

April 2, 2003

H 841. RETENTION INCENTIVE PROGRAM. *TO ESTABLISH A RETENTION INCENTIVE PROGRAM FOR MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM.* Creates GS 135-18.9 to establish Teachers' and State Employees' Retention Incentive Program. Allows employee eligible for service retirement to retire and then elect to continue employment for a program period of up to five years. During the program period the employee's retirement benefit is placed in the System's trust fund on behalf of the employee, to be paid out at the end of the period as either a lump sum distribution or to a tax-sheltered roll-over into an eligible plan. During the program period the employer contribution continues to be paid into the system but no further employee contributions are made. The employee is considered retired for retirement purposes only during the program period and otherwise retains all rights and benefits of active employees and is not subject to earnings limitations of GS 135-3(8) for retirees engaged to work for a system employer. Repeals GS 115C-325(a)(5a) regarding reemployed retired teachers. Effective Jan 1, 2004, and applies to persons eligible to retire on or after that date.

Intro. by Preston.

Ref. to Pensions	GS 115C, 135
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