**SECTION 7. AMENDMENT**. Section 15-39.1-19.1 of the North Dakota Century Code is amended and reenacted as follows:

15-39.1-19.1. Retired teachers return to active service - Annuities discontinued on resumption of teaching over annual hour limit.

1.

- a. Except as otherwise provided in section 15-39.1-19.2, a retired teacher who is receiving a retirement annuity under chapter 15-39, 15-39.1, or 15-39.2 may not return to covered employment until thirty calendar days have elapsed from the member's retirement date. A retired member may then return to covered employment in a school district, special education unit, regional education association, regional career and technical education center, or the North Dakota center for distance education under an annual hour limit and continue receiving a monthly retirement benefit. The annual hour limit is based on the length of the re-employed retiree's contract as follows:
  - Retiree reemployment re-employment of nine months or less, annual limit is seven hundred hours;
  - ii. Retiree reemployment re-employment of ten months, annual limit is eight hundred hours;
  - iii. Retiree reemployment-re-employment of eleven months, annual limit is nine hundred hours; or
  - iv. Retiree reemployment re-employment of twelve months, annual limit is one thousand hours.
- b. Employment as a noncontracted substitute teacher does not apply to the annual hour limit. Professional, professional development, and extracurricular duties do not apply to the annual hour limit. The fund may not collect contributions for these activities.
- c. The retired member and the retired member's employer must notify the fund office in writing within thirty days of the retired member's return to covered employment.
- d. A retired member who returns to teaching in a school district, special education unit, regional education association, regional career and technical education center, or the North Dakota center for distance education shall pay the member contributions required by section 15-39.1-09 on the salary received by the retired member. The member contributions must be included in the retired member's account value and may not be refunded except as provided under subdivision a of subsection 2 of section 15-39.1-19.1 and section 15-39.1-17.
- e. A participating employer who employs a retired member under this section shall pay the employer contributions required by section 15-39.1-09 on the salary of the retired member.
- f. A retired teacher who returns to teaching and does not exceed the annual hour limit must be treated as retired for all other purposes under this chapter. A retired teacher may not earn any additional service during the period of re-employment. The retired teacher's benefits may not be adjusted to reflect changes in the retired teacher's age or

- final average monthly salary at the end of the period of re-employment, any optional form of payment elected under section 15-39.1-16 remains effective during and after the period of re-employment, and additional benefits normally available to an active member, such as disability benefits, are not available to a retired teacher re-employed under this section.
- g. A retired teacher who returns to teaching in a school district, special education unit, regional education association, regional career and technical education center, or the North Dakota center for distance education and exceeds the annual hour limit must immediately notify the fund office in writing. Failure to notify the fund office results in the loss of one month's annuity benefit for the member. The retired member's monthly benefit must be discontinued the first of the month following the date the member reaches the annual hour limit.
- 2. Upon the retired teacher's subsequent retirement of a member who returns to teach in a school district, special education unit, regional education association, regional career and technical education center, or the North Dakota center for distance education and whose monthly benefit is discontinued, the member's benefit must be resumed as follows:
  - a. If the teacher subsequently retires with less than two years of additional earned credited service, the teacher's contributions paid to the fund after the member's benefit was suspended must be refunded in accordance with section 15-39.1-20 and the teacher is entitled to receive the discontinued annuity, plus any postretirement benefit adjustments granted during the period of re-employment, the first day of the month following the teacher's re-retirement.
  - b. If the teacher subsequently retires with two or more but less than five years of additional earned credited service, the retired person's annuity is the greater of the sum of the discontinued annuity, plus an additional annuity computed according to this chapter based upon years of service and average salaries earned during the period of reemployment plus any postretirement benefit adjustments granted during the period of reemployment, or a recalculated annuity computed according to this chapter based on total years of service credit earned during both employment periods offset by the actuarial value of payments already received. The new annuity is payable the first day of the month following the member's re-retirement.
  - c. If the teacher subsequently retires with five or more years of additional earned credited service, the retired person's annuity is the greater of the sum of the discontinued annuity plus an additional annuity based upon years of service and average salaries earned during the period of re-employment plus any postretirement benefit adjustments granted during the period of re-employment, or a recalculated annuity based on all years of service computed under subsection 2 of section 15-39.1-10. The new annuity is payable the first day of the month following the member's re-retirement
    - a. The member must have selected the same benefit option as the option selected at initial retirement.
    - b. The member's total benefit upon subsequent retirement must equal the original benefit plus the calculated benefit for the return to work period.