

**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.