

Fifty-sixth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2239

Introduced by

Senators C. Nelson, Wardner

Representatives Maragos, Stefonowicz

1 A BILL for an Act to amend and reenact section 15-39.1-19.1 of the North Dakota Century
2 Code, relating to participation by retired persons who have resumed teaching in the teachers'
3 fund for retirement; to provide an effective date; and to provide an expiration date.

4 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

5 **SECTION 1. AMENDMENT.** Section 15-39.1-19.1 of the 1997 Supplement to the
6 North Dakota Century Code is amended and reenacted as follows:

7 **15-39.1-19.1. Annuities discontinued on resumption of teaching.**

8 1. A retired teacher who is receiving a retirement annuity under chapter 15-39,
9 15-39.1, or 15-39.2 may not return to covered employment until sixty calendar days
10 have elapsed from the member's retirement date. ~~A~~ Except as otherwise provided
11 in this section, a retired member may then return to covered employment for a
12 maximum of ninety working days and continue receiving a monthly retirement
13 benefit. For purposes of this section, a working day is four or more hours of
14 teaching. The board may waive this restriction in emergency situations. Should
15 the retired member's employment exceed the ninety-day maximum limit, the retired
16 member must immediately notify the fund office in writing. Failure to notify the fund
17 office will result in the loss of one month's annuity benefit. ~~The~~ Except as
18 otherwise provided in this section, the retired member's monthly benefit must be
19 discontinued the first of the month following the date the member reaches the
20 ninety-day maximum. ~~Any~~ A retired member who returns to teaching shall pay the
21 required assessments on those earnings received by the retired member after the
22 ninety-day maximum. The employer shall pay the required contributions in a like
23 manner.

1 2. A retired member may return to teaching for up to one year without losing any
2 benefits provided at least fifty percent of the salary earned by that person is placed
3 in a school district's educational foundation. Under this subsection, a member may
4 place up to twenty-five percent of that person's salary in a private educational
5 foundation other than a school district's educational foundation. Employee and
6 employer assessments under this arrangement must be paid by the person's
7 employer. For purposes of this subsection, a school district's educational
8 foundation must be a nonprofit or charitable organization exempt from federal
9 income taxation under section 501(c)(3) of the United States Internal Revenue
10 Code [26 U.S.C. 501(c)(3)].

11 3. Upon the teacher's subsequent retirement, the member's benefit must be resumed
12 as follows:

13 4- a. If the teacher subsequently retires with less than two years of additional
14 credited service, the teacher's assessments paid to the fund must be
15 refunded in accordance with section 15-39.1-20 and the teacher is entitled to
16 receive the discontinued annuity the first day of the month following the
17 teacher's re-retirement.

18 2- b. If the teacher subsequently retires with more than two years of additional
19 credited service, the retired person's annuity is the sum of the discontinued
20 annuity, plus an additional annuity computed according to this chapter based
21 upon years of service and average salaries earned during the period of
22 reemployment. The new annuity is payable the first day of the month
23 following the member's re-retirement.

24 **SECTION 2. EFFECTIVE DATE - EXPIRATION DATE.** This Act becomes effective on
25 August 1, 1999, or on the date the board of trustees of the teachers' fund for retirement
26 receives a letter ruling from the internal revenue service that this Act does not jeopardize the
27 qualified status of the teachers' fund for retirement, whichever date is later, and is effective for
28 two years from that date. The board shall notify the legislative council of the effective date of
29 this Act.