March 17, 2005

H 701. RETIRED SCHOOL PROFESSIONALS RETURN TO WORK. *TO ENABLE RETIRED SCHOOL PRINCIPALS, ASSISTANT PRINCIPALS, AND CENTRAL OFFICE ADMINISTRATIVE PERSONNEL TO RETURN TO EMPLOYMENT WITH THE PUBLIC SCHOOLS WITHOUT LOSING RETIREMENT BENEFITS*. GS 135-3(8)c governs the re-employment of retired employees under the Teachers and State Employees Retirement System by an employer under the System, and provides for a cap on the amount of earnings that such a re-employed retired employee may earn without reduction of the employee's retirement benefits. A provision within that section permits re-employment of retired public school employees to teach, allowing them to earn salary on the regular salary schedule without reducing their retirement benefits. This provision is scheduled to expire June 30, 2005. This bill changes the special provision's reference from "retired teacher" to "retired teacher or school administrative personnel" and defines the term to include teacher, principal, assistant principal or central office administrative personnel. It also extends the sunset on the provision to June 30, 2006. Effective June 30, 2005.

Intro. by Faison.

Ref. to Pensions & Retirement GS 115C, 135

June 23, 2005

H 701. RETIRED SCHOOL PROFESSIONALS RETURN TO WORK. Intro. 3/17/05. House committee substitute makes the following changes to 1st edition. Amends GS 135-3(8)c. and 115C-325(a)(5a)c. to delete eligibility exception for employment as a substitute teacher or other part-time employee within 6 months after retirement. Adds new section to require that local school administrative units pay the Teachers' and State Employees' Retirement System a Reemployed Teacher Contribution Rate of 11.7% of covered salaries that retired professional educators exempt from the salary cap are being paid, that the units report those payments monthly to the Retirement Systems Div'n, and that any portion of a payment that exceeds the State-supported salary that is made to a reemployed professional educator who is exempt from the earnings cap be paid from local funds.